

BRANDEIS UNIVERSITY  
Department of Economics

Econ 10a  
Introduction to Microeconomics

Summer, 2018  
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TENTATIVE SYLLABUS—SUBJECT TO REVISION

This course is an introduction to the field of microeconomics, and is intended for all possible economics majors, minors, and for all other students who plan to take Econ 20 (Introduction to Macroeconomics) later in their academic career. This is the first economics course that economics students should take at Brandeis, and anyone contemplating a major or minor should start with this course. It will give you an idea of the range of behaviors that economists investigate, introduce you to the basic tools that we use to analyze economic behavior, and apply these tools to public policy issues. Perhaps most important, this course will introduce you to the “economic way of thinking,” an approach to decision making that applies to personal decisions, to the decisions of businesses, labor unions and other organizations, and to the larger choices that society faces.

This course satisfies the School of Social Science distribution requirement and the Quantitative Reasoning component of the General University Requirements. It is also the first course for any student considering a concentration or minor in Economics.

#### Goals of the Course

This course has three “broad” goals. First, it is hoped that everyone will come out of this course a more educated citizen, being able to use basic economic principles to critically evaluate the arguments for and against public policy proposals (various tax proposals, immigration reform). Second, this course should give students the theoretical tools necessary for success in subsequent economics courses. Finally, the course will include some tasks related to communicating economic analysis.

There are also a number of smaller, more specific goals. What follows is a (partial) list.

- 1) Every student in this course should master the logic behind the demand/supply model of how a competitive market behaves, to the point where the student can predict the effect of various exogenous economic events on the market’s equilibrium.
- 2) Every student should be able to articulate the situations in which a competitive market reaches an efficient outcome, and the situations in which it fails to reach an efficient outcome.
- 3) Every student should be able to compare the outcome of a competitive market with the outcome of a market in which there is only one producer (a monopoly).
- 4) Every student should understand the factors of production and the basic working of the labor market.
- 5) Every student should understand budget constraints and optimal choice.
- 6) Every student should be able to calculate present value with an understanding of compound interest and discounting.

## Exams

There will be a midterm exam and a final exam. The midterm will take place in class on [TBD]. The final exam, which will be cumulative but mostly focused on the material not on the midterm (the second half of the course) will take place [TBD] at a time that the Summer School will set. Whichever exam you score higher on will constitute 45% of your grade; whichever exam you score lower on will constitute 35% of your grade.

## Problem Sets and class participation

There will be ten problem sets in this course. The problem sets will be posted on latte. Some of the sets come just before an exam and you will not be asked to turn those in. However, you will be asked to turn in approximately 8 of the 10 problem sets during the term. The problem sets will constitute 15% of your grade. Weekly quizzes and class participation will make up 5% of your grade.

## Text

The text for this course is *Principles of Microeconomics* (6<sup>th</sup> edition) by N. Gregory Mankiw.

In addition, the textbook will be supplemented by occasional news articles relevant to class discussion. Students will be expected to keep up with the supplementary reading.

## Contact Information

My Brandeis email address is [alaski@brandeis.edu](mailto:alaski@brandeis.edu).

## Information Dissemination

In Economics 10a we will maintain a course website through the University's Latte system. You will be responsible for checking the website frequently as most of the problem sets, answer keys, etc. will be posted there and available for you to download. The website can be accessed from [webct.brandeis.edu](http://webct.brandeis.edu). Most documents from the course website will be found as PDF files. To read such files you will need to have Adobe Acrobat Reader installed on your computer. All computers in the computer labs on campus come equipped with the Reader.

## Doing Your Best

Here are some suggestions that may help you to do well in Economics 10a:

**Do the assigned reading before class** to get a preview of the material to be covered and to prepare any questions you have about this material.

Take the problem sets seriously, because they are the best indication of whether you understand the material and they are the best preparation for the exams. Weekly quizzes will also test your ability to apply what you've learned under a time constraint. Keep up with the work.

### Special Accommodations

If you are a student with a documented disability at Brandeis University and if you wish to request a reasonable accommodation for this class, please see me right away. Please keep in mind that reasonable accommodations are not provided retroactively.

### Academic Honesty

You are expected to be honest in your academic work. The University policy on academic honesty is distributed annually as section 4 of the Rights and Responsibilities handbook. Instances of alleged dishonesty will be forwarded to the Office of Campus Life for possible referral to the Student Judicial System. Potential sanctions include failure in the course and suspension from the University. If you have any questions about my expectations, please ask. Academic Dishonesty will not be tolerated and will be rigorously prosecuted.

### Course Outline

Introduction to the Course	Chapters 1,2
The Gains from Trade	Chapter 3
Supply & Demand	Chapter 4
Market Equilibrium	Chapter 4
Elasticity of Demand & Supply	Chapter 5
Elasticity and Price Controls	Chapters 5,6
Consumer & Producer Surplus	Chapter 7
Market Efficiency	Chapter 7
Effects of Sales Taxes, Deadweight Loss	Chapters 6,8
International Trade & Tariffs	Chapter 9
Externalities	Chapter 10
Policy Responses to Externalities	Chapter 10
Public Goods & Common Resources	Chapter 11
The Tax System	Chapter 12
The Costs of Production I	Chapter 13
The Costs of Production II	Chapter 13
A Competitive Firm's Supply Curve	Chapter 14
Competitive Industry Supply	Chapter 14
Monopoly I	Chapter 15
Monopoly II	Chapter 15
Monopolistic Competition	Chapter 16

Advertising	Chapter 16
Oligopoly	Chapter 17
Introduction to Game Theory	Chapter 17
Demand for & Supply of Labor	Chapter 18
Labor Market Equilibrium	Chapter 18
Earnings and Discrimination	Chapter 19
Income Inequality	Chapter 20
Poverty	Chapter 20
Indifference Curves & Budget Constraints	Chapter 21
Utility Maximization/Income and Price Changes	Chapter 21
Substitution & Income Effects	Chapter 21
The Labor Supply Curve	Chapter 21
Compounding & Present Value	Lecture Notes
Applications of Present Value	Chapter 21
The Consumption-Saving Choice	Chapter 21