

# Economics 202: Introduction to Microeconomics

Northwestern University ♦ Winter 2021

Professor James A. Hornsten

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Personal ZOOM for Office Hours: <https://northwestern.zoom.us/j/7316183050>

Course ZOOM for Lectures & Exams: See Canvas

Teaching Assistants' ZOOM for Discussion Sections & Office Hours: See Canvas

## Class Meetings, Attendance and Communication

We will meet 1:00 – 1:50PM on Mondays, Wednesdays & Fridays at the Zoom link posted on Canvas. Refer to the attached schedule for important calendar dates. Although attendance is not mandatory, it is expected, and experience suggests that those who regularly attend and actively participate tend to perform better in the course. The best way to contact me is e-mail, which I check regularly, and I try hard to answer emailed questions within 24 hours. Check Canvas and your NU e-mail daily for announcements and materials.

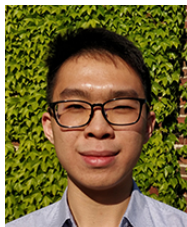
## Office Hours

On most days immediately after class I will stay on Zoom to chat and/or answer student questions. I will survey the class and schedule additional office hours at some mutually convenient times, perhaps including some late-night office hours especially for “distant time zone” (DTZ) students. [Update: Office hours will be Wednesdays, 2:00-3:00PM, and Thursdays, 11:30AM-1:00PM.] Many students have found the collaborative approach to learning helpful, so some office hours will be “open,” when anyone can drop by and contribute to a group discussion. Some office hours will be based on reservations (signing up for a specific time slot for a one-on-one conversation). Office hours are a time to talk not only about course material or your standing in the course, but also the ECON major, careers, NU life, and whatnot.

## Teaching Assistants and Discussion Sections

Our three graduate teaching assistants will lead weekly synchronous 50-minute discussion sections. Sections are not required, but I expect you to attend one of the three sections beginning the second week of class. In typical discussion sections, the TAs will build upon problems you have previewed, present original material, review key ideas, discuss recent or upcoming exams, and/or answer your questions. Each TA will also hold office hours during which you can speak to them via Zoom; an updated office hours schedule will be posted to Canvas. Feel free to attend any TA's office hours that fit your schedule. The TAs will also lead review sessions and exam simulations before the exams.

<i>Name</i>	<i>Section Times on Thursdays</i>	<i>E-mail @u.northwestern.edu ZOOM personal ID</i>	<i>Virtual Office Hours</i>
Yan Chiu	6:00PM	KwokChiu2025 91777069555	Mondays, 4:30-6:00PM, Saturdays, 6:00-7:30PM
Guillaume Gex	8:00AM	GuillaumeGex2023 9934024371	Wednesdays, 5:00-6:30PM, Fridays, 3:30-5:00PM
Genia Rachkovski	4:00PM	EvgeniRachkovski2024 9634299796	Mondays, 8:00-10:00AM, Wednesdays, 8:00-9:00AM



Yan



Guillaume



Genia

### **Zoom Recording Policy**

*Synchronous Components: Class material will be delivered primarily through synchronous Zoom meetings at the scheduled class times, though these meetings will be recorded and made available for students in distant time zones. Discussion sections with the TA's will be synchronous. Synchronous attendance is strongly encouraged whenever possible to increase understanding and engagement. Exams will be synchronous.*

This class or portions of this class will be recorded by the instructor for educational purposes. These recordings will be shared only with students enrolled in the course and will be deleted at the end of the end of our Fall 2021 course. I will communicate how you can access the recordings. Unauthorized student recording of classroom or other academic activities (including advising sessions or office hours) is prohibited. Unauthorized recording is unethical and may also be a violation of University policy and state law. Students requesting the use of assistive technology as an accommodation should contact [AccessibleNU](#). Unauthorized use of classroom recordings – including distributing or posting them – is also prohibited. Under the University's [Copyright Policy](#), faculty own the copyright to instructional materials – including those resources created specifically for the purposes of instruction, such as syllabi, lectures and lecture notes, and presentations. Students cannot copy, reproduce, display, or distribute these materials. Students who engage in unauthorized recording, unauthorized use of a recording, or unauthorized distribution of instructional materials will be referred to the appropriate University office for follow-up.

