

BOSTON COLLEGE
Department of Economics

EC131.03 - Fall 2003
Principles of Microeconomics

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Class Meetings: MWF, 12:00 in Fulton 511, plus a discussion section
Office Hours: M, 1:00 – 2:30; T, 9:30-11:30; Th, 1:00 - 2:30; and by appointment
Teaching Assistants: Ms. Asli Leblebicioglu, and Ms. Sabina Pogorelec

This course is a required course for A&S students majoring in economics and all CSOM students and also fulfills the Social Science CORE requirement. As such, its purpose is to introduce students to methods of economic analysis and to provide a survey of a variety of economic issues. Given the time constraints of the semester, the emphasis will be on price/output decisions and income distribution in a market economy. There are no prerequisites other than a working knowledge of high school algebra and simple geometry.

You are responsible for the material covered in lectures and in the required reading listed on the attached pages. Additional “current events” material will be assigned as it becomes available. The text, *Economics*, 17th ed., by Samuelson and Nordhaus, is available in the university bookstore. (Note: The hardbound text is used for the EC131/EC132 sequence; if you only need the text for EC131, you may purchase the paperback *Microeconomics*.) The other articles will be available on electronic reserves and at the Reserve Desk in O’Neill in the “EC131 – Quinn article” and “EC131 – Current Events” folders.

A number of problem sets will be distributed during the semester. Completing the problem sets is optional but strongly encouraged. A schedule of dates on which problem sets will be distributed and on which they will be due will be available at the end of the Drop/Add period. Your teaching assistant will grade the homework and return it in your discussion section. You are permitted to work together on problem sets, but you must each write up our own answer sheet; simply copying from someone else defeats the purpose of the problems, which is to help you learn how to analyze economic issues.

Course grades will be based primarily on three “in-class” exams and a comprehensive final exam. The exams will count 25% each in the exam grade average. Extra credit points for problem sets will be added to the exam average; the number of points will depend on the quantity and quality of problem sets completed. You are expected to notify me immediately of any conflicts with the exam dates; if the situation warrants, you may be excused from the exam. Make-up exams will be given only in limited cases and will require a letter from your dean or the director of the University-organized activity in which you are participating. In other cases, the weight of the exam from which you have been excused will be allocated proportionately between the other exams and the final. The exam grade for unexcused absences will be zero (0). You must take the final exam; if a make-up exam is warranted, it will be given at the convenience of the professor. Your work on exams is, of course, to be completely your own. All the policies of the University with regard to academic integrity, make-up exams, and grading, as stated in *The Boston College Bulletin, 2003 - 2004*, pages 31-33 and 37-38, apply. (Also http://www.bc.edu/bc_org/avp/enmgt/stserv/acd/univ.html#integrity)

SYLLABUS

<u>Date</u>	<u>Topic</u>	<u>Assignment</u>
Sept. 3	Outline of the Course; Administrative Issues	
Sept. 5	Scarcity and Choice	Ch. 1, Sec. A&B
Sept. 8	Production Possibility Frontier	Ch. 1, Sec. C & App.
Sept. 10	Basic Concepts of a Market Economy	Ch. 2, Sec. A&B
Sept. 12	Role of Government in a Market Economy	Ch. 2, Sec. C Quinn article
	Intro to Demand	Ch. 3, Sec. A
Sept. 15	Intro to Supply and Equilibrium	Ch. 3, Sec. B&C
Sept. 17	Elasticities	Ch. 4, Sec. A
Sept. 19	Applications	Ch. 4, Sec. B
Sept. 22	Choice and Utility	Ch. 5, pp. 85-90
Sept. 24	Income and Substitution Effects; Market Demand	Ch. 5, pp. 90-93
Sept. 26	Other Topics in Demand Theory	Ch. 5, pp. 93-98
Sept. 29	Fundamentals of Production Theory	Ch. 6, pp. 108-113
Oct. 1	EXAM on Chs. 1-5	
Oct. 3	More on Production; The Firm	Ch. 6, pp. 114-121
Oct. 6	Costs	Ch. 7, Sec. A
Oct. 8	More on Costs	Ch. 7, Sec. B
Oct. 10	The Perfectly Competitive Firm	Ch. 8, Sec. A
Oct. 15	The Perfectly Competitive Market	Ch. 8, Sec. B&C
Oct. 17	The Two E's under Perfect Competition	Ch. 8, Sec. D
	Intro to Imperfect Competition	Ch. 9, Sec. A
Oct. 20	Monopoly	Ch. 9, Sec. B
Oct. 22	Oligopoly and Monopolistic Competition	Ch. 10, Sec. A
Oct. 24	Other Issues of Monopolistic Competition	Ch. 10, Sec. B&C
Oct. 27	Theory of Income Distribution	Ch. 12, pp. 225-234
Oct. 29	EXAM on Chs. 6-10	
Oct. 31	More on Income Distribution	Ch. 12, pp. 234-239
	Demand for Labor	Ch. 13, pp. 243-247
Nov. 3	Labor Supply; Unions	Ch. 13, pp. 247-258
Nov. 5	Wage Discrimination	Ch. 13, Sec. C
	Land and Rent	Ch. 14, Sec. A
Nov. 7	Capital and Interest	Ch. 14, pp. 270-275
Nov. 10	More on Capital and Interest	Ch. 14, pp. 276-282
Nov. 12	International Trade: Comparative Advantage	Ch. 15, Sec. A&B
Nov. 14	International Trade: Protectionism	Ch. 15, Sec. C
Nov. 17	Role of Government Revisited	Ch. 16, Sec. A&B
Nov. 19	Taxation	Ch. 16, Sec. C
Nov. 21	Regulation	Ch. 17, Sec. A
Nov. 24	Environmental Economics	Ch. 18, pp. 363-376
Dec. 1	More on Environmental Issues	Ch. 18, pp. 376-381
Dec. 3	EXAM on Chs. 12-17A	
Dec. 5	Antipoverty Programs	Ch. 19, Sec. A&B
Dec. 8	Health Care Issues	Ch. 19, Sec. C
Dec. 15	FINAL EXAM – Cumulative	

