BOSTON COLLEGE  
Department of Economics

ECON 13101 Principles of Economics--Micro  
Richard Tresch  
MW 3:00, Fall 2015  
Maloney Hall, 391A  
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Required Text: Richard Tresch, Principles of Microeconomics, 14th Edition (referred to below as Tresch)

Course Requirements:

1 hour test (60 points)—Wednesday, October 28  
Final examination (90 points)—Friday, December 18, 12:30  
Numerous problem sets (optional, but strongly recommended), worth a maximum of 1/3 grade on the test average

NOTE: I have scheduled one additional lecture because of the Monday holidays:  
Friday, November 6, 3:00, Devlin 008

Discussion Leaders: Manlai Amarsaikhan, Dominique Brabant, Michael Connolly,  
Hieu Luu

Syllabus

I. Overview of a Competitive Market Economy (7.5 weeks)  

A. Fundamental Economic Principles and Issues (2 weeks)  

1. The Economic Problem  
   Tresch: Chapters 1, 2; Ch. 4 (pp. 63-66)  

2. Society’s Economic Problem  
   Tresch: Ch. 3 (pp. 34-43); Ch. 23 (on developing nations-optional)  

3. Long-run Economic Growth  
   Tresch: Ch. 3 (pp. 43-53); CASE at the end of Ch. 4, (pp.79-80)  

4. Overview of Markets and the U.S. Economy  
   Tresch: Ch. 4

B. Competitive Markets--The Laws of Supply and Demand (5.5 weeks)  

1. Markets for Goods and Services  
   a. Demand--the Consumer  
      Tresch: Ch. 5
b. **Supply—the Competitive Firm**  
   Tresch: Ch. 6

c. **Equilibrium and Market Efficiency**  
   Tresch: Ch. 7

d. **Applications**  
   Tresch: Ch. 8

2. **Competitive Labor Markets (Emphasizing Why Earnings Differ)**  
   Tresch: Ch. 9; Ch. 19 (pp. 492-499-discrimination)

3. **Evaluation of the Market System**  
   Tresch: Ch. 21
   strengths (p. 540-541)
   limitations-the role for government (remainder of Ch. 21)

II. **Behavior of Business Firms in a Market Economy (4 weeks)**

   A. **Hiring Factors of Production**
      1. **Theory**  
         Tresch: Ch. 11 (pp. 248-267)
      2. **Applications--Especially Industrial Water and Air Pollution**  
         Tresch: Ch. 11 (pp. 267-275)

   B. **Investment Analysis**  
      Tresch: Ch. 12 (the Appendix on government Cost-Benefit Analysis is optional)

   C. **The Four Main Market Structures**
      1. **Overview**  
         Tresch: Part IV, pp. 304-308.
      2. **Perfect Competition**  
         Tresch: Ch. 13 (Review Ch. 7) (The Appendix to Ch. 13 is optional)
      3. **Pure Monopoly**  
         Tresch: Ch. 14
      4. **Monopolistic Competition and Oligopoly**  
         Tresch: Chs. 15, 16
D. **Evaluation of Big Business and U.S. Antitrust Policy**
   Tresch: Ch. 17

III. **Factor Markets and the Distribution of Income in the United States (1.5 weeks)**
   (A selection of topics from the following, as time permits)
   
   A. **Labor Markets: Further Explanation of Differences in Earnings**
      Tresch: Chs. 18, 19
   
   B. **The Distribution of Income and Poverty in the United States**
      Tresch: Ch. 20

**A note on ECON1131 and the Core:**

ECON1131 is designed to meet a number of needs. It is the first course in the economics major and minor, it is a required course for all CSOM students, it is one of the choices to fulfill the social sciences Core requirement, and it serves as an elective to anyone who wants an introduction to economics. It introduces the basic tools of economic analysis and applies these tools both to problems of historical interest and to current public policy. It explores the development of economic analysis through the work of Adam Smith, Alfred Marshall, Paul Samuelson, and other giants in the field. Finally, it looks at how we bring together what we learn from economics with what we learn from other fields.

**Academic Integrity**

Your work on exams is to be entirely your own. Be sure you are familiar with the sections on "Academic Integrity" in the Boston College Catalog (pp. 35-36) or online at BCInfo, (A-Z index, Academic Integrity). Be aware that I, and your TAs, take this most seriously.

**Accommodations for Disabilities**

If you have a disability, you are strongly encouraged to request accommodations for the exams for this course. Please register with either Kathleen Duggan (kathleen.duggan@bc.edu) Associate Director, Academic Support Services, the Connors Family Learning Center (learning disabilities and ADHD) or Paulette Durrett (paulette.durrett@bc.edu), Assistant Dean for Students with Disabilities (all other disabilities). Advance notice and appropriate documentation are required for accommodations.