### **Textbook, Readings and Equipment**

There is no required textbook, but two recommended textbooks that I have used in recent years are

- B. Stevenson and J. Wolfers (2019) *Principles of Microeconomics*, 1st edition, Macmillan, ISBN: 978-1464186943. “**S&W**”
- D. Acemoglu, D. Laibson and J. List (2017) *Microeconomics*, 2<sup>nd</sup> edition, Pearson, ISBN 978-0134492049, OR (2014) *Microeconomics*, 1<sup>st</sup> edition, Pearson, ISBN 978-0321391575. “**ALL**”

New, used, and digital versions of the ALL textbook are usually available at the Norris Center Bookstore for purchase or rent, and the University (Main) Library's main circulation desk should have several copies of ALL on reserve. Additional study guides, software (e.g., MyEconLab), and online resources are strictly optional; we will not use them officially, though you may find them helpful. For timely examples of economics in the news, I will post to Canvas PDFs of (or links to) recent articles from *The Economist*, *The Wall Street Journal*, *The New York Times*, *The Financial Times*, *The Atlantic*, *The Guardian*, and other newspapers or magazines.

Because you will be solving problems and drawing graphs frequently, it is a good idea to have a physical or virtual notebook, a straight edge (6 inches is sufficient), and some writing utensils (perhaps multi-color pens) handy for each class. You may use a calculator on our exams.

In order to participate in our regular Zoom meetings you will also need

1. a reliable device, such as a computer (preferred), a tablet, or alternatively a smartphone;
2. a reliable high-speed internet connection;
3. an internal or external microphone connected to your device;
4. an internal or external camera connected to your device;
5. access to a quiet space.

To promote academic integrity during our exams, you will need to set up a smartphone off to the side (to show a video stream of you working) and use your computer to access Canvas.

### **Prerequisites**

You should be (or get) comfortable working with graphs, tables, and equations at the level of high school algebra. Historically, about  $\frac{3}{4}$  of the class has taken ECON 201 [Introduction to Macroeconomics], but it is not required. If you are new to ECON, you should begin mastering the chapters on supply and demand immediately.

### **Course Overview, Goals and Objectives**

Formally, economics is the study of the allocation of scarce resources among competing ends. Informally, economics helps us understand how household, business, and government decision makers respond to incentives; the importance of properly functioning markets in a modern capitalist economy; and the role of government in alleviating various market failures. Microeconomics focuses on individual decisions (often using cost-benefit analysis) and the inner workings of specific markets. Picking up where macroeconomics leaves off, this course will introduce the principles of microeconomics, and teach you how to apply these concepts to real world scenarios. Thus, this course is aimed not only at potential economics majors, but also at any student who desires an enhanced ability to understand the popular press, critically analyze government policies (or lack thereof), and use microeconomic literacy and numeracy to make better choices as a consumer, producer, investor, or voter. Specific course objectives are to:

- Help you understand and apply fundamental economic analysis  
(Can we predict the effects of a sweetened beverage tax, a \$15 minimum wage, or free vaccines?)
- Familiarize you with jargon used by the media  
(initial public offering, too big to fail, fixed rate mortgage, cap and trade, Chapter 11 bankruptcy)
- Dispel common misconceptions and carefully consider controversial topics  
(Do monopolies rip off consumers? Are CEOs overpaid? Do profits rise with prices?)
- Increase the breadth of your understanding with discussions of current economic issues  
(Responses to COVID-19 by airlines, hotels, restaurants, movie studios, grocers, and hospitals)
- Prepare you for advanced study in economics, marketing, finance or related fields – and post-NU life  
(How have recent events affected investing, borrowing, and job seeking?)

