



Markets

Course Information

Course Number:	SOCSC-UH 1111
Credit Units:	4
Term:	Spring 2019
Location:	Campus Center (C2) E051
Seminar hours:	Mondays and Wednesdays, 11:50 AM to 1:05 PM
Office Hours:	Thursdays 9:30 to 10:30 AM (or by appointment)

Instructor Information

Professor:	Andrzej Baranski
Email:	a.baranski@nyu.edu
Office:	A5-1131

Course Description

How do individuals and firms make decisions and how, through market interaction, do these decisions determine the allocation of resources in society? In this course, students will learn what the main forces shaping market outcomes are. There will be in-depth discussions of the effects of government intervention and the situations in which governments can improve overall welfare due to market imperfections. Particular emphasis will be given to understanding the differential effects of markets in situations where individual and societal goals coincide compared to situations where they are in conflict. Throughout the course, key concepts will be covered to understand the role of trade-offs and incentives on decision-making. To gain hands-on experience with the topics under study, relevant up-to-date examples will be discussed and students will participate in economic experiments.

Learning Outcomes

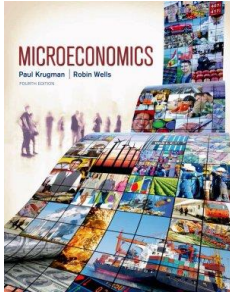
At the end of the course students are anticipated to be able to:

- Explain how markets function and in what circumstances they allocate resources efficiently
- Identify the conditions under which markets are inefficient and determine whether government intervention may be helpful
- Utilize the tools seen in class to evaluate the impact of changes in market conditions and government regulation
- Apply the knowledge of how markets function to important everyday topics such as tax policy, charitable giving, firm management, etc.



Course Materials

The text below is required and will be ordered so that it is available at the bookstore.



Krugman, P. and R. Wells

(2015, 4th Edition)

Microeconomics

Worth Publishers

ISBN-13: 978-1464143878

In addition, the course will be using problem sets which will be completed and submitted online.

Course Assignments and Grades

The final course grade will be comprised of the following components:

- Course attendance and class participation worth 15% of the final grade.
- Online problem sets worth a total of 15% of the final grade.
- Two non-cumulative midterm exams worth 40% of the final grade (20% each).
- A cumulative closed-book final exam worth 30% of the final grade.

Course Attendance and Class Participation

Regular attendance and class discussion are crucial components of the learning experience. Therefore, fifteen percent of the total grade is based on attendance to the seminars and active participation. Absences are permitted if a student (or close family member) has an illness or the student is required to attend an official university event. Students are expected to provide proof that an absence occurred for one of the aforementioned reasons. Active participation includes asking and answering questions during seminars or recitations as well as taking part in in-class discussions. In-person interaction with the professor and instructors during office hours can also be counted as active participation.

Problem sets

Problem sets will consist of questions that reinforce the topics covered in class and give students the opportunity to reflect on their broad significance. They will be distributed every week through Aplaia and are due before Sunday recitation hours. Note that Aplaia is completely unforgiving when it comes to late submissions: they are simply not accepted, even if they are just one second late. After the deadline passes, any questions not answered are scored as zero. It is therefore recommended to plan on doing assignments at least 24 hours in advance. To account for unexpected events such as illnesses, the two problem sets with the lowest grade (including zero) will be dropped automatically.



Accessing Aplia

Here is how to access Aplia:

1. Connect to <http://login.cengagebrain.com/>
2. If you already have an account, sign in. From your Dashboard, enter your course key in the box provided, and click the Register button. If you do not have an account, click the Create a New Account button, and enter your course key when prompted. Continue to follow the on-screen instructions.

Midterm exams

The first midterm will take place Monday, March 13 and will cover the material from Chapters 1 to 7. The second midterm will take place in Monday, April 29 and will cover the material from Chapters 8 to 12. (Please note changes might occur but these would be communicated in a timely manner.)

There are no makeup midterm exams. If you miss a midterm exam for any reason (including illness), then that exam's weight will be shifted to the final exam. If you miss both midterm exams, the second missed exam will receive a score of zero. Serious personal problems, which require exceptions to normal class rules, will be handled on a case-by-case basis in consultation with the Dean of Social Sciences.

Final exam

The final exam will take place during exam week at the designated time and date. In the final exam, half of the questions will be based on material from Chapters 16 to 20 and the remaining half will be assigned to material from previous topics.

Assistant Instructor

The assistant instructor assigned to this course is Palaash Bhargava (pb1257@nyu.edu). The assistant instructor will lead recitation, which will be an opportunity to go over difficult problems on the assignments and practice applying the course concepts, as well as hold office hours and be available by appointment throughout the week.

- Assistant instructor office hours: TBA.
- Meetings outside office hours should be booked well in advance and are not meant for making up missed recitations. Students should actively seek to ask questions and clarify their doubts during the recitations.

Course Outline

Below is the outline of the course. This is meant as a guide of the topics and the sequence in which they will be covered. In total we will have 28 meetings.

Meeting #	Topics
1-2	First Principles; Economic Models, Supply and Demand (chs. 1, 2, and 3 up to p. 86)
3-4	Supply and Demand; Consumer and Producer Surplus (chs. 3 and 4 up to p. 110)
5-6	Consumer and Producer Surplus (ch. 4)
7-8	Price Controls and Quotas; Elasticity (chs. 5 and 6)
9-10	Taxes; International Trade (ch. 7 and 8 up to p. 226)
11	International Trade (ch. 8)
12	Midterm Exam 1 (Monday, March 13. Covers Chapter 1-7)
13-14	Decision Making; The Rational Consumer (chs. 9 and 10 up to p. 284)
15-16	The Rational Consumer; Behind the Supply Curve (chs. 10 and 11 up to p. 336)
17-18	Behind the Supply Curve (ch. 11)
19-20	Perfect Competition; Monopoly (chs. 12 and 13 up to p. 399)
21-22	Monopoly; Oligopoly (chs. 13 and 14)
23	Midterm Exam 2 (Monday, April 29. Covers Chapters 8-13)
24-25	Monopolistic Competition (ch. 15) and Externalities (ch. 16)
26-28	Public Goods (ch. 17) Uncertainty, Risk, and Private Information (ch. 20)