

Econ 202: Introduction to Microeconomics

Northwestern University; 2018 Summer Tue/Thu 10:00 am - 12:50 pm (Jun 26 - Jul 26); Kellogg 1410
Professor Scott Ogawa; sogawa@northwestern.edu; Kellogg 3481

Textbook: *Microeconomics* 2nd edition, by Acemoglu, Laibson, and List. It is important you have this book. It is *not* essential that you have MyEconLab.

Course Goals

- (1) Provide a fruitful exposure to the current economic paradigm.
- (2) Gain deeper intuition for economic concepts, including *supply and demand*, *elasticity*, *gains from trade*, *public goods*, *common resources*, *externalities*, *labor markets*, *monopoly*, *monopolistic competition*, and *game theory*.
- (3) Improve your numeracy and problem-solving skills.

Quizzes and Final Exam

For the summer session, **there will be a quiz at the start of every class; eight in total.** It will be based on the problem set due the previous day (which in turn is based on material from the previous class). If you know in advance that you will need to miss more than one class then you should talk to the instructor. Alternatively, missing one is okay since the lowest two scores on each exam will be dropped (or the final exam will be weighted less heavily if you do well on all eight quizzes). The final exam is worth six times as much as any quiz. **Final Exam is Thursday, July 26.**

Grades: Your grade will be based on the quizzes and final exam (85%); homework (10%); and attendance and participation (5%). Grades will either be based on a percentage (>93.3% is A, >90% is A-, etc) or a curve typical of economics courses (in this course, median set to a B), *whichever is higher for you*. Passing grades (C- or better) will also depend on other factors, including whether you submit all of the problem sets and take all of the quizzes.

Computers and Phones: If you want to take notes on your computer, please try your best to keep temptations such as email out of sight and out of mind. To help you avoid this temptation, computer users must sit in a designated portion of the first row. Mostly, I encourage everybody to have a notebook handy.

Problem Sets (i.e. Homework): You should do the problem sets to prepare for the quizzes. You should try to complete the entire problem set by ~~10:00 am~~ **1:00 pm** the day before class. At this time you will submit one (or a few) question(s) online (and the solutions to all problems will be posted). Sometimes you will even be able to submit in groups of two to three, though that will be announced in advance. If you miss a homework assignment, then your exam average will simply be imputed in its place; so in effect you do not actually have to do the homework. However, given the exam average is often between 70% and 90%, this may hurt your final grade.

Topic coverage for exams: Consider the following three categories: (1) Required reading from the textbook; (2) Lectures; (3) Problems from class and problem sets. Any concept that appears in two out of three categories will probably be tested.

Regrades: There is never a penalty for submitting (other than your time), though generally the original ruling stands: Requests centered on difficult (and unfortunately somewhat subjective) partial-credit decisions will rarely work. In other words, your written explanation should point out a *mistake* or *oversight*. Please try to submit requests within one week of receiving a score.

Schedule and Required Reading: This course covers chapters 4 – 15 from the textbook. Of these chapters, the required versus optional reading will be outlined at the beginning of each problem set. While you are encouraged to read the “Choice and Consequence” and “Evidence-Based Economics” boxes, these are generally optional unless explicitly stated otherwise in class or via email. Chapters 1 – 3 are optional: If you have taken Econ 201, I suggest you read this at the *end of the quarter* rather than the beginning. If you have *not* taken Econ 201 or equivalent, read chapters 1 - 3 as soon as possible as a broad introduction to economics.

Week 1 Tue	Supply and Demand; Surplus/Welfare (Chapter 4; 5.4; 7.1)
Thu	Examples; Elasticity (5.5, first half of 6.3, 7.4, 10.1, 10.2)
Week 2 Tue	Supply Curve and Costs of Production (6, except 6.5; 7.2, 7.3)
Thu	Trade (Chapter 8, except 8.3)
Week 3 Tue	Externalities and Public Goods (9); Taxes (10.1; 10.2)
Thu	Factors of Production (11, all)
Week 4 Tue	Monopoly (12); Monopolistic Competition (14.3; first half of 14.4)
Thu	Game Theory (13); Oligopoly and Monopolistic Competition (14)
Week 5 Tue	Interest Rates (15.1; 15.2); will be cut if time runs out.
Thu	Final Exam If you miss this exam for any reason then you will need to take the final exam during finals week in a subsequent quarter.

Office Hours: The initial plan is every class-day at 9:30 - 10:00 (i.e. before class) to answer last-minute questions and drink coffee. This will be in the normal room (1410). Also every afternoon (Mon - Thu) 3:15 - 4:00, either in my office or Kellogg main floor, depending on how many people attend. This is all subject to change based on your availability.