

University of Wisconsin-Madison, department of Economics
ECON 101: PRINCIPLES OF MICROECONOMICS
Syllabus

SPRING 2010

Lectures: Lecture 001-T/TH 11:00-12:15, 6210 Social Science
Lecture 002- T/TH 9:30-10:45, 272 Bascom

Prof. Ricardo Serrano-Padial
Office: 6442 Social Science
Office Hours: Tuesdays, 13:00-15:00.

Class webpage: www.aplia.com

Teaching Assistants

TBA. Check the class website for information about their office hours and contact details.

Overview

This course provides an introductory look at the behavior of economic agents in the marketplace. We will study how the individual choices of consumers and firms determine demand and supply and how the intervention of the government affects the way markets allocate resources. We will also analyze what happens to market performance when there is imperfect competition among firms. Other topics covered include efficiency and equity, market failure, risk and information problems.

The course does not require previous knowledge of economics. To succeed in this class a student will need some basic knowledge of linear algebra (linear equations) and familiarity with the use of graphs.

Textbook/ Readings

We will use the book “Microeconomics” by P. Krugman and R. Wells and Aplia, a web-based course management software, where readings assignments and homework/practice questions will be posted. A package containing the book and an individual license to use Aplia is available at the University bookstore. Alternatively, students can buy only the Aplia license, which gives access to an electronic version (pdf) of the textbook. ACCESS TO APLIA IS REQUIRED since all problem sets will have to be answered and will be graded in Aplia. Please see the attached document explaining the different options and how to create a user account in Aplia.

Weekly reading assignments will be posted regularly on Aplia. These include chapters of the book related to the lectures as well as additional readings dealing with specific examples covered in class.

Discussion Sections

You are assigned to a discussion section. Attendance at discussion sections is highly recommended. Sections usually cover the problem set due the following week and questions regarding material from the lectures. If you need to switch sections talk to the

TA of the section you wish to attend. Your TA will decide to whom you need to turn in your assignments.

Office hours/email

Given that close to 800 students are enrolled in this class email can be overwhelming. If you have questions regarding the material of the course you should try first your TA office hours. If you need further assistance come to my office hours.

Assignments

There will be weekly problem sets (ten in total), which count for 10% of your final grade. Problem sets must be individually answered in Aplia by Wednesday, 9pm of the week they are due. Students will not be able to input their answers after the deadline. You are allowed to work in groups but you need to input your own answers in Aplia in order to get a grade. Problem sets and answer keys will be posted on the class webpage. Additional practice questions will be posted in the class webpage.

Exams

There will be two midterms and a cumulative final. Both midterms will be held in class on Thursday February 25th and Tuesday April 13th, respectively. The final is scheduled on Friday May 14th from 5:05 to 7:05 (PM).

Under no circumstances there will be a make up exam, so students with schedule conflicts need to solve them or drop the course.

Grading

Problem sets count for 10% of your final grade and exams count for the remaining 90%. The final grade will be determined as follows:

1. Problem sets: Each problem set will be graded using a 10 point scale, although the Aplia maximum score may be below or above ten depending on the number of questions in the problem set. For instance, if the maximum Aplia score in Problem set 3 is 15 and a student gets a score of 12, his score in problem set 3 for grading purposes will be $12 \times 10 / 15$.

Problem set score = Sum of scores of your nine best problem sets.

2. Exams: Each exam is graded using a 100 point scale.
3. Final score: your final score will be the highest of the two following scores:

Final Score 1 = 10% (*Problem set score* + 10 points) + 30% (*Midterm 1 Score*)
+ 30% (*Midterm 2 Score*) + 30% (*Final exam score*)

Final Score 2 = 10% (*Problem set score* + 10 points) + 35% (*Highest Midterm Score*) + 55% (*Final exam score*)

4. Final Grade: This course is graded according to the following curve:

If your Final score is among the highest	your grade will be
15%	A
15-35%	AB
35-60%	B
60-75%	BC
75-90%	C
90-100%	D/F

Grading inquiries

If you have questions about your grade talk to your TA first. If you still think there is a mistake in your grading type a letter describing in detail the complaint. A review of your grade may increase or decrease your score, depending on the net effect of errors found in my review.

Course Outline

1. Introduction.
2. Supply and demand.
 - a. Market equilibrium
 - b. Consumer and Producer surplus
 - c. Government intervention
3. Consumer choice and the demand curve:
 - a. Utility theory
 - b. Price and income changes
4. Firms and production:
 - a. Cost functions and firm's input decisions
 - b. Perfect competition and the supply curve
5. Imperfect competition:
 - a. Monopoly
 - b. Oligopoly, Game theory
 - c. Monopolistic competition
6. Market Failure:
 - a. Externalities
 - b. Public Goods

This outline is tentative and subject to change as the course progresses. Check regularly the class website for a more detailed outline.



Student Registration and Payment Instructions

Course Name: ECON 101 (Krugman Micro 2e) Spring 2010

Start Date: 01/19/2010

Instructor: Ricardo Serrano-Padial

Course Key: 4XF7-6VGS-U4G2

You can begin working on your homework as soon as you register!

- In this course, you will use a textbook and Aplia's website.
 - In most cases, you can save money if you buy Aplia and your textbook together. See payment options below.
 - You will have access to a digital version of your textbook using Aplia.
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Registration

If you have never used Aplia before...

1. Connect to <http://www.aplia.com>.
2. Click the **Create a New Account** link and choose **Student Account**. You will then enter your course key: **4XF7-6VGS-U4G2**. Continue following the instructions to complete your registration.

If you have used Aplia before...

1. Connect to <http://www.aplia.com>.
2. Sign in with your usual e-mail address and password and enter your Course Key when prompted: **4XF7-6VGS-U4G2**. If you are not prompted for a new Course Key, click the Enter Course Key button to enroll in a new Aplia course. Enter your Course Key when you are prompted.

** You will have different payment options after you register for your course. If you choose to pay later, you can use Aplia without paying until 11:59 PM on 02/08/2010.*

Payment

Option 1: Digital Textbook with Aplia Access

- **From Aplia:** Purchase access to your course from Aplia's website for \$70.00 USD.
- **From Bookstore:** Purchase an Aplia Access Card from your campus bookstore.

Option 2: Physical Textbook with Aplia Access (also includes digital textbook)

- **From Aplia:** Purchase access to your course for \$70.00 USD and a physical book for \$52.00 USD from Aplia's website.
- **From Bookstore:** Purchase an Aplia Access Card and a physical book together as a bundle from your campus bookstore.

** If you purchased an Aplia Access Card from a bookstore, enter the Access Card's payment code on*

** If you purchased an Apla Access Card from a bookstore, enter the Access Card's payment code on Apla's website as payment for your Apla course.*

** You will have access to your digital textbook up until the end of this course.*