ECON 1
UCSC/SPRING 2012  DAVID E. KAUN

       ➔ Class Reader
       ➔ Idiocracy (the film)

OPTIONAL   Wall Street Journal or any other regular news source
VERY OPTIONAL  David Evan Kaun, RU$$IA (a novel)

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estimated number of class meetings

2  Introduction KW, Chs. 1-4;

3  Individual Demand/Market Demand/Elasticity
   KW, Chs. 10 and 6 (through page 158, skim remainder; 
   2  Production in the Firm KW Ch. 12

2  Firm Profit Seeking KW, Ch. 9 (pp. 225-39 scan remainder); 

1  Perfect Competition KW, Ch. 13

1  Monopoly KW, Ch. 14
1  Monopolistic Competition and Oligopoly, KW Chs. 16 and 15

3  Labor Markets and Unions KW, Ch. 20;

3  Poverty and Inequality KW, Ch. 19 (579-89)

3  Pollution/Environment, KW, Chs. 17 and 18

3  International Trade KW, Ch. 8;

2  Role of Government KW, Ch. 7;

2  Open

1  Sermon: On the Value of Money and How to Live Your Lives

Contacting Kaun: Best done via e-mail (nuclear@ucsc.edu). Office Hours TBA
Weekly exams Three in-class exams will be given as scheduled, covering material through chapters on market structure. Questions will be based on the assigned problem sets, text chapters, and on lecture material.

Final Exam: The final exam will cover material from the second half of the course, and will be given as scheduled.

“Sections” During the first half of the quarter: The expectation is that you will have done the problem sets, and checked the answers in the reader prior to coming to section. The purpose of the section-tutorials is for you to clear up any questions that you might have about the problems sets, readings or lecture. Credit will be given for students attending section with problem sets completed in advance. We will have section meetings during the second half of the quarter. These too, however, will differ from the normal section. See extended discussion below (pp iv-v).

Class Web-Page There is a class web-page at http://people.ucsc.edu/~nuclear/. All of the material on the syllabus will be posted, plus exam answers (after you’ve taken the exam), final exam study questions, everyone’s office hours, as well as comments regarding your questions and other matters as they might arise throughout the quarter. You should check this page each week.

Evaluation Process Your narrative evaluation and grade will be based on the weekly exams, the final exam and section attendance in first half of the quarter. Section participation during 2nd half of the quarter may become part as indicated below.

<table>
<thead>
<tr>
<th>Week</th>
<th>Most of your time should be spent on:</th>
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<tbody>
<tr>
<td>1</td>
<td>introductory chapter &amp; Problems Ch 10 (1,2,3,4,11,12) Ch 6 (1, 3, 6)</td>
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<tr>
<td>2</td>
<td>Continued</td>
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<tr>
<td>3</td>
<td>Problems, Ch 12 (2,3,4,8,9,10)</td>
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<tr>
<td>4</td>
<td>Problems Ch 9 (1,3,4,5,7,9,11)</td>
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<tr>
<td>5</td>
<td>Problems Ch 13 (1,2,7,9) Ch 14 (1,8,11) Ch 16 (1,2,7,9) Ch 15 (7, 10, 11)</td>
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NOTE: YOU SHOULD ALSO BE FAMILIAR WITH THE ‘KEY TERMS’ LISTED AT THE END OF EACH CHAPTER; THEY WILL BE INCLUDED ON THE EXAMS

NOTE ALSO: The film, Idiocracy will be show at least once, time and place TBA. This is a required film, and there will be questions dealing with the film on the final exam.
Lecture/test/video schedule for Econ 1 SPRING ‘12

⇒ April
  2—Introduction
  4—“
  6—Chapter 10, 6
  9—“
  11—“
  13-exam 10, 6
  16—Chapter 12
  18—“
  20—Chapter 9
  23—“
  25—exam 9, 12
  27—Chapter 13
  30—Chapter 14, 15,

⇒ May
  2—Chapter 15, 16
  4—Review 13-16
  7—exam, 13,14,15,16
  9—Labor; Chapter 20
  11—“and Milton Friedman Video
  14—Poverty and Inequality; Chapter 19
  16—
  18—Environment. Chapters 17, 18,—“
  21—“
  23 International and Globalization; Chapter 8, “
  25—“
  28—Holiday
  30—Government

