

UCSC – University of California, Santa Cruz
Department of Economics
Econ 1 - Introductory Microeconomics: Resource Allocation and Market Structure
Summer Session 1 – 2024

Instructor: Fernando Chertman
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Instruction Mode: Asynchronous Online

Brief description

This course examines how markets allocate resources in different kinds of economies. Topics include supply and demand, competitive markets, monopoly, monopolistic competition and oligopoly, income distribution, market failures, trade, and the role of government.

Course Materials

I will follow the textbook Microeconomics (Second edition) by Acemoglu, Laibson and List. You are encouraged to have it, **but it is not required**. I will post notes and my own materials and exercises.

Course requirements

This course is asynchronous **except for weekly section and the two exams**. You must attend one section per week. I will post three or four weekly slots, and you can attend the one that suits better your schedule. Each week you must complete an activity on Canvas that includes lecture videos, homework, quizzes, and Zoom section attendance.

Course Learning Objectives and Outcomes

Upon completion of Principles of Microeconomics (Econ 1), student will be able to:

1. Demonstrate economic decision making and ways of thinking by applying cost-benefit analysis to multiple contexts such as profit maximization, hiring workers, choosing the “best” option, etc. Use the concept of opportunity cost appropriately in this analysis.
2. Explain the role of prices and profits in markets. Categorize the four market structures by characteristics, and defend the idea that markets are the most efficient way of organizing economic activity and how we can prove such a claim.
3. Differentiate between the economic criterion of efficiency and other criterion such as equity, fairness, and sustainability.
4. Identify the determinants of supply and demand; diagram the impact of shifts in both market supply and demand curves on equilibrium price and output.
5. Interpret the process of price changes, quantity changes, surpluses, and shortages.
6. Summarize the law of diminishing marginal returns and demonstrate how it applies to multiple contexts outside of Economics.

8. Calculate demand elasticities, identify the determinants of price elasticity of demand, and demonstrate the relationship between elasticity of demand and total revenue.
9. Describe market failures such as monopoly power, externalities, and public goods.

Student Evaluation and Feedback

Homework/Quiz portion 20%
Attendance (1 per week) 10%
Midterm 30%
Final Exam 40%

Schedule

Week 1: 06/24 - 06/28: Chapters (1&2 Brief) & 3
Week 2: 07/01 - 07/05: Chapters 4, 5 & 6
Week 3: 07/08 - 07/12: Chapters 7, 8 (Midterm Friday 07/12)
Week 4: 07/15 - 07/19: Chapters 9 & 10
Week 5: 07/22 – 07/26: Chapters 12 & 14 (Final Thursday 07/25)

Chapter 1: The Principles and Practice of Economics.
Chapter 2: Economic Methods and Economic Questions.
Chapter 3: Optimization: Doing the Best You Can
Chapter 4: Supply and Demand
Chapter 5: Consumers and Incentives
Chapter 6: Sellers and Incentives
Chapter 7: Perfect Competition and the Invisible Hand
Chapter 8: Trade
Chapter 9: Externalities and Public Goods
Chapter 10: The Government in the Economy
Chapter 12: Monopoly
Chapter 14: Oligopoly and Monopolistic Competition

Exams

It is important that you not miss an exam! You may not reschedule an exam for any reason. You will have a window of time available to take the exams on the day listed.

Hours Expected (per week)

Lecture 4
Online Homework and Quizzes 3
Weekly Section in Zoom 1
Reading 4
Studying 3

Office hours

I will provide weekly zoom sessions, but I am open for scheduling.

My email address is fchertma@ucsc.edu.

The Zoom links to office hours will appear in Canvas.

Academic Integrity

All work must be completed independently. The homework is designed to give you multiple attempts to improve. No textbooks should be used during exams.

Any student that requests course materials from previous quarters is assumed to be attempting to cheat. If it is found that a student has made such a request, they will receive an F in the course.

All members of the university community are expected to present as their original work only that which is truly their own. All members of the community are expected to report observed instances of cheating, plagiarism, and other forms of academic dishonesty in order to ensure that the integrity of scholarship is valued and preserved at UCSC.

In the event a student is found in violation of the UCSC Academic Integrity policy, he or she may face both academic sanctions imposed by the instructor of record and disciplinary sanctions imposed either by the provost of his or her college or the Academic Tribunal convened to hear the case. Violations of the Academic Integrity policy can result in dismissal from the university and a permanent notation on a student's transcript.

For the full policy and disciplinary procedures on academic dishonesty, students and instructors should refer to the Academic Integrity page at the Division of Undergraduate Education.

TITLE IX

The university cherishes the free and open exchange of ideas and enlargement of knowledge. To maintain this freedom and openness requires objectivity, mutual trust, and confidence; it requires the absence of coercion, intimidation, or exploitation. The principal responsibility for maintaining these conditions must rest upon those members of the university community who exercise most authority and leadership: faculty, managers, and supervisors.

The university has therefore instituted a number of measures designed to protect its community from sex discrimination, sexual harassment, sexual violence, and other related prohibited conduct. Information about the Title IX Office, the online reporting link, applicable campus resources, reporting responsibilities, the UC Policy on Sexual Violence and Sexual Harassment, and the UC Santa Cruz Procedures for Reporting and Responding to Reports of Sexual Violence and Sexual Harassment can be found at titleix.ucsc.edu.

The Title IX Office is actively responding to reports and requests for consultation. If you are not currently working with someone in the office and want to make a report/request a consult, you can expect the fastest response by using our online reporting link.