

Econ 310-2: Intermediate Microeconomics II

Northwestern University; 2018 Summer Mon/Wed 10:00 am - 12:50 pm (Jun 25 - Jul 25); Kellogg 1410

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Course Goals:

- (1) Improve abstract reasoning, especially as it relates to the economic topics listed below.
- (2) Develop tools used to predict outcomes in both strategic and market settings.
- (3) Gain deeper intuition for economic concepts, especially *efficiency* and *equilibrium*.
- (4) Practice problem solving; including both formal logic and numeric calculations.

Textbook: There is no required textbook in this class. Notes will be provided.

Day 1 Social choice: Pareto Efficiency

2 Social choice: Arrow and Utilitarianism

3 Uncertainty, Expected Utility, and Game Theory

4 Game Theory: Simultaneous and Sequential; Cournot and Stackelberg -- **Virtual (online) class due to July 4th**

5 Game Theory: Auctions

6 Game Theory: Externalities, Mechanism Design, and VCG

7 General Equilibrium: The Edgeworth Box

8 General Equilibrium: Welfare Theorems

9 Time permitting: Adverse Selection

10 **Final Exam Wed, July 25, 10:00 - 1:00 pm.**

If you miss this exam for any reason then you will need to take the final exam during finals week in a subsequent quarter.

Quizzes and Final Exam: For the summer session, there will be a quiz at the start of every class. 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 quizzes). The final exam is worth six times as much as any quiz.

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: Take notes by hand. If this does not work for you, talk to the professor.

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). 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 60% and 80%, this may hurt your final grade.

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.

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.

Links: [Academic Integrity](#); [Accessible NU](#)