

Course Syllabus, Fall 2024

Note: this course previously used the course code "MGEC 6110", and you may occasionally encounter materials that continue to use that code.

Microeconomic foundations for decision-making in business and policy. Enrollment limited to full-time Wharton MBA students.

Professors

Susanna Berkouwer, Benjamin Lockwood, Ben Sprung-Keyser

Lectures

Tuesdays and Thursdays during the first half of the fall semester. You are automatically enrolled in a course section with your cohort. See Canvas for meeting times and location.

Deliverables

Your grade for the course will be based on the following components:

1. **Class attendance and participation** (10% of final grade)
2. **Practice questions** (5 sets; 40% of final grade)
 - a. Multiple-choice and true-false questions on the current week's topics (same format as exam questions).
 - b. On each problem set, we only count the 10 questions on which you did best, but you are strongly encouraged to attempt all of them.
 - c. Only your 4 best problem sets count for the final grade.
 - d. Due dates are posted on Canvas.
3. **Final exam** (50% of final grade)
 - a. Thursday, October 10th, from 7–9pm.
 - b. The exam will be in person, on campus
 - c. Professors are not involved in exam scheduling; the MBA Program Office handles all exam conflicts. Contact the MBA Program Office if you expect any conflicts regarding the exam date and time, and see Wharton's [exam conflict policy](#).

How to be successful in this class

This is a quantitative class. The exam tests your ability to apply the ideas we learn, rather than memorization. The best way to study is to practice working through the examples from class by hand and to attempt to solve all practice problems on your own. Repetition is very helpful, especially for answering quantitative questions. We recommend working in groups, for example, with your learning team. Experience suggests that group meetings work best if all members attempt to work through the problems independently before meeting together.

How to get help

If you have questions, or are struggling with the material, there are many ways to get help:

1. **Email at bepp.questions@gmail.com.** This is your primary contact for all course-related questions.
2. **Attend TA office hours.** Free tutoring time with a second-year MBA student TA. Offered several times a week. See Canvas for the schedule.
3. **Attend weekly TA sessions (aka recitation).** An MBA student TA will work through problems similar to practice and exam questions at a slower pace and in more detail than during lectures. These are offered several times a week. See Canvas for the schedule.
4. **Attend your professor's office hours.** See Canvas for the schedule.

Readings

We sometimes assign short newspaper articles, videos, or other preparation for the day's lectures. They will be posted on Canvas along with all other course material.

There is no required textbook for the course. If you wish to have one as an additional resource—say, because you have little background in economics, haven't seen similar material in years, or would just like to dig deeper—we recommend *Microeconomics* by B. Douglas Bernheim and Michael D. Whinston (McGraw Hill); any edition is fine.

Attendance Policy

We follow the [MBA Program Attendance Policy](#). Student attendance is expected and required. You are responsible for recording your attendance using the Canvas app. You are allowed two absences (for any reason) with no impact on your participation grade. All lectures are recorded; the recordings are posted on Panopto (see link on Canvas).

If something prevents you from doing the scheduled coursework, please contact your instructor and your advisor in the MBA Program Office as soon as possible.

Generative AI policy

You are welcome and encouraged to experiment with AI tools to help you learn and practice the material in the course. We will sometimes draw attention to AI's strengths and weaknesses in handling this material at points throughout the course. Keep in mind that the final exam is "closed book" and "closed computer", so your goal should be to prepare yourself to solve problems on your own.

Grading Policies

- Practice problems and the final exam are graded electronically, and scores will be posted on Canvas. For practice problems, the scores become final 7 days after the due date of the assessment. Any inquiries about them must be submitted in writing prior to this 7-day deadline. The deadline for inquiries about exam scores will be announced later.
- **Any evidence of cheating is sent immediately to the Dean.**

Course Outline

Unit 1: Operating a firm

1. Course introduction; Demand (Aug. 27)
2. Cost minimization (Aug. 29)
3. Pricing with market power (Sept. 3)
4. Double marginalization (Sept. 5)
5. Price-taking firms (Sept. 10)

Unit 2: Markets and equilibrium

6. Market equilibrium (Sept. 12)
7. Efficiency (Sept. 17)
8. Taxes (Sept. 19)
9. Externalities (Sept. 24)

Unit 3: Game theory — a framework for strategic interactions

10. Simultaneous-move games (Sept. 26)
11. Sequential and repeated games (Oct. 1)
12. Course review (Oct. 8)

Lecture slides and readings for each class will be posted on Canvas.

Updated August 15, 2024.