

Lectures Baxter Lecture Hall, Tues and Thurs 1-2:30

Recitation sections: Fridays TBA (you will have to join 1 Recitation section and stick to it)

Office hours Mon-Tues-Thurs 11-12 AM Baxter 133.

### Homework and examination

Points Recitation 24%, midterm 26%, final 50%.

This class will feature weekly homework that will not be graded. You are free to collaborate on solving homework sets. Each Recitation will begin with a quick quiz drawn from the home work. There will be 8 such quizzes (one for each of week 2 through 9) and they enable you to earn 24% of the available points.

The midterm will be worth another 26% take home to be distributed April 29. Due in Class May 4.

Final : take home to be distributed(by email) to Seniors June 4 9 am due June 6 noon. To be distributed to all other students (by email) June 8 at 9am, due June 10 at 5pm.

### Text book

There have been two text books used in Econ 11 in recent years. 1) John Taylor's Economics and 2) Preston McAfee's Introduction to Economic Analysis.

There are tradeoffs. Taylor is a fine text book with a lot of applied material. On the other hand, it does not quite provide the rigor you will need in future economics classes at Caltech.

We will rely heavily on The McAfee book that you can download <http://www.introecon.com/> . That will leave two gaps both related to economic change. I will distribute some extra material for those two lectures.

Topics and readings (MC stands for McAfee, T for Taylor)

	Lecture topic	Reading
Tues March 30	1) Scarcity, budgets, preferences	Mc- 1-All T 1-2
Thur April 1	2) Supply and demand	Mc-2-1 and 2.2 T 3

Tue April 6	3) Utility and constrained optimization	Mc- 5-1 T 5
Thur April 8	4) Demand, price effects, income effects	Mc- 5-1 T 5
Tue April 13	5) Exchange economies	Mc 2.1 and 5.2.8 T 7
Thur April 15	6) Firms and Production	Mc 4.1 T 6
Tue April 20	7) Production and cost function	Mc 4.1.2-4.1.5 T 6, 8
Thur April 22	8) Technical change and efficiency	MC 4.1 T 8,9
Tue April 27	9) Economies of scale and scope	Mc 4.1.8 T 8
Thur April 29	10) Markets and firms Competition	Mc 4.2 T 8-9
Tue May 4	11) Markets and firms Monopoly	MC 6.3 T 10
Thur May 6	12) Public goods	Mc 6.4 T 15
Tue May 11	13) Public bads and taxation	Mc 6.4 and 6.1 T 15
Thur May 13	14) Property rights and investment	MC 6.3.4 to 6.3.6 T $\phi$
Tue May 18	15) Risk and the market for insurance	MC 5.2 and
Thur May 22	16) Information and the market for Lemons	6.6.1 T $\phi$
Tue May 25	17) International trade Ricardo	Mc 2.6 to 2.6.2 T $\phi$
Thur May 27	18) International trade Hecksher-Olin	Mc 2.6.3 and 2.6.4 T $\Phi$
Tue June 1	19) Investment and Growth	MC 4.3

		T 20 23
Thur June 3	20) Endogenous growth and Human capital	MC 3.1.3 T 23 33