

**Academic Year 2017/2018**  
**30325 Introduction to Economics - Module I: Microeconomics**

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**Course Website:** <http://blackboard.unibocconi.it>

### **Course Overview**

This course introduces the economic way of thinking about the world and the key principles of economics (optimization and equilibrium). In particular, it presents an analytical framework to study how individuals and groups make decisions in economic and non-economic settings; how consumers and firms behave in a market (that is, how consumers make purchase decisions and how firms make production decisions); how (competitive and non-competitive) markets work; and how government intervention affects the allocation of resources and the overall well-being of society. Students will also receive an introduction to game theory and to experimental economics. Finally, this course provides the background to understand the aggregate models of the whole economy students will tackle in the second module of Introduction to Economics.

### **Course Requirements**

The exam is exclusively written. Course performance could be evaluated in two different ways:

- a) A midterm exam covering the first part of the course, followed by a final exam covering the second part of the course. Each exam lasts 1 hour and consists of multiple choice and open ended questions. The grade in each exam is between 0 and 30. The course is passed if the grade in both exams is at least 18. In this case, the final grade is the mean of the two, rounded upwards.
- b) A general exam which lasts 2 hours, covers the whole course and consists of multiple choice and open ended questions. The grade in the general exam is between 0 and 30. The course is passed if the grade in the general exam is at least 18.

Students who fail the exam can retake it, in the general exam format. The official dates of the exams are available at <http://didattica.unibocconi.eu/esami/>. Results will be sent by SMS and published on your yoU@B between 10 and 20 days after the exam. To take an exam, you must register at Punto Blu, at least 4 working days before the exam date. Note that you can sit for the final exam in one and only one of two alternative sessions in January. If you register for the final exam in the first session of January, you will not be allowed to register for the final exam in the second session of January, independently of whether you show up for the first session. If you register for the general exam in the first session of January, you will not be allowed to register for the final exam in the second session of January, independently of whether you show up for the first session.

## **Textbook and Other Course Material**

The textbook for the course is *Microeconomics with MyEconlab, Global Edition* by Daron Acemoglu, David Laibson, John List (Pearson, 2015, ISBN-13: 9781292079653). For some topics, you will be assigned readings from other sources. These readings are detailed in the timeline below and will be available on the course website (<http://blackboard.unibocconi.it>). On the same website, you will find the most updated version of the syllabus, the slides I will use in class, the problem sets for the **Exercises Classes** (marked with E and highlighted in red in the timeline) and their solutions. The textbook comes with an online resource for quizzing and testing activities, called MyEconLab. To access this online resource, please register following the instructions you find on the course website (under "Course Contents").

## **MobLab**

This course will use interactive games and *experiment-based learning*. You will experience first-hand the economic principles, the decision-making environments and the markets we will discuss in class. In order to do so, we will use an innovative online platform called MobLab. To participate in these games, you must 1) follow carefully the instructions you find on the course website (under "Course Contents") by Monday September 11th and 2) bring to class a fully-charged laptop or tablet whenever you see **MobLab Games** on the course timeline below.

## **Attendance**

While this is not a formal requirement, I expect students to attend class and I strongly recommend that you do so. I will use slides and will post them on the course website but slides are no substitute for lectures (for example, I will often solve exercises on the board which will not be on the slides). I encourage your active participation in class so, please, feel free to ask any question at any time.

## **Office Hours**

Carrie's office hours are on Tuesdays 16:30-18:00 in Via Roentgen 1, Floor 5, Room E4-SR03 (on Tuesday 12/9, you will find Carrie in Via Roentgen 1, Floor 5, Room D2-05). You do not need an appointment to meet Carrie. Just drop by during her office hours and feel free to show up in groups.

My office hours are by appointment in Via Roentgen 1, Floor 5, C2-05. To schedule an appointment, please use this link <https://salvatoreunnari.acuityscheduling.com/> or send me an email.

Please, do take advantage of mine and Carrie's office hours. It would be remarkable if you did not need some assistance with the material, and we are here to help!

## **Honor Code**

Bocconi University conceives of education as an ongoing process that stretches across a person's entire professional life. The University hopes that the entire Bocconi community will respect the values of fairness and correctness associated with it, values which inspire and guide the conduct of all community members as they pursue common objectives and a shared mission. The Honor Code is available at [www.unibocconi.eu/honorcode](http://www.unibocconi.eu/honorcode). I encourage all students to read it.