### **Learning Outcomes**

During this course you will use two basic tools of economic analysis (equilibrium and comparative statics) to model and study a variety of economic problems, including many involving market failures. After completing this course you will be able to:

1. Apply the model of supply and demand to critique a variety of government policies in markets that may or may not be characterized by market failures (i.e., violations of perfect competition)
  - Draw supply & demand curves and use them to analyze (dis)equilibrium in competitive markets.
  - Apply measures of elasticity to characterize the shapes of demand and supply curves.
  - Explain how the “Invisible Hand” leads to a social optimum with decentralized decision makers in a market free of market failures.
  - Analyze effects and efficacy of various forms of government intervention to address market failures in inherently competitive markets.
  - Explain why governments exist and how to provide the socially optimal level of public goods.
  - Graphically analyze positive and negative externalities and explain the relative merits of the numerous approaches we use to address them.
2. Evaluate the actions of profit-maximizing firms by using producer theory
  - Use a production function to characterize the technology available to a firm and show how much output a firm can produce with any given set of inputs.
  - Explain the relationships between technologies, costs, and supply decisions (e.g., shutdown)
  - Use cost curves and a (residual) demand curve to analyze the optimal production choices of a profit-maximizing firm in a variety of market settings: perfect competition, monopoly, monopolistic competition, and oligopoly.
  - Differentiate among cost concepts (accounting costs, economic costs, implicit costs, explicit costs, fixed costs, variable costs, marginal costs, and sunk costs) and know when to use each.
3. Predict the behaviors of rational buyers by using consumer theory
  - Use net present value to make financial decisions for a wide variety of investments, including business projects, stocks, bonds, mortgages, and retirement accounts.
  - Use probability to model decisions under uncertainty, explain why risk-averse people may buy insurance, and evaluate possible solutions to the problems of moral hazard and adverse selection.

### **Teaching Methodology and Philosophy**

You will have many opportunities to engage the material, including reading the textbook, attending and actively participating in lectures and TA-led discussion sections, working on practice exercises or problem

sets either individually or in a group, and attending office hours. The **readings** (from the textbook and recent articles) are meant to familiarize you with vocabulary and concepts, inspire questions, and give you a chance to ponder the material before we present similar ideas in different packaging. It is a good idea to preview the recommended material before our synchronous meetings. **Lectures** will typically take the form of PowerPoint presentations and problems worked out on a tablet, though I will often ask you to participate. Posted lectures are intended to take the place of a packet of course notes, so you should expect the PPTX slides to be unusually wordy and colorful. Moreover, I will not have time to cover all of the slides, so you will need to peruse some of them outside of class. Graded **problem sets** give you a chance to practice solving problems and to prepare for both discussion sections and exams. I typically collect homework late Tuesday night and immediately release the solutions. Economics is like applied math, and solving problems is an important part of mastering the material. We will usually cover the relevant material before the problem set, but occasionally you will need to read ahead and teach yourself some concepts. I encourage you to try the problems on your own, and then meet with classmates to discuss and compare answers. I.e., I want you to collaborate, but warn you that free riding on homework often leads to difficulty on exams, when you will have to solve problems on your own. For a simple test of your knowledge, try explaining a problem and its solution to a friend or try tinkering with assumption to construct some problems (with answers) on your own. The teaching assistants will use the **discussion sections** to provide insight and extensions of the homework, help you prepare for exams, and field your questions. To help you understand what a timed exam feels like, the TA's will host several **exam simulations** early in the week a few days before each of the midterms; at an exam "sim" you will have an opportunity to take the actual midterms from the last two times I taught the course, and then the TA's will go over the solutions and answer your questions. The **exams** will test your understanding of microeconomics, including your ability to apply theory to economic problems. You should therefore focus on the systematic reasoning we are trying to develop, rather than on mere memorization. Economics does NOT lend itself to pulling all-nighters before exams. Later analysis relies on principles covered earlier, so the exams are cumulative implicitly, if not explicitly. In the spirit of transparency, I will post numerous old exams for you to review. You will note that while the set of material rarely changes, each exam looks a bit different as I cycle through a variety of ways of assessing your degree of mastery. Class is much more enjoyable when there is active involvement by many students, so be prepared to speak up now and then, and to **participate** in a Goldilocks sort of way – neither too rarely nor too often. This is particularly true in the COVID era – students who are actively engaged tend to perform better. The TAs and I both hold regular **office hours**, and these are good times to talk about specific questions, general intuition, your standing in the course (with me), registration, the ECON major, careers, NU life, etc. You are welcome to attend any of our office hours. If you feel you are struggling, seek help early – there are many resources in place to help you, including ASLA's drop-in tutoring. It is both my desire and job to help you learn, so please let me know if anything is frustrating your efforts so that I can try to remedy the situation. Part of your job as a responsible adult is to monitor your progress and seek help from your peers, the TAs, or me when necessary. Often it doesn't take much to get back on track if you take the first step by asking for assistance from a peer, TA, or me. Given how the course is designed, you should adopt an active approach to learning: once you think you understand the material from the readings and lectures, work problems on old exams for practice and regularly ponder connections: how does all of our material fit together?

