1. Course Description

This course is an analysis of prices, output, and income distribution through the interaction of households and business firms in a modern economy. Decision-makers, including individuals, firms, and governments, generally have more material needs and goals than they have means to meet them. Faced with the inability to do all that they would like to do, decision-makers have to allocate their scarce resources to meet some, but not all, of their needs and goals. Microeconomics analyzes how these allocation decisions are made, by households and by firms, and how these individual decisions are aggregated into markets for goods and services. The appropriate role of government intervention is examined, and basic analytical tools are applied to current economic problems.

2. Learning Goals

This course is an introduction to the field of Economics. Generally, the course aims to:

• give you an idea of the range of behaviors that economists investigate.

• introduce you to the basic tools we use to analyze the economy.

• apply these tools to important public policy issues.

• help you understand the specific field of microeconomics.
3. Course Materials

The required textbook for this course is Krugman & Wells, *Microeconomics*, 3rd edition (2013). In order to get the most you can out of this course, you should read relevant chapters of the book prior to the lectures about them in class. I would also encourage you to reread the relevant chapters after class to truly digest the information, as it can be hard to understand the first time around. Supplementary materials will be posted on our Canvas page prior to class, so please check this regularly. It may be helpful to print the lecture notes prior to coming to class to take notes on them during class. Furthermore, you should keep up with current economic events by reading publications like *The New York Times*, *The Economist*, *The Financial Times*, or listening to National Public Radio. Please bring any comments or questions about the readings in the textbook or about current events to class.

4. Course Organization

Participation

Attendance to this course is mandatory and will be taken each class. Your level of participation, particularly with respect to asking and responding to questions in class, will also factor into your final grade.

Problem Sets

There will be regular problem sets due a week after they are assigned. You are encouraged to work with other students on the problem sets, but you must write your answers independently. This means that each student should turn in their own individual problem set in their own words. NO LATE PROBLEM SETS WILL BE ACCEPTED. The TA is primarily in charge of the problem sets, so if you have questions, please ask them first.

Exams

There will be two midterm exams and a final exam in this course. Below is the tentative schedule for these exams.

<table>
<thead>
<tr>
<th>Test</th>
<th>Date</th>
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<tbody>
<tr>
<td>Midterm I</td>
<td>Monday, October 6 (during class time)</td>
</tr>
<tr>
<td>Midterm II</td>
<td>Wednesday, November 12 (during class time)</td>
</tr>
<tr>
<td>Final Exam</td>
<td>TBD</td>
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Please note that THERE WILL BE NO MAKEUP EXAMS. If you miss an exam, the weights on your subsequent exams will be increased proportionately. The final exam will be cumulative.
Grading

Approximate weights for your final grade in the course will be:

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Participation</td>
<td>10%</td>
</tr>
<tr>
<td>Problem Sets</td>
<td>15%</td>
</tr>
<tr>
<td>Midterm I</td>
<td>20%</td>
</tr>
<tr>
<td>Midterm II</td>
<td>20%</td>
</tr>
<tr>
<td>Final Exam</td>
<td>35%</td>
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5. Academic Integrity

Academic integrity means that you are expected to be honest in all of your academic work. For the purposes of this course, this means work on exams is your own. Additionally, this means that all problem sets should be turned in individually and in your own words. Given that the purpose of the problem sets is to better learn the material, it is in your best interest to your own work. Any violation of Boston College’s Academic Integrity Policy will result in failing the course and having the incident reported to the Dean’s office and then reviewed by the College of Arts and Sciences Academic Integrity Committee. I encourage you to review Boston College’s policy and procedures on this at [www.bc.edu/integrity](http://www.bc.edu/integrity).

Cell Phones, Laptops, Tablets, etc.

No cell phones should be used during class. Please turn off cell phones before class begins and keep them off until class is over. Laptops and tablets may be useful during class to review lecture notes. However, if these technologies are being used for something other than what is relevant to class, this will count against the participation part of your grade.

6. Disability Services

The Disability Services Office at Boston College ensures that students with disabilities receive appropriate accommodations and assistance in order to participate fully in University programs. More information of this is available at [www.bc.edu/disability](http://www.bc.edu/disability). If you are a student with a documented disability at Boston College, and if you wish to request a reasonable accommodation for this class, please contact me immediately.

7. Course Outline (tentative and subject to change at the instructor’s discretion)

Part I: What is economics?

- **Week 1**: Wednesday, September 3 & Monday, September 8
  - **First Principles and Economic Models**: KW3 Chapters 1 & 2
Part II: Supply and Demand

- **Week 2**: Wednesday, September 10 & Monday, September 15
  - Supply and Demand: KW3 Chapter 3

- **Week 3**: Wednesday, September 17 & Monday, September 22
  - Consumer and Producer Surplus: KW3 Chapter 4
  - Price Controls: KW3 Chapter 5

- **Week 4**: Wednesday, September 24 & Monday, September 29
  - Elasticity: KW3 Chapter 6

Part III: Individuals and Markets

- **Week 5**: Wednesday, October 1
  - Taxes: KW3 Chapter 7

  - Midterm I: Monday, October 6 (covering all information before this class)

- **Week 6**: Wednesday, October 8
  - International Trade: KW3 Chapter 8

Part IV: Consumer Theory

- **Week 7**: Wednesday, October 15 & Monday, October 20
  - Economic Decision Making: KW3 Chapter 9
  - Rational Consumers: KW3 Chapter 10

Part V: Producer Theory

- **Week 8**: Wednesday, October 22 & Monday, October 27
  - Inputs and Costs: KW3 Chapter 11
  - Production and Profits: KW3 Chapter 12
Part VI: Market Structure

• Week 9: Wednesday, October 29 & Monday, November 3
  – Monopoly: KW3 Chapter 13
  – Oligopoly: KW3 Chapter 14

• Week 10: Wednesday, November 5 & Monday, November 10
  – Monopolistic Competition: KW3 Chapter 15

• Midterm II: Wednesday, November 12 (covering all information since last midterm)

Part VII: Microeconomics and Public Policy

• Week 11: Monday, November 17
  – Externalities: KW3 Chapter 16

• Week 12: Wednesday, November 19 & Monday, November 24
  – Public Goods and Common Resources: KW3 Chapter 17
  – Economics of a Welfare State: KW3 Chapter 18

• Week 13: Monday, December 1
  – Factor Markets and Income Distribution: KW3 Chapter 19

Part VIII: Asymmetric Information

• Week 14: Wednesday, December 3 & Monday, December 8
  – Uncertainty, Risk, and Private Information: KW3 Chapter 20
  – Indifference Curves

• Final Class: Wednesday, December 10
  – Review, Q&A

Dates on which there is NO CLASS

• Monday, October 13 (Columbus Day)

• Wednesday, November 26 (Day before Thanksgiving)