Econ 1011: Introduction to Microeconomics

Instructor: Erdem Yenerdag

Summer, 2019
July 15th-August 15th

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Office Hours: M/F 10:45-11:45 am or by appointment.

Class Hours: Monday to Friday 9:00-10:45am
Class Room: Mallinckrodt Center / 305

Course Description

Econ 1011 Introduction to Microeconomics is the first course that undergraduates take in economics at WashU. This course teaches the fundamentals of microeconomics and provides a solid foundation for economic analysis and thinking that can last throughout the education and subsequent professional careers of the students.

We will begin with an introduction to supply and demand and the basic forces that determine an equilibrium in a market economy. Then, we will focus on a framework for learning about consumer behavior and analyzing consumer decisions. We then turn our attention to firms and their decisions about optimal production, and the impact of different market structures on firms’ behavior. The final section of the course provides an introduction to some of the more advanced topics that can be analyzed using microeconomic theory. These include Labor markets, inequality and poverty and the theory of consumer choice.

Required Materials


The course will follow this book. You may use an earlier edition as long as you take the responsibility to match content and exercises with this edition.

Course Materials

All the class materials will be uploaded to Canvas. It is your responsibility to check it on a regular basis. To access the site, direct any standard web browser to https://mycanvas.wustl.edu and log in using your wustl key. You will find the syllabus, slides, problem sets and any other materials posted in the relevant sections. I will communicate with you via email if needed. Please check your wustl email regularly.
Course Objectives

By the end of this course, students should be able to:

1. Identify and understand the core principles and concepts in microeconomics, namely, scarcity, opportunity cost, the cost-benefit principle, rationality, sunk cost, marginal analysis, absolute and comparative advantage and externalities.

2. Identify and understand the determination of equilibrium prices and quantities using forces of supply and demand.

3. Apply microeconomic tools to understand the economic behavior of consumers and producers.

4. Apply microeconomic tools to understand how markets and value are shaped by outside interventions.

5. Identify and understand the different market structures in modern economies.

6. Identify and understand the concepts of externalities and market failure.

7. Analyze current economic news using the frameworks presented in class.

8. Above all, have an appreciation of how microeconomic reasoning organizes behavioral and market forces.

Homeworks, Quizzes, Exams and Grades

Homeworks

There will be two homework assignments in total. The problem sets will be posted on Canvas at least one week prior to the due date. No late homework will be accepted. You will receive no credits for solutions with no work or justifications. The instructor reserves the right to deduct points for messy papers. Students are encouraged to discuss homework problems with others in class, but must write your homework independently. Duplicating others’ homework constitutes a violation of the university academic integrity policy. When handing in homework, you must:

- include your name (printed), course number (Econ 1011) on the first page.
- write legibly. You are encouraged to produce printed homework.
- staple the pages together on the upper left-hand corner to prevent pages from getting lost. Do not use paper clips.

Quizzes

There will be four quizzes throughout the semester. Please check the course schedule for the specific dates. Any missed quiz will not be given a score. Each quiz will occur in the last 15 minutes of class. Each quiz will have three basic concept questions and one short answer question.
Exams

There will be one midterm and one comprehensive final exam. The midterm will be in class on July 31. The final exam will be in class on August 15. The exams are closed-book.

Grading

The final course grade depends on your performance on the exams, homeworks and quizzes according to the following formula.

Final percentage grade = 20% × Homework + 20% × Quizzes + 30% × Midterm + 30% × Final.

The letter grade is then given according to the following scale.

[95,100) A+, [83,85) B+, [65,75) C.
[87,95) A, [77,83) B, [60,65) D.
[85,87) A-, [75,77) B-, [0,60) Fail.

Missed Exam, Quiz and Homework Policy

There are no opportunities to make up an exercise or a quiz.

All exams are mandatory. No make-up exam will be given for the midterm or the final. If you miss an exam you will receive a score of zero on it. The only exceptions to this rule are if you have a documented medical excuse, documented university activity, or a documented emergency. If you are unavailable for an exam due to official WUSTL business, provide me with one week advance written notice with supporting documentation. If you have a medical or a family emergency, I will ask for verification from your Wash-U Advisor or the Dean’s office. Beyond everything, I will exercise my discretion to grant an excuse or refuse one based on my judgment. If you cannot take the midterm exam and have been officially excused by me, the Final Exam will take extra weight to compensate in computing your grade. In such a case, if you miss the midterm exam the Final will be worth 60% of your semester grade.

There is no make-up of the Final Exam. If you don’t take the final exam, you will receive a score of zero on it.

Academic Integrity

Washington University in St. Louis has no tolerance for acts of scholastic dishonesty. Any student caught cheating on the quiz or exam will be given a fail on the assessment and immediate academic disciplinary action. Other responsibilities of both students and faculty with regard to scholastic dishonesty are described in detail. See the Academic Integrity Statement for Arts and Sciences undergraduates here: https://wustl.edu/about/compliance-policies/academic-policies/undergraduate-student-academic-integrity-policy/. For University College students here: https://ucollege.wustl.edu/faculty/academic_integrity

Disability Resources

Washington University in St. Louis provides upon request appropriate academic accommodations for qualified students with disabilities. For more information, please contact me as soon as possible.
# Tentative Schedule

**Week 1**
- Introduction, Ten principles of economics
- Thinking like an economist, Gains from trade
- Supply and demand
- Elasticity
- **Quiz 1**
  - **July 19**

**Week 2**
- Consumer and producer surplus
- Market efficiency and applications
- Externalities
- Public Goods
- **Quiz 2**
  - **July 26**

**Week 3**
- Taxes
- Consumer Choice
- Production and costs
- **Deadline of Homework 1**
  - **July 30, before the class starts**
- **Midterm Exam**
  - **July 31**
- **Quiz 3**
  - **August 2**

**Week 4**
- Competitive market
- Monopoly
- Monopolistic competition
- Oligopoly
- **Quiz 4**
  - **August 9**

**Week 5**
- Factor markets
- Income inequality
- Advanced Topics
- **Deadline of Homework 2**
  - **August 14, before the class starts**
- **Final Exam**
  - **August 15**

This is a tentative schedule. I reserve the right to change this syllabus as time and circumstances dictate. Any change will be announced in class and a copy of the revised syllabus will be posted on Canvas.