### Evaluation

Your course grade will be based on your performance on weekly problem sets and three exams. The relative weights of these graded components and some important dates are as follows:

<u>COMPONENT</u>	<u>IMPORTANT DATES</u>	<u>Points</u>	<u>% of Grade</u>
<i>Participation</i>	<i>Throughout the course</i>		<i>For borderline cases</i>
<i>Problem Sets (best 7 of 8)</i>	<i>See Course Schedule for Due Dates</i>	40	10 %
<i>Unit 1 Midterm Examination</i>	<i>Friday, February 5, in class*</i>	100	25 %
<i>Unit 2 Midterm Examination</i>	<i>Friday, February 26, in class*</i>	100	25 %
<i>Unit 3 / Final Examination</i>	<i>Friday, March 19, 9-11AM</i>	<u>160</u>	<u>40 %</u>
	<i>TOTAL</i>	400	100 %

\* The midterm exams will also be offered at 11:00PM for students from significantly different time zones.

**Exams:** The course is divided into three units, each followed by an exam; the final exam covers Unit 3 and also contains “big picture” questions so I can assess your overall mastery of the course. Exams will feature a diversified portfolio of questions and topics designed to test your ability to apply economic theory. Old exams with detailed solutions will be posted; I strongly suggest you use them to better understand the types and difficulty levels of problems you will be asked to solve, as well as how quickly you will be expected to work. Due to the substantial challenges of administering more than three examinations, there will be no make-up exams. If you miss one of the unit exams for some reason, then I will reweight your other exams; the new weights would be 12% Problem Sets, 33% Midterm, and 55% Final. We do not arbitrarily re-weight exams based on your performance (☺ or ☹), and if you take an exam, we must count it, so if you are not in a good state to take an exam, please inform me before you start taking the exam. You must take at least one midterm exam and the final exam to pass the course. Please note that we offer this course every quarter (including the summer) in case you have time conflicts this quarter.

**Problem Sets:** Each week I will distribute a five-question problem set that will be collected the following Tuesday by 11:59PM. Each question will be graded on a 2-point scale, where 2 = correct, 1 = good try, and 0 = way off or blank. We do not accept late submissions, but we will drop your lowest score. I strongly encourage you to submit your work early; Crowdmark allows you to edit your submission up until the deadline. I also encourage you to collaborate, particularly by trying each problem on your own and then discussing your answers with a classmate. Many of the problems are taken from old exams, so the problem sets are meant to be challenging and to take an hour or two to complete.

#### **Final Exam Policy**

WCAS policy: “The College forbids administering a final examination to individual students in advance of the assigned time. You are required to take the final examination at the designated time. If you are unable--for sufficient reason--to take a final examination at the designated time, you should apply for an incomplete in the course.” Since University policy requires us to administer the final exam at the appointed time, **PLEASE DO NOT ASK TO TAKE THE FINAL AT ANY HOUR OTHER THAN THE ONE ASSIGNED BY THE REGISTRAR.** In the unlikely case that you cannot take the final exam at the regular time, I will assign an incomplete grade of “X” (which is what you would receive if you were ill and didn’t show up for the final). If the WCAS Dean’s office (1908 Sheridan Road) and I agree to the “X” option, we will schedule a make-up exam in the near future, typically at the beginning of the next quarter.

**Grades:** You are responsible for monitoring your scores and status in the course. Your course grade will be based primarily on total points in the course, but I also take into account your ballpark grades on each exam, performance trends (improvement), and the difficulty of the exams. I grade to the curve rather than using an absolute percentage standard. This means that a score of 75 does not automatically map to a C grade, but rather is considered relative to scores in this and previous classes; e.g., if a 75 were the high score, it would earn a high A, but if it were the low score, then it may earn a C- or lower. For each exam you will receive a ballpark grade. The average grade in ECON 202 across many years has been a B (or about a 2.9 GPA). **Re-grading:** Occasionally, a student finds or suspects a grading error. If this is the case, please email to me the particular question within one week after the graded exams are released.

