

University of Wisconsin
Department of Economics
Economics 111: Principles of Economics – Accelerated Treatment
FALL 2010
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Time and Location: Tuesday and Thursday, 8.25-9.40am, 122 Ingraham Hall

Office Hours: Tuesday and Thursday, 10.00-11.00am

Textbook: *Economics*, by Joseph E. Stiglitz and Carl E. Walsh, Norton & Company; Fourth Edition (April 1, 2006) – **Required**

Material: The textbook will be read almost from cover to cover. Lecture notes for special sections may be provided via the website

Course Description: This course is an introduction to the basic principles of Economics (Micro- and Macroeconomics). It covers the same material as Economics 101 and 102, the pace of the course will thus be quite fast. The course is designed for honors students with good analytical skills who are willing to work very hard (students who do not fall within this category are encouraged to consider Economics 101 or 102 as an alternative). We will make extensive use of graphs, algebra and mathematical reasoning. Optional calculus derivations may be provided, but the course is meant to be self-contained for students who have *not* taken calculus.

Exams and Grading: There will be three midterms, and one final exam (the final is scheduled on December 18th at 12.25pm). Each of the midterm exams will cover the material since the previous exam. The final exam instead is comprehensive. The course grade is based on exam scores. To determine the final grade, I drop the lowest of the four exam grades and average the remaining three grades. On the last day of class, I will let you know the grade that you will receive for the course if you do not take the final exam. Obviously, if you receive an A average on the three midterm exams, you do not need to take the final. Because students can drop one exam, **THERE WILL BE NO MAKE-UP EXAMS.**

Problem sets: In addition to the exams, problem sets will be assigned on a weekly basis. These problem sets will not concur to determine the final grade, but you are strongly encouraged to turn them in every week, as they are meant to pace the timing of your studying in preparation to the exams. Also, problem sets may contain exercises that guide you through material that we could not cover in class, but that may be included in the exams. Students who wait until just before the exam to attempt these problems will find that there is too much material to digest.

A tentative schedule is attached. Most likely, changes to this schedule will occur, and will be notified in class. I will also provide detailed references to the relevant chapters in the book, as well as lecture notes to complement the textbook.

Week 1 Introduction, Demand and Supply

Week 2 Competitive Markets: Consumer's Theory

Week 3 Competitive Markets: Firm's Theory

Week 4 Labor and Capital Markets; Efficiency

- **The first midterm should be approximately at this point**

Weeks 5-6 Monopoly, Oligopoly and Antitrust Policy

Weeks 7-8 Asymmetric Information, Externalities, Public Goods

- **The second midterm should be approximately at this point**

Week 10 Macroeconomics, Full-Employment Model

Week 11 Government and Foreign Sector, Trade

Week 12 Money and Banking, Macro Fluctuations

Week 13 Aggregate Expenditures and Aggregate Demand

- **The third midterm should be approximately at this point**

Week 14 Fed and Interest rates

Week 15 Macro Policy, Inflation and Unemployment

- **December 18: FINAL EXAM on all material covered in course**

Misconduct Statement

Academic Integrity is critical to maintaining fair and knowledge based learning at UW Madison. Academic dishonesty is a serious violation: it undermines the bonds of trust and honesty between members of our academic community, degrades the value of your degree and defrauds those who may eventually depend upon your knowledge and integrity. Examples of academic misconduct include, but are not limited to: cheating on an examination (copying from another student's paper, referring to materials on the exam other than those explicitly permitted, continuing to work on an exam after the time has expired, turning in an exam for regrading after making changes to the exam), copying the homework of someone else, submitting for credit work done by someone else, stealing examinations or course materials, tampering with the grade records or with another student's work, or knowingly and intentionally assisting another student in any of the above. Students are reminded that online sources, including anonymous or unattributed ones like Wikipedia, still need to be cited like any other source; and copying from any source without attribution is considered plagiarism. The Dept. of Economics will deal with these offenses harshly following UWS14 procedures (<http://students.wisc.edu/saja/misconduct/UWS14.html>): 1. The penalty for misconduct in most cases will be removal from the course and a failing grade, 2. The department will inform the Dean of Students as required and additional sanctions may be applied. 3. The department will keep an internal record of misconduct incidents. This information will be made available to teaching faculty writing recommendation letters and to admission offices of the School of Business and Engineering. If you think you see incidents of misconduct, you should tell your instructor about them, in which case they will take appropriate action and protect your identity. You could also choose to contact our administrator (Mary Beth Ellis: mellis@ssc.wisc.edu) and your identity will be kept confidential.