

UNIVERSITY OF MINNESOTA
FALL 2008

ECON 1101 - 056 – PRINCIPLES OF MICROECONOMICS

<http://www.econ.umn.edu/~adams658/teaching/fall2008e1101/>

Lecture (Section 56)

MW 4:00p-5:15p

Blegen Hall 155

Instructor: Brian Adams

Office hours: M 2:00p-3:00p,

R 9:00a-10:00a

Hanson Hall 3-133

Email: adams658@umn.edu

Recitation (Section 57)

W 5:30p-6:20p

Blegen Hall 205

TA: Lydia Cheung

Office hours: Monday 5:30p-6:30p,

Tuesday 10:00a-11:00a

Hanson Hall 3-163

Email: cheun073@umn.edu

TEXT

The assigned textbook is *Microeconomics, Principles and Policy*, by William J. Baumol and Alan S. Blinder. 11th edition. ISBN:978-0-324-58622-0.

OFFICIAL COURSE DESCRIPTION

Principles of Microeconomics satisfies the CLE requirements for an International Perspectives Theme course. This is because the modern economy is a closely knit global network. Econ 1101 aims to clarify and explain these worldwide interconnections. Besides the traditional treatment of gains from trade, modern microeconomics offers insight into the world economy. Specifically, analyses of competition, trade-policy, tax policy, and welfare economics include international examples and concepts. Current technology and trade-policy mean that the world acts more and more as one large economy. Econ 1101 reflects these developments by showing students that all current economic decisions are made in the context of a global framework. Furthermore, five guest lectures from foreign countries will reinforce the above topics with specific examples from their home countries.

PREREQUISITES

Students will be assumed to have basic algebra and graphing skills.

COURSEWORK

Six homework assignments, two midterm exams, and one final exam are designed to provide motivation for and evaluation of students' learning.

Homework

Departmental policy requires homework assignments to be typed and submitted in hardcopy. Graphs and calculations may be handwritten but must be neat and professional. Students are welcome to discuss homework in groups, but each student must prepare and submit a unique assignment and note the names of other group members.

The exact due date and time for assignments will be given. Late assignments shall be accepted only under special circumstances (e.g. documented illness). The lowest of the six homework scores will be dropped.

Objections to the grading may be resolved by specifying the objection in writing and returning the assignment to the instructor within one week. The whole assignment may be regraded, which may result in a higher or lower score.

Exams

Instructions for exams will vary but will be detailed in the lecture before each exam. Some exams may be open note; others will not be. Communication with other students, use of unauthorized resources, copying, and other forms of cheating during the exams will be severely punished. The midterms will take place on 8 October and 12 November, and the final on 15 December.

No make-up dates will be offered for the midterms. A make-up final exam will be scheduled for students with another exam scheduled for the same time or with three exams scheduled in a sixteen hours.

As with homework, grading objections may be resolved by specifying the objection in writing and returning the assignment to the instructor within one week.

GRADES

The coursework components will be weighted as follows:

Midterm 1	25%
Midterm 2	25%
Final exam	30%
Top 5 homework assignments	4% each
Worst homework assignment	0%

Letter grades will be assigned by either the following scale or something more generous:

92%-100% A	72%-77% C
90%-91% A-	70%-71% C-
88%-89% B+	68%-69% D+
82%-87% B	60%-67% D
80%-81% B-	0% -59% F
78%-79% C+	

GUEST LECTURES

Five guest lecturers will give presentations applying economic principles from the course to real international topics. Some exam questions will be based on the material they present. The presenters and topics are:

- Yenan Hou - China and its market liberalization
- Christos Ioannou - The DeBeers monopoly in the diamond industry
- Manuel Macera - Market for Pension-Fund Administrators in Peru
- Marina Mendes Tavares - Ethanol program in Brazil
- Jacek Rothert - Game Theory and the Cold War

TENTATIVE CALENDAR

Date	Topic	Relevant Chapters	Announcements
3 Sep	Introduction, scarcity	1, 3	Hw 1 posted
8 Sep	Markets, supply and demand overview	4	
10 Sep	Price controls	4	
15 Sep	Demand, consumer theory	5	Hw 1 due, Hw 2 posted
17 Sep	Demand	5	
22 Sep	Elasticity	6	
24 Sep	Supply	7	Hw 1 returned
29 Sep	Supply	8	Hw 2 due
1 Oct	Perfect competition, long run supply	10	
6 Oct	Perfect competition, review	10	Hw 2 returned
8 Oct	Midterm Exam #1		
13 Oct	Monopoly	11	Hw 3 posted
15 Oct	Game theory, monopoly	11	Exam 1 returned
20 Oct	Guest lecture (Ioannou)		
22 Oct	Game theory		Hw 3 due, Hw 4 posted
27 Oct	Guest lecture (Rothert)		
29 Oct	Monopolistic Competition, oligopoly	12	Hw 3 returned
3 Nov	Oligopoly	12	Hw 4 due
5 Nov	Guest lecture (Macera)		
10 Nov	Regulation of monopolies	13	Hw 4 returned
12 Nov	Midterm Exam #2		
17 Nov	Welfare economics	14	Hw 5 posted
19 Nov	Welfare economics, market failure	15	Exam 2 returned
24 Nov	Guest lecture (Hou)		Hw 5 due, Hw 6 posted
26 Nov	Externalities	17	
1 Dec	Guest lecture (Mendes Tavera)		Hw 5 returned
3 Dec	Comparative Advantage	22	Hw 6 due
8 Dec	Comparative Advantage, International Trade	22	
10 Dec	Review		Hw 6 returned
15 Dec	Final Exam 4:00-6:00p		