#### **Submitting Your Work Through Crowdmark**

The teaching assistants and I will use Crowdmark to streamline the grading and recording of your problem sets and exams. You submit your work through an emailed link, dragging PDFs or JPGs into fields, and then we read your work online, insert grading comments, automatically send your score to Canvas, and then allow you to peruse a digital version of your graded work. For an intro, see the video at <https://crowdmark.com>

#### **Academic Support**

##### **Peer-Guided Study Groups – Registration Required for this Quarter-Long Opportunity**

If you would like to study with other students in this class, consider joining a Peer-Guided Study Group. Peer-Guided Study Groups (formerly AMP and GSW) offer peer-led academic support in a small-group setting for students enrolled in this course. Participants will meet weekly — sessions will be offered remotely — with about 5 to 8 other students and a peer facilitator, a student who has already taken and done well in the course. During the two-hour weekly sessions (*Mondays 3-5PM, Tuesdays 2-4PM, and Thursdays 1-3PM*)

with peer leaders TBA), students review concepts, work through practice problems, raise questions, bring their questions, and work together to develop answers. This is an excellent opportunity to connect with others in your class while we are physically separated. Past participants report that this program helped them stay on track, solidify their understanding of course concepts, and increase their confidence – all in a comfortable atmosphere. Students register for the full quarter on CAESAR and attendance is expected weekly. Study Group sessions are listed below course lecture and discussion sections (e.g., ECON 202-SG Peer-Guided Study Group: Introduction to Microeconomics). Feel free to contact Borislava at [borislava.milicheva@northwestern.edu](mailto:borislava.milicheva@northwestern.edu) with any questions. Provided through Academic Support & Learning Advancement.

### **Small-Group Peer Tutoring (No Appointment Needed)**

Students are welcome to stop by Drop-In Peer Tutoring — via Zoom — to get support with a specific question or issue, or just talk through course materials with others. Covers many introductory courses in Biology, Chemistry, Economics, Engineering, Math, Physics and Stats. Tutoring takes place Sundays through Thursdays. Check Zoom links, specific times, courses and locations on the Small-Group Peer Tutoring website. Feel free to contact Krystal at [krystal.wilson@northwestern.edu](mailto:krystal.wilson@northwestern.edu) with any questions. This is an excellent opportunity to connect with others in your class while we are physically separated. Drop-in sessions will be held Sundays 10AM-12PM and 3-5PM, Tuesdays 8-10PM, and Wednesdays 8-10PM. This quarter's peer leaders are ... TBA

<https://www.northwestern.edu/academic-support-learning/course-support/drop-in-peer-tutoring.html>

*Wondering how to learn and stay engaged? ASLA's Learning During COVID-19 page has helpful tools and suggestions.*

### **Academic or Athletic Accommodation**

Any student requesting accommodations related to a disability or other condition is required to register with AccessibleNU < [accessiblenu@northwestern.edu](mailto:accessiblenu@northwestern.edu) OR 847-467-5530 > and provide professors with an accommodation notification from AccessibleNU, preferably within the first two weeks of class. I recommend that you use accommodations for which you qualify. I will reserve a quiet room close to our regular classroom for each exam, but you may also take exams at the ANU Office if you register in advance. Students on Northwestern's varsity athletic teams who expect an academic conflict due to an official NCAA event should ask Eileen O'Rourke in Academic Services < [eileen.orourke@northwestern.edu](mailto:eileen.orourke@northwestern.edu) OR 847.491.8805 to contact me on your behalf as soon as possible. For all types of accommodation, all information will remain confidential. Please make your plans early and keep me informed; the 24 hours before an exam are often very busy and I may not be able to handle last-minute accommodation requests.

### **Wellness**

In November 2018, the Faculty Senate approved a resolution recommending the following be added to course syllabi: "Students can find useful resources for safety and security, academic support, and mental and physical health and well-being at the NUhelp website and app." <https://www.northwestern.edu/nuhelp/>

### **Professionalism**

I expect a reasonable degree of professionalism, broadly defined to include those things that generally contribute to an environment that is conducive to learning by being courteous to us and to your classmates. Do things that generate positive externalities, such as attending, smiling, participating and helping your peers. Avoid generating negative externalities in the virtual classroom via potentially distracting behavior (e.g., napping, off-topic chatter, offensive language or images). Serious disruptions will not be tolerated.

