

PUAF 8216 Microeconomics Section 3
Lab Summary 1
8 September 2000

1. Amendment to Syllabus. There was a mistake in the weights used to compute the overall grade. The correct weights are: final (45%), midterm (30%), problem sets (15%), participation (5%) and newspaper article (5%).
2. Office Hours.
 - a. I will hold two separate hour-long office hours each week. They will not overlap with Jen's (Mondays 1-3pm), and every student should be able to make at least one of them.
 - b. The first office hour is on Tuesdays 11am-12noon. I will determine my second office hour on Friday's lab (15 September) once my class schedule is certain.
 - c. This week, I will hold my second office hour on Monday 7-8pm
 - d. Until further notice, I will hold my office hours in the 4th floor lounge near the MPA mail folders. Once DIPA assigns me a room, I will update the class on the new location.
3. Problem sets.
 - a. According to schedule, problem sets will be assigned on Mondays and due at the end of lecture the following Monday.
 - b. Problem sets are identical across sections. A single grader will grade problem sets for all three sections to ensure uniformity. Solutions will be distributed as soon as the last section submits their homework.
 - c. Mostly numerical problems with exact answers, and are similar in style to the midterm and final.
4. Newspaper articles.
 - a. Use this assignment as good preparation for the term paper in spring.
 - b. One page, using an economic tool taught in class to analyze a recent newspaper article. Due by the end of lecture.
 - c. Although the due date is the same for the entire group, the newspaper article is an individual assignment. Please choose and analyze the article by yourself.

d. My role is twofold. First, to prevent duplication. Second, to ensure that you are applying a relevant economic concept correctly. Please consult me either through email or during my office hours to discuss your article and analysis before you submit them.

e. If you are selected to present your analysis in class, you should prepare for a 10-minute presentation followed by about 5 minutes of Q&A. It does not have to be too elaborate, i.e. no need for OHP and LCD.

5. Group projects.

a. Use the fall project as preparation for the spring semester project. The project is not graded in the fall. However, your participation during other groups' presentations counts toward your class participation grade. You ought read the case before your classmates' presentation so that you can participate meaningfully in the Q&A.

b. Apply one microeconomic tool to analyze a case and put forward a policy proposal.

c. Details.

- Attire: smart. Preferably clean and pressed clothes.
- PowerPoint and OHP. Need to reserve OHP, LCD and notebook from Edward Kim at SIPA Computing Lab a week in advance.
- Briefing books. Presenters should prepare briefing books for use in case of equipment failure. You need only prepare one full-size briefing for Prof Dehejia. Six-per-page thumbnails are sufficient for your classmates.
- Start punctually on the hour. Classmates should arrive at 11am sharp. Presenters may want to arrive at 10.45am because the previous class ends about 10.35am.
- You may want to have one speaker or give everyone a chance to speak.
- Presentation: 30 minutes. Question and Answer: 15 minutes. Then break. Prof Dehejia will continue lecturing in the second hour.

d. Groups. Group members have a wide range of abilities, e.g. economics and math background, English proficiency, comfort with public speaking and computing proficiency. Some group members may not even be full-time MPA students. Get to know your group members' strengths and limitations early and well.

e. Group Assignments. Paper copies were distributed during the lecture. They are also attached to the end of this email.

6. Demand and supply review.

a. Demand and supply are functions of price. “Given a certain price, how many do I want to consume or produce?”

b. Demand: Higher price \rightarrow lower consumption (inverse relationship). Therefore, a linear demand function takes the form $Q_d = a - bP$.

c. Conversely, Supply: Higher price \rightarrow higher production (direct relationship). Therefore, the supply function takes the form $Q_s = c + dP$.

d. Market clearing and efficiency. This semester, we assume that the market is efficient as long as the market clears. That is to say, the *quantity demanded* and *quantity supplied* are equal *at the same price*. Let us assign some numbers and work with a problem:

$$Q_d = 200 - 5P$$

$$Q_s = 60 + 2P$$

$$\begin{array}{rcl} Q_d = Q_s, & 200 - 5P & = 60 + 2P \\ & 140 & = 7P \\ & 20 & = P \end{array}$$

$$Q_d = 200 - 5(20) = 100$$

$$Q_s = 60 + 2(20) = 100$$

7. Class facebook. We had an awesome turnout for phototaking on Friday (36 out of 45 enrolled students). I obtained 4 more students’ portraits from SIPA’s online facebook. Over the weekend, I emailed all 40 students with PDF proofs of how they will appear in the class facebook.