Course Description
Economics 2010 introduces basic concepts of microeconomics. We will study what the economic problem is, how consumers and businesses make their decisions, how markets work and how they fail, and how government actions affect markets. An outline for the course is:

I. What is the Economic Problem?
   A. The Role of Scarcity
   B. Economic Institutions
   C. Demand, Supply, and Elasticity
II. How Do Individuals and Firms Behave?
III. How Do Product and Factor Markets Work?
IV. How Do Markets Fail?
   A. Imperfect Competition
   B. Externalities
   C. Public Goods
V. How Does Government Affect Markets?

Time and Place of Class
Economics 2010 (Section 500) meets 1:00 pm to 1:50 pm on Monday, Wednesday, and Friday in room 140 of the Chemistry Building. Students also meet in one recitation section per week.

Textbooks
There is only one required textbook. It is:


Supplementary articles will be handed out in class or will be made available at Kinko's.

Grading and General Policies
There will be two midterm examinations, which will consist of 33 multiple choice questions. Each midterm will count 20% of the final grade. The tentative dates for the two midterms are:

Midterm Exam I: Friday, February 23
Midterm Exam II: Friday, April 13

There will also be a comprehensive final exam, worth 40% of the final grade. The date for the final exam is:

Final Exam: Friday, May 11, 7:30 pm - 10:30 pm

The remaining 20% of the final grade will be based on bi-weekly problem sets. You are encouraged to work with other students on these assignments. NOTE: NO LATE PROBLEMS SETS WILL BE ACCEPTED UNDER ANY CIRCUMSTANCES.

THERE WILL BE NO MAKE-UP MIDTERM EXAMS. If you miss a midterm exam for any reason, the weight of the final will be increased accordingly. There will also be no papers or extra-credit assignments.
<table>
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<tr>
<th>Week Beginning</th>
<th>Topic</th>
<th>Assignment</th>
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| Jan. 19       | Economics in Perspective
                Economic Principles                                                   | Ch. 1, 2   |
| Jan. 22       | The U.S Economy and the Role of Government
                Economic Systems and Economic Development                            | 3, 23      |
| Jan. 29       | Markets and Prices                                                    | 4          |
| Feb. 5        | Elasticity                                                            | 5          |
| Feb. 12       | The Logic of Consumer Choice and Demand
                The Firm                                                              | 6, 7       |
| Feb. 19       | Production Principles and Costs to the Firm                           | 8          |

**MIDTERM EXAM I: FRIDAY, FEBRUARY 23  CHAPITERS 1-8, 23**

| Feb. 26       | The Competitive Firm and Industry                                     | 9          |
| March 5       | Monopoly                                                              | 10         |
| March 12      | Monopolistic Competition, Oligopoly, and Cartels                      | 11         |
| March 19      | Marginal Productivity Theory and Wages
                Labor Unions                                                        | 12, 13     |
| April 2       | Capital and Interest
                Rents, Profits, and Entrepreneurship                                 | 14, 15     |
| April 9       | The Distribution of Income                                            | 16         |

**MIDTERM EXAM II: FRIDAY, APRIL 13  CHAPITERS 9-16**

| April 16      | Market Structure and Public Policy                                    | 17         |
| April 23      | Market Failure and Public Policy                                      | 18         |
| April 30      | The Microeconomics of Taxation                                        | 19         |
| May 7         | The Theory of Public Choice                                           | 20         |

**FINAL EXAM: FRIDAY, MAY 11, 7:30 pm - 10:30 pm  ALL CHAPTERS**