### **Sexual Misconduct and Reporting**

Northwestern University is committed to fostering an environment where students are safe and free from sexual misconduct. Confidential resources are available to those who have experienced sexual misconduct. Faculty, instructors, and TAs are not confidential resources and are required to report incidents of sexual misconduct, whether discussed in your assignments or in person, to the Office of Equity, which can provide information about resources and options. I encourage students who have experienced sexual misconduct to

talk with someone to get support. For more information, including how to request interim protective measures and academic accommodations or file a complaint, see the Get Help page.

### **Discrimination and Sexual Harassment**

Northwestern University's Policies on Discrimination, Harassment, and Sexual Misconduct apply to all members of the University community, including students, staff, faculty, and third parties. Any student, staff, or faculty member, or third party, who believes that they have been discriminated against or harassed on the basis of their race, color, religion, national origin, sex, sexual orientation, gender identity, gender expression, pregnancy, parental status, marital status, age, disability, citizenship, veteran status, genetic information or any other classification protected by law, should contact the Office of Equity at (847) 467-6571. Additional information about the University's discrimination and harassment policies, including the campus resources available to assist individuals with discrimination or harassment concerns, is available online on the Office of Equity website, <https://www.northwestern.edu/equity/>. Students, staff, and faculty who report harassment, discrimination, or sexual misconduct are also protected under the [University's Policy on Non-Retaliation](#).

### **Academic Integrity**

Suspicion of academic integrity violations will be referred immediately to the Academic Dean's office; University rules prohibit subsequent discussion of the situation with the student. Our expectations in regard to issues of academic honesty are articulated at <https://catalogs.northwestern.edu/undergraduate/academic-integrity/>. While you are a Northwestern student, you will be treated as an adult and will be held accountable for your actions; consequently, you are expected to know and abide by the rules of the institution. It is important that you read and understand Academic Integrity at Northwestern: A Basic Guide) found at <http://www.northwestern.edu/provost/policies/academic-integrity/index.html>. Whether intentional or not, improper use of materials can be considered a violation of academic honesty. For example, you should not refer to prohibited materials during an exam, alter an exam for re-grading, plagiarize (use another's ideas or words without acknowledging the source), or fabricate excuses or lie in connection with your academic work. If you are unsure as to what is permissible, please consult me, because ignorance is not a valid excuse.

### **Reading Assignments**

The following schedule is provided as a guide and may be subject to slight changes as our pace naturally varies. Each lecture will make apparent our progress in the textbook. Please mark on your calendars the important exam and due dates, which will only change under extreme circumstances and with sufficient warning. Do your best to keep up with the reading assignments, which will complement the lectures, and as you read, jot down your questions. If you find yourself getting bogged down in math, focus on the intuition and main ideas, then address the detailed economic methods later. Remember that economics tends to be cumulative in nature, so regularly ponder how each chapter adds to previous chapters.

*For the most up-to-date information as we move through the course, check Canvas.*

