



GEORGETOWN UNIVERSITY

Economics-001-20
Econ Principles Micro
Summer 2016

Instructor: Jiadi Chen
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Office: TBA
Lectures: Mon-Thur 1-3 pm
Office hour: Mon & Wed 3-4 pm or by appointment
Classroom: St. Marys 110

Textbook

Required: Parkin, *Microeconomics* 12th Edition (Earlier editions are fine) + Lecture Notes¹

Recommended: Mankiw, *Principles of Microeconomics* 7th

Course Description

This course first develops simple graphical and mathematical models of decision-making by individual economic agents: consumers, workers, and businesses. We will analyze interactions between these agents in product and factor markets using concepts of market demand, supply, and equilibrium. Finally, we demonstrate the efficiency of perfectly competitive markets, describe the conditions under which that efficiency arises, and examine market failures that occur when those conditions are not met.

Prerequisite

The mathematics we use in this course is relatively basic: nothing we do requires math past the typical high school sophomore level. That said, some of you will be rusty, which is why the first recitation meetings devoted to the required math.

¹ I'm grateful to Professor Axel Anderson for kindly sharing his lecture notes and problem sets with me. I also thank Dario Sansone and Michael Packard for their help. All errors are mine.

Problem Sets

“One must learn by doing the thing; for though you think you know it, you have no certainty, until you try.” --Sophocles

Therefore, there will be 4 problem sets assigned as homework approximately every week. Students are encouraged to work in groups but every student should submit their own solutions for each problem set.

Requirement / Assessments

The course requirements are **four problem sets, two midterms and a final**. I will **not** take credit on class attendance. Since we have an intense 5-week course schedule, I strongly recommend you to attend every lecture and read the book before class. The two midterms will be given in our regularly scheduled classroom. Midterm 1 will be July 21st and Midterm 2 on August 4th. **There are no make-up midterms, and these dates are inflexible, so please make your travel plans accordingly. Final exam will be on August 12th (last lecture).**

Final course averages will be determined according to the following weights:

Final	30%
Midterm 2	25%
Midterm 1	20%
Problem Sets	25%

Notice that exam weights rise throughout the semester. This is designed to reward improvement and is the *only* reward for improvement in the course.

If a student misses one or more midterms *for any reason*, there will NOT be a make-up exam offered. Instead, the subsequent exams will be re-weighted as follows:

1. Only Midterm 1 missed: Midterm 2 35% / Final 40%
2. Only Midterm 2 missed: Final 55%
3. Both Midterm missed: Final 75%

Honors Code Violations:

A student found in violation of the Georgetown Honor Code will receive an F for the course, in addition to any penalties imposed by the Honor Council. The Honor Council can be found at:

<http://honorcouncil.georgetown.edu/system/policies/honor-council>

Class Schedule (tentative):

Date	Topic	Readings
Jul 11 Mon	Introduction/ Math Refresh	
Jul 12	Economics Basics	Chapter 1-2
Jul 13	Production possibilities, Comparative advantage, and “gains from trade”	Chapter 2
Jul 14	Supply & Demand Basics	Chapter 3
Jul 18	Price & Quantity Controls	Chapter 6
Jul 19	Elasticities & Taxes	Chapter 4 & 6
Jul 20	Welfare Analysis	Chapter 3 & 5
Jul 21 Thur	<u>MIDTERM I</u>	
Jul 25	Firm’s Decisions	Chapter 11 & 12
Jul 26	Perfect Competition	Chapter 12
Jul 27	Monopoly and Monopsony	Chapter 13
Jul 28	Monopolistic and Monopsonistic Competition	Chapter 14
Aug 2	Oligopoly	Chapter 15
Aug 3	Review on Market Structure	
Aug 4 Wed	<u>MIDTERM II</u>	
Aug 5	Externalities and Public Goods	Chapter 16 & 17
Aug 10	Moral Hazard and Adverse Selection	Chapter 20
Aug 11	Review for final	Chapter 9
Aug 12 Wed	Final Exam	