ECON 2010-400 -- Principles of Microeconomics

Instructor: David Carr
Office: ECON 216
Phone: 492-4552
E-mail: david.carr@colorado.edu
Office Hours: Tues. 10:00 - 12:00
Wed. 8:00 - 8:45
Wed. 10:00 - 11:00
or by appointment

Readings: Microeconomics: Principles and Policy, 6th Ed. by Baumol & Blinder (B&B)
Study Guide for Microeconomics, by Craig Swan (Optional)

Grading:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Points</th>
<th>Date/Time</th>
<th>Location</th>
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<tbody>
<tr>
<td>EXAM1</td>
<td>100 pts.</td>
<td>Wed - 2/21 - In Class</td>
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<td>EXAM2</td>
<td>100 pts.</td>
<td>Wed - 4/10 - In Class</td>
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<td>EXAM3</td>
<td>100 pts.</td>
<td>Tue - 5/14 - 7:30 - 10:30 PM</td>
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<tr>
<td>Term Paper</td>
<td>100 pts.</td>
<td>Due Fri - 4/19 by 5:00 PM!!!!!!</td>
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<tr>
<td>Recitation</td>
<td>100 pts.</td>
<td>As assigned by TA's</td>
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<td>TOTAL</td>
<td>500 pts.</td>
<td>Last day of class is Mon - 5/6</td>
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During the course, there will be four exams. The first two will be given during the semester (see schedule above), while the third and fourth will be given during the final exam period. The first three exams are mid-terms, and are not cumulative. The fourth exam, which is optional, is a cumulative final. We will keep your three highest exam scores for your semester grade. You cannot use the optional exam to replace your term paper or recitation score.

Your recitation grade will consist of quizzes and homework determined by the TA's. It will make up 100 points of your final grade, or the equivalent of one exam. You must attend the recitation in which you are enrolled.

You are required to write a 3-5 page paper, covering some microeconomic topic of your choice. This paper must be typed, double-spaced with 1 inch margins on all sides. The paper is due on Friday, April 19th, by 5:00 PM. (I will deduct 10 points for each day a paper is late.) The paper must include some valid economic analysis -- not simply your personal opinions. You should use at least 5 sources, and include them in a bibliography (which does not count as one of the pages). These sources can be books (but not the textbook, or the dictionary), and/or newspaper/magazine articles. You may select any topic you wish. If you choose a topic which is not on the list below, you must have that topic approved by Dave by March 1st. Below are some possible paper topics:

1. Environmental economics and pollution policies.
2. Tax policy and equity in the economy.
3. Public choice theory and how we provide public goods.
4. Labor markets and unions. (How about labor markets in professional sports?)

*****NO PAPERS ON NAFTA WILL BE ACCEPTED*****

***10 extra credit points will be awarded to everyone who sends Dave e-mail by Friday, February 2, at 11:59:59.99 PM. Details will be given during class.
Reading List

I. Introduction to economics and economic problems.
   --> Read B&B Ch. 1-3

II. Demand and Supply.
    --> Read B&B Ch. 4
    * Adam Smith and the "invisible hand" of the market.
      See The Wealth of Nations, Book I, Ch. 5-7.

III. Demand and elasticity.
     --> Read B&B Ch. 7

IV. Consumer choice theory and the origins of demand.
    --> Read B&B Ch. 8

V. Supply curves and optimal output choice.
   --> Read B&B Ch. 5

VI. Input decisions and production costs.
    --> Read B&B Ch. 6

VII. The firm and industry under perfect competition.
     --> Read B&B Ch. 9

VIII. The price system and the case for laissez faire.
      --> Read B&B Ch. 10

IX. Monopoly.
    --> Read B&B Ch. 11

X. Monopolistic Competition and Oligopoly.
    --> Read B&B Ch. 12

XI. Market shortcomings and remedies.
    --> Read B&B Ch. 13

XII. Pricing the factors of production.
     --> Read B&B Ch. 15

XIII. Labor markets.
      --> Read B&B Ch. 16
      * Labor Markets and Karl Marx. See Capital, Part I and III.

XIV. Poverty, inequality and discrimination.
     --> Read B&B Ch. 17

XV. Limiting market power: regulation.
    --> Read B&B Ch. 18

XVI. Limiting market power: antitrust policy.
     --> Read B&B Ch. 19

XVII. Taxation and resource allocation.
      --> Read B&B Ch. 20

XVIII. Environmental protection and resource allocation.
       --> Read B&B Ch. 21

XIX. International trade and comparative advantage.
     --> Read B&B Ch. 22

*Those of you who are economics majors, or are considering majoring in economics, should eventually look at this additional material for a historical perspective.