⇒ June
  1 “

  4—Freakonomics Video
  6—What Does Economic Freedom Buy?” Reader Article
  8—Sermon on “Income and Happiness,” Reader Article
This class differs from what typically happens in introductory economics classes. The content of the course will look pretty much as it always has, allowing for the particular idiosyncrasies of individual professors. Other aspects of the course will depart from tradition. There are a number of reasons for these changes. Perhaps the two most important for me are, 1) the challenge of teaching in a room more suited to a rock concert than an economics lecture, and 2) a desire to create an environment where students are asked, and expected, to take a good bit of responsibility for their own learning. I introduced these changes last year, and while hardly unanimous, student response was clearly positive. The changes involve what happens during and outside of lecture.

Finally, let me say in all seriousness, students can pass the class without ever coming to lecture or to section. A mastery of basic material that is covered in the textbook can be achieved via careful reading of the text and working through the assigned problems sets (whose answers appear in the class reader). In a class of hundreds, there will always be a number of students who view attending lecture and section as a third best option compared to what many other activities that exist in and around the Santa Cruz campus. The good news is that for such students, the option of avoiding the pain and boredom of lecture and section is very real in the class. More than real, it is encouraged. The very strong assumption I make is that those who do attend lecture and sections (when they are offered), will be doing so because of a real desire to be there, and will act accordingly.

Okay, enough prologue. Here are the changes that you will confront this quarter. First, in the classroom: I have done the best I can to provide detailed, coherent and helpful notes for all of the lectures. These notes are in your class reader. The advantages are two-fold. First, going back to the previous paragraph, you don’t have to be in class to take notes—you have them! They are also available on the class web-site (http://econ.ucsc.edu/faculty/nuclear/), but not in such convenient form. More importantly, you will not have to devote every moment of lecture time trying to get “every word.” You can spend some time just listening. Some professors, and I am one, tend to ramble a bit. And we often will get sidetracked on something that strikes us as funny that may even relate to the course material. Since you have my notes, I can ramble a bit without feeling the pangs of student ire for making note taking a seemingly impossible chore. Your class reader has a blank page for every page of notes—you will not be prevented from taking notes, but hopefully you will do so in a discerning way.

The major departure from the norm takes place outside of lecture. It concerns sections. Sections during the first half of the quarter are voluntary, but modest credit will be given for students who attend and have completed the problem sets in advance. TAs will be available in the assigned section rooms, ready to help you with any questions you might have about the lecture, basic concepts, and the assigned problems sets (time and location of these sessions will be announced during the first week of class).

There will also be sections during the second half of the course! These sections, to which students will be assigned, will be devoted to discussions of the several interesting and controversial issues covered during the second half of the quarter—labor related and union issues, poverty and inequality, environmental and resource concerns, international trade and globalization, and the “proper” role of government. The discussions should be
stimulated by the lectures, readings in *Real World Micro* (from the left), and Milton Friedman videos (from the right). At each section, attending students will be expected to bring a one-page paper that flows from the readings in *Real World Micro*.

**These sections are also not required.** The final exam will cover the second-half material, and be based *entirely on the lectures (notes!) and Krugman and Wells text*. The sections are designed for students wishing to go beyond the basic text/lecture coverage, and will be considered as “honors” sections. Any member of the class may sign up for a section. The opportunity to “go beyond” should be reward enough for thoughtful participation, and with limited exception, such participation will not impact your final grade. The exception concerns students who have done excellent work on the in-class exams (**B- or better**). For such students, satisfactory participation in sections (going to at least 4 discussion sessions with prepared papers), grades will be increased by a “notch,” i.e., from B+ to A-, A- to A, and from A to A+ (students who do A work on the exams will also receive honors in the class).

Again, as is the case with the lectures, these sections are not required. Students who would prefer to spend their time in other ways should certainly do so. What I do expect is that students who come to lecture and to sections do so because of a serious commitment to the material. Without that, you’re wasting your time, my time, and equally important, disturbing and detracting other members of the class.

Believe it or not, economics can be interesting and fun. I hope you find it so.