## Timetable and Topics

Note that we do not always meet in N30 and that some classes are held on Tuesdays

		Topic	Assigned Reading	Room
<b>L1</b>	Thur 7.09 14.30-16.00	Course Basics + The Beauty of Microeconomics/How Economists Think	Syllabus ( <u>please read carefully!</u> ); ALL: Chapters 1 and 2	N30
<b>L2</b>	Mon 11.09 14.30-16.00	Optimization: Doing the Best You Can	ALL: Chapter 3	N30
<b>L3</b>	Thur. 14.09 14.30-16.00	Demand, Supply and Equilibrium	ALL: Chapter 4	N30
<b>L4</b>	Mon 18.09 14.30-16.00	Follows: Demand, Supply and Equilibrium	ALL: Chapter 4	N30
<b>M1</b>	Tue. 19.09 14.30-16.00	MobLab Class 1 ( <u>bring a fully charged laptop or tablet to class!</u> ): Optimization and Competitive Equilibrium		N32
<b>L5</b>	Thur. 21.09 14.30-16.00	Consumers and Incentives	ALL: Chapter 5 (including Appendix)	N30
<b>L6</b>	Tue. 26.09 14.30-16.00	Follows: Consumers and Incentives	ALL: Chapter 5 (including Appendix)	N32
<b>E1</b>	Thur. 28.09 14.30-16.00	Exercise Class 1: Optimization; Demand, Supply and Equilibrium; Consumers and Incentives	Problem Set 1, available on course website ( <u>do it before class!</u> )	N30
<b>L7</b>	Mon 02.10 14.30-16.00	Sellers and Incentives	ALL: Chapter 6	N30
<b>L8</b>	Thur. 05.10 14.30-16.00	Follows: Sellers and Incentives	ALL: Chapter 6	N30
<b>M2</b>	Mon. 9.10 14.30-16.00	MobLab Class 2 ( <u>bring a fully charged laptop or tablet to class!</u> ): Consumers, Sellers and Incentives		N30
<b>L9</b>	Tue. 10.10 14.30-16.00	Perfect Competition & the Invisible Hand	ALL : Chapter 7	N32
<b>E2</b>	Thur. 12.10 14.30-16.00	Exercise Class 2: Sellers and Incentives; Perfect Competition & The Invisible Hand	Problem Set 2, available on course website ( <u>do it before class!</u> )	N30
<b>MIDTERM EXAM</b>				
<b>L10</b>	Thur. 26.10 14.30-16.00	The Government in the Economy: Taxation and Regulation	ALL: Chapter 10	N30
<b>L11</b>	Mon. 30.10 14.30-16.00	Monopoly	ALL: Chapter 12	N30
<b>L12</b>	Thur. 2.11 14.30-16.00	Follows: Monopoly	ALL: Chapter 12	N30
<b>L13</b>	Mon 6.11 14.30-16.00	Consumers, Sellers, Equilibrium and Monopoly with Calculus	Lecture notes available on course website	N30
<b>E3</b>	Thur. 9.11 14.30-16.00	Exercise Class 3: Taxation and Regulation; Monopoly	Problem Set 3, available on course website ( <u>do it before class!</u> )	N30

		<b>Topic</b>	<b>References</b>	<b>Room</b>
<b>L14</b>	Mon. 13.11 14.30-16.00	Game Theory and Strategic Play	ALL: Chapter 13	N30
<b>L15</b>	Tue. 14.11 14.30-16.00	Follows: Game Theory and Strategic Play	ALL: Chapter 13	N32
<b>L16</b>	Thur. 16.11 14.30-16.00	Oligopoly and Monopolistic Competition	ALL: Chapter 14	N30
<b>L17</b>	Mon. 20.11 14.30-16.00	Follows: Oligopoly and Monopolistic Competition	ALL: Chapter 14	N30
<b>M3</b>	Tue. 21.11 14.30-16.00	MobLab Class 3 ( <a href="#">bring a fully charged laptop or tablet to class!</a> ): Game Theory and Oligopoly		N32
<b>L18</b>	Mon 27.11 14.30-16.00	Externalities and Public Goods	ALL: Chapter 9	N30
<b>L19</b>	Tue 28.11 14.30-16.00	Follows: Externalities and Public Goods	ALL: Chapter 9	N32
<b>M3</b>	Thu. 30. 11 14.30-16.00	MobLab Class 2 ( <a href="#">bring a fully charged laptop or tablet to class!</a> ): Consumers, Sellers and Incentives		N30
<b>E4</b>	Mon. 4.12 14.30-16.00	Exercise Class 4: Game Theory; Oligopoly; Externalities	Problem Set 4, available on course website ( <a href="#">do it before class!</a> )	N30
<b>FINAL EXAM</b>				