

THE UNIVERSITY OF CHICAGO

Introduction to Microeconomics

Economics 19800
Autumn Quarter 2009
Mon. & Wed.,
1:30-2:50 p.m.
Social Sciences 122

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Course Description:

The course treats by way of economic theory, applications, and contemporary issues:
(a) behavior and decision making on the part of individuals, business firms, and government; and
(b) the role of choices, tradeoffs, costs, prices, incentives and markets in the American economy.

Text and Other Readings:

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| N. Gregory Mankiw, <i>Principles of Economics</i> , 5 th Ed, or <i>Principles of Microeconomics</i> , 5 th Ed* | = ME |
| Marshall Jevons, <i>The Fatal Equilibrium</i> * | = FE |
| Charles Wheelan, <i>Naked Economics</i> * | = NE |
| Photocopied materials distributed in class | = PH |

* For sale at the University Barnes & Noble Bookstore; one copy also on four-hour Regenstein Reserve.

Written Assignments:

There are no course/term paper requirements or problem sets.

Examinations:

There will be three midterm tests and a final examination, as noted on the reading/assignment schedule. Questions will include multiple choice, short answers, graphing, problems, interpretations and essays. Copies of previous Economics 198 examinations for the last five times the course has been offered are available for purchase in SS101, on reserve in Regenstein Library, and on-line via Chalk.

Grading:

The final course grade will be determined on the basis of performance on the four examinations. Each test is weighted equally. Students will be allowed to drop the lowest of the four scores. There are no make-up exams; if a student misses a test then his/her grade will be based on the other three exams. Students may not take an Incomplete.

In addition, students are expected to have completed assigned readings before each session. Some consideration in grading will be given for productive contributions to class discussions.

Course Assistants:

Cajeme Villarreal (cajeme@uchicago.edu), Miriam Gensowski (mgensowski@uchicago.edu), and Gabriel Ulyssea (ulyssea@uchicago.edu).

Instructor's Office Hours:

Mon., noon to 1:00 p.m.; Tues., 2:00 to 3:00 p.m.; and Wed., 4:00 to 5:00 p.m.. Other times by appointment. My secretary is Joanna; her office is Rosenwald 229, her phone number is 834-6672, and her e-mail address is (jvlahos@uchicago.edu).

Reading, Lecture, Discussion and Examination Schedule

| <u>Class</u> | <u>Day & Date</u> | <u>Topics, Reading Assignments & Exams</u> |
|--------------|-----------------------|--|
| 1 | Wed., Sep. 30 | Introduction to and Overview of the Course; The Economic Way of Thinking ME Chapters 1 & 2 FE All PH |
| 2 | Mon., Oct. 5 | Basic Concepts and Principles of Economics; Supply and Demand ME Chapters 2 & 3 NE Chapters 1 & 2 |
| 3 | Wed., Oct. 7 | Demand, Supply and Markets; Elasticities ME Chapter 4, 5 & 7 |
| 4 | Mon., Oct. 12 | Supply, Demand, Efficiency and Government: Applications ME Chapters 6 & 8 |
| 5 | Wed., Oct. 14 | First Examination |
| 6 | Mon., Oct. 19 | Introduction to Costs and Supply; The Theory of the Business Firm ME Chapter 13 |
| 7 | Wed., Oct. 21 | Pricing and Output under Competition ME Chapter 14 |
| 8 | Mon., Oct. 26 | Pricing and Output under Monopoly ME Chapter 15 |
| 9 | Wed., Oct. 28 | Monopolistic Competition, Oligopoly, and Game Theory ME Chapters 16 & 17 PH |
| 10 | Mon., Nov. 2 | Second Examination |

| <u>Class</u> | <u>Day & Date</u> | <u>Topics, Reading Assignments & Exams</u> |
|--------------|-----------------------|--|
| 11 | Wed., Nov. 4 | Pricing and Employment in Resource Markets ME Chapter 18 PH |
| 12 | Mon., Nov. 9 | Discounting, Present Value, and Finance Theory; Uncertainty and Risk ME Chapter 27 (in hardback version only) NE Chapters 5 & 7 PH |
| 13 | Wed., Nov. 11 | The Microeconomic Roles of Government ME Chapters 10 & 11 NE Chapter 3 PH |
| 14 | Mon., Nov. 16 | Public Choice Theory; Regulation and Antitrust ME Chapter 15 NE Chapters 4 & 8 PH |
| 15 | Wed., Nov. 18 | Third Examination |
| 16 | Mon., Nov. 23 | The Distribution of Income; Taxes; Earnings and Discrimination ME Chapters 12, 19 & 20 NE Chapter 6 PH |
| 17 | Wed., Nov. 25 | Health; Human Capital; Immigration; the Elderly PH |
| 18 | Mon., Nov. 30 | Economics and the Environment ME Chapter 10 PH |
| 19 | Wed., Dec. 2 | Fatal and Non-Fatal Equilibria; Economic Extensions and Frontiers ME Chapter 22 FE All |
| X | Mon., Dec. 7 | Fourth/Final Examination (1:30 – 3:30 p.m.) |