## Winter 2021 Schedule of Planned Topics, Important Dates & Recommended Readings

Week #	Date	Lecture Topics and Important Dates <i>Recommended Chapters from S&amp;W and ALL 2/e Microeconomics Textbooks</i>
<b>UNIT 1: Welfare Analysis &amp; Applications of Supply and Demand</b>		
1	M, Jan 11	Introduction & Logistics <i>S&amp;W 1 ALL 1-3 [No TA sections this week]</i>
1	W, Jan 13	Supply & Demand (Curves, Shifters, Equilibrium); <i>S&amp;W 2-4 ALL 4-5</i>
1	F, Jan 15	Elasticity & Welfare Analysis <i>S&amp;W 5,7 ALL 6-7 Friday is Add Deadline</i>
2	M, Jan 18	☺ <i>No Class Meeting on Monday, Jan. 18 – Martin Luther King, Jr. Day</i> ☺ <i>[Problem Set #1 is due by 11:59PM on Tuesday the 19<sup>th</sup>]</i>
2	W, Jan 20	Govt Interventions in Competitive Markets: Price Controls & Occupational Licensing <i>S&amp;W 6 ALL 7,10</i>
2	F, Jan 22	Govt Interventions II: Per-Unit Taxes and Subsidies <i>S&amp;W 6 ALL 7,10</i>
3	M, Jan 25	Taxes 101 <i>S&amp;W 6 ALL 10</i>
3	W, Jan 27	Public Goods and Public Choices <i>S&amp;W 10 ALL 9</i>
3	F, Jan 29	Externalities & Transactions Costs <i>S&amp;W 10 ALL 9</i> <span style="float: right;"><i>Friday is P/N Deadline</i></span>
<b>UNIT 2: Input Markets, Asymmetric Information, and Financial Decisions</b>		
4	M, Feb 1	Unit 1 Leftovers & Review <i>Optional Exam Simulations TBA (early in the week)</i>
4	W, Feb 3	Begin Unit 2: What is a Firm?
4	F, Feb 5	<b>UNIT 1 EXAMINATION – Friday, February 5, 1:00–1:50PM</b> <i>[Exam covers Weeks 1–3]</i>
5	M, Feb 8	Labor Markets: Productivity, Wages, Hiring Rules <i>S&amp;W 11-12 ALL 11</i>
5	W, Feb 10	Inequality and Income Redistribution <i>S&amp;W 13 ALL 11,18</i>
5	F, Feb 12	Uncertainty, Probability, Managing Risk with Insurance <i>S&amp;W 19 ALL 15,16</i>
6	M, Feb 15	Asymmetric Information (Moral Hazard & Adverse Selection) <i>S&amp;W 20 ALL 15,16</i>
6	W, Feb 17	Fundamentals of Finance: Using Net Present Value to Evaluate Projects <i>S&amp;W n/a ALL 15</i>
6	F, Feb 19	Capital Markets: Applying NPV to Stocks, Bonds, Loans, IRAs <i>S&amp;W n/a ALL 15</i> <span style="float: right;"><i>Friday is Drop Deadline</i></span>



<b>UNIT 3: Choices of Profit-Seeking Firms in Four Market Structures</b>		
7	M, Feb 22	Unit 2 Leftovers & Review <i>Optional Exam Simulations TBA (early in the week)</i>
7	W, Feb 24	Begin Unit 3: Game Theory <i>S&amp;W 18 ALL 13 [Exam covers Weeks 4-6]</i>
7	F, Feb 26	<b>UNIT 2 EXAMINATION – Friday, February 26, 1:00–1:50PM</b> <i>[Exam covers Weeks 4-6]</i>
8	M, Mar 1	Cost Concepts and Curves: From Production to the LR Cost Pitchfork <i>S&amp;W 14,15 ALL 6, 12</i>
8	W, Mar 3	SR & LR Decisions of Perfectly Competitive Firms (Entry, Shutdown) <i>S&amp;W 14,15 ALL 6, 12</i>
8	F, Mar 5	Monopoly and Price Discrimination <i>S&amp;W 14,17 ALL 6, 12 5PM Friday is Withdrawal Petition Deadline</i>
9	M, Mar 8	Monopolistic Competition and Oligopoly Models of Firm Rivalry <i>S&amp;W 14-16 ALL 13,14</i>
9	W, Mar 10	Business Strategy, Collusion, Mergers and Antitrust <i>S&amp;W 16 ALL 13,14</i>
9	F, Mar 12	Unit 3 Leftovers & Review; Course Summary & Final Insights
10, Finals Week	F, Mar 19	<i>[No discussion sections this week. Regular office hours will be held.]</i> <b>UNIT 3 / FINAL EXAMINATION – Friday, March 19, 9:00–11:00AM</b> <i>[Roughly 60% of the exam covers Unit 3, Weeks 7–9; roughly 40% features comprehensive/cumulative questions]</i> <b>According to WCAS policy, the final exam date &amp; time are non-negotiable.</b>

*A syllabus is a contract between the instructor and students that provides information about the course and provides a commitment device to prevent arbitrary behavior. I will assume that you are familiar with, and agree to, all policies in this contract. If you object to, or do not understand, any part of this contract, please contact me immediately for clarification.*