

Econ 001-921

Introduction to Microeconomics (pre-college)

Summer 2021- Session II

University of Pennsylvania

1 Course Information

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2 Course Description

This course provides you with the basic understanding and tools of microeconomics. We will study decision-making of economic agents (firms, households, and the government) and how they operate in different market environments. At the end of this course, you should be able to understand and apply basic economic concepts and tools to the analysis of the decisions of firms and households, the determination of prices in a market economy, and the welfare implications of market outcomes and economic policies.

Textbook: Parkin– Microeconomics (13. ed Addison-Wesley).

3 Course Requirements

Your overall grade will be based on two midterms, a final exam, and problem sets.

- Homework (20%): For every section there will be a problem set assigned. No late work will be accepted.
- Midterm exams (50%): Two 'midterm exams, 25% each. No make-up exams will be provided. If you have a valid excuse for missing a midterm¹, the corresponding portion of the grade will be reallocated to the final exam.
- Final exam (30%).

4 Rules

- Studying for the class means practicing the techniques by solving problems, attending class live/watching videos, and doing the readings. Some material covered in class may not be available in the textbook and you may be tested on it.
- You are required to check the course website regularly.
- **Regrading:** If needed, you can submit a written regrading request within one week after a test (no regrading for homework) is returned. After one week, no further requests will be accepted.

¹See Exam Attendance (in <https://economics.sas.upenn.edu/undergraduate/course-information/course-policies> for valid excuses.

- **Policies and the code of academic integrity** can be found in the following links:

<http://www.upenn.edu/academicintegrity>

http://www.upenn.edu/registrar/pdf_main/provost-rules.pdf

<https://economics.sas.upenn.edu/undergraduate/course-information/course-policies>

5 Tentative Course Outline

Material for First Midterm

- Introduction (Chapter 1)
 - (a) Opportunity Cost
 - (b) Using Graphs in Economics
- Origins of Trade (Chapter 2)
 - (a) Scarcity and Choice
 - (b) Comparative Advantage and Gains from Trade

Material for Second Midterm

- Markets (Chapter 3 - 6)
 - (a) Demand and Supply
 - (b) Elasticity
 - (c) Efficiency and Equity
 - (d) Government Intervention
- Global Markets (Chapter 7)
- Household choices and Demand (Chapter 8, 9)
 - (a) Preferences
 - (b) Utility Maximization

Material for Final Exam

- Firms and Supply (Chapter 10 - 15)
 - (a) Organizing Production
 - (b) Output and Costs
 - (c) Perfect Competition
 - (d) Monopoly
 - (e) Monopolistic Competition
 - (f) Oligopoly
- Market Failure and Government (Chapter 16, 17)
 - (a) Public Goods
 - (b) Externalities
- Income Inequality (Chapter 18, 19)
 - (a) Markets for Inputs of Production
 - (b) Inequality and Poverty