

**UPDATED FOR REMOTE INSTRUCTION ON MARCH 23, 2020**

**Economics 101: Principles of Microeconomics  
Wellesley College (Spring 2020)**

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Course website: <https://sites.google.com/a/wellesley.edu/econ-101/lectures>

Office: Moneta, Virginia in the spare bedroom of my in-laws.

Office hours: Wednesday 12:45-2:45 EST, 15 minute slots (book Zoom appointments via the sidebar link on the course website). For other appointments, email with several options in EST.

This course will teach you the basic principles of microeconomics. As the name implies, we will be studying how “micro-level” actors behave and interact in the economy. How do consumers spend their limited resources to maximize their satisfaction? How do firms arrange their production to maximize profits? And how do these actors interact in markets? Our discussions will deal in economic theory, and will therefore rely on abstract concepts (although we’ll use many real-world examples to illustrate these concepts). At first blush, this will strike many of you as a new way of thinking—a little strange even. But as the course progresses, you’ll likely be surprised at just how many economic decisions you make on a daily basis, and the extent to which even simple concepts can powerfully describe the workings of the economy.

**Remote instruction**

Check the website for instructions and materials on remote instruction:

<https://sites.google.com/a/wellesley.edu/econ-101/lectures>

I will post Zoom lectures of approximately 45 minutes. Watch each lecture before the regularly-scheduled class meeting on the same topic. Take notes (as you would in class) and use these notes to formulate questions for class sections. The website also posts PDF files with the complete slides from recorded lectures.

The scheduled class meetings will last no more than an hour. I will answer questions on the lecture material. You can join the class meeting via the Zoom meeting links on the website. If you cannot join because of time zone or technical problems, then check back for recording links.

**Requirements**

- Midterm 1: 25%, March 6, covering chapters 1-6.
- Midterm 2: 25%. See schedule below for procedures.
- Final exam: 40%. The procedures will be announced soon.
- There are 5 problems sets, worth 10% of the grade. Problem Sets 1 and 2 were graded. Problem Sets 3-5 are ungraded, but all students will receive full credit.

**Textbook**

Case, K., Fair, R., and Oster, S. *Principles of Microeconomics* (9<sup>th</sup>, 10<sup>th</sup>, 11<sup>th</sup>, or 12<sup>th</sup> edition). I encourage you to look for used copies. It is not necessary to have the newest and most expensive edition to be successful in this course.

**Disabilities**

If you have a disability, please contact Disability Services as soon as possible. Disability Services can be reached at [accessibility@wellesley.edu](mailto:accessibility@wellesley.edu).

**Schedule**1. Introduction to Economics

|      |  |
|------|--|
| 1/28 | Introduction (Ch. 1)                           |
| 1/31 | Scarcity and choice (Ch. 2)<br>PS 1 handed out |

2. Supply, Demand, and Markets

|      |   |
|------|---|
| 2/4  | Supply and demand (Ch. 3)                         |
| 2/7  | More supply and demand (Ch. 4)                    |
| 2/11 | Elasticities (Ch. 5)<br>PS 1 due; PS 2 handed out |
| 2/14 | More elasticities                                 |
| 2/18 | No class (Monday schedule)                        |

3. Perfectly Competitive Markets

|      |  |
|------|--|
| 2/21 | Consumer choices (Ch. 6, including indifference curves)                |
| 2/25 | More consumer choices<br>PS 2 due; Midterm practice problems available |
| 2/28 | Review and questions   |
| 3/3  | Firms and production (Ch. 7)<br>PS 3 handed out                        |
| 3/6  | <b>First midterm exam (Chs. 1-6); closed-book</b>                      |

|      |   |
|------|---|
| 3/10 | Firms and production (last day of on-site instruction)          |
| 3/13 | NO CLASS (only partial attendance; no new material was covered) |
| 3/17 | NO CLASS (cancelled)  |
| 3/20 | NO CLASS (cancelled)  |

### **“SPRING BREAK”**

|      |   |
|------|---|
| 3/31 | Short-run costs and output decisions, part 1 (Ch. 8)  |
| 4/3  | Short-run costs and output decisions, part 2 (Chs. 8/9)<br>PS 3 solutions posted; PS 4 posted |
| 4/7  | Long-run costs and output decisions (Ch. 9)   |
| 4/10 | Labor markets (Ch. 10)<br>PS 4 solutions posted; practice problems posted                     |
| 4/14 | Review and practice problems<br>Practice problems solutions posted                            |

**SECOND MIDTERM EXAM (Chs. 7-10); open-book, open-note, self-administered. Students will receive midterm on April 15, 8am EST. Students can take up to two hours to complete the exam (honor code); students with disability accommodations can increase the 2 hour limit accordingly. Students should post PDFs of the completed exams in their assignment folders by April 17, 8am EST. (Note: I don't expect you to take the exam at night. A few students are located in different time zones, and their day is our night!). There are a variety of free phone apps to easily scan written exams (e.g., Genius Scan). It is also fine to use apps like Notability to write exams. Contact me with any concerns.**

#### 4. When Good Markets Go Bad

|      |  |
|------|--|
| 4/17 | Monopoly (Ch. 13)<br>PS 5 available                |
| 4/21 | Monopolistic competition (Ch. 15)                  |
| 4/24 | Oligopoly (Ch. 14)                                 |
| 4/28 | Externalities (Ch. 16)<br>PS 5 solutions available |

|     |  |
|-----|--|
| 5/1 | Public goods (Ch. 16)  |
| 5/5 | Poverty and inequality (Ch. 18)<br>Practice problems posted        |
| 5/8 | Review and practice problems<br>Practice problems solutions posted |

**FINAL EXAM PROCEDURES TO BE DETERMINED**