



**DEPARTMENT OF ECONOMICS
ECON 2: MARKET IMPERFECTIONS & POLICY**

**LOCATION: SOLIS 107
VIRTUAL LECTURE HALL (<https://ucsd.zoom.us/j/91616086789>)**

TIME: TUESDAYS & THURSDAYS, 6:30PM-7:50PM (ALL TIMES IN PST)

**WINTER QUARTER 2022
SYLLABUS**

Instructor: Dr. Steve Levkoff, PhD, CAP®

E-mail: slevkoff@ucsd.edu

Instructor Webpage: <http://stevelevkoff.com>

Course Webpage: <http://canvas.ucsd.edu>

Office: Economics Building 112 (no office hours in-person until after week 2)

Virtual Office: <https://ucsd.zoom.us/j/92587406991>

Office Hours: Tuesdays & Thursdays, 5:30pm-6:30pm and by appointment (please let me know *in advance* via email either way if you plan on attending so I can calibrate the Zoom meeting appropriately to manage privacy concerns)

Course Description: This course is a continuation of ECON 1, the first course in the principles of microeconomics sequence. Emphasis will be placed on the role of government policy and market failure. Topics include market power, externalities & public goods, information economics, environmental economics, poverty, labor markets, and health care.

Prerequisites: In order to be enrolled in this course, you should have satisfactorily completed ECON 1. Otherwise, this course will be taught assuming that you have a firm grasp of basic high school algebra and geometry (which are prerequisites for admission to UCSD).

Readings:

Required:

- [1] Principles of Economics, by Frank et. al., UCSD custom Edition with Connect Access (I won't use Connect for this course, but if you take ECON 3, you may need that access). You should have inclusive access (see the RedShelf link on Canvas – you should also have received an

email from RedShelf to your student account) to this text online. You must opt-in if you want continued access, and your student account will automatically be charged a reduced rate. If you opt-out before 1/15/22, you will be responsible for sourcing the material on your own. You may already have access if you “bought in” for ECON 1 within the last term. Any questions about inclusive access should be directed to the bookstore.

Course Modifications for COVID-19: As you all know, we are in the middle of a global COVID-19 pandemic, which has required dramatic changes to how we teach and learn. For the first two weeks of the class (and possible more), instruction will be conducted remotely using Zoom and Canvas. My hope and aim this quarter is to provide as high quality an intellectual experience for students as would have been the case if we were to have been able to meet in person. There may be some trial and error and we may need to make adjustments along the way should we return to fully in-person (in which case a revised syllabus will be released). I am also modifying the assessments structure to be based more on engagement with the materials than on only high-stakes examinations.

Lectures: For at least the first two weeks of class, all live lecture sessions will take place at the regular scheduled time for the class, which is from 6:30pm – 7:50pm on Tuesdays and Thursdays and can be accessed using the URL: <https://ucsd.zoom.us/j/91616086789>. Remote lectures will take place through Zoom and will be recorded (see disclaimer below). All recorded lecture videos will be posted. Links to the “virtual lecture hall” and “virtual offices” are posted to Canvas as recurring meeting links. My plan is to conduct the lectures live, but I may also prerecord the lecture for asynchronous viewing in case we have problems with connectivity. During the live remote lecture, TAs will help “co-host” the Zoom meeting and will be able to take your questions in the chat during the lecture in real time. The general lecture scheduling format will be broken into two parts (recordings posted separately) and will be as follows:

5 mins: Welcome / Lecture Survey Question
65 mins: Lecture Content
10 mins: Questions

Worked Problems: While not a formal part of the course grade, the practice problems posted in the relevant module on Canvas will play a crucial role in developing your problem-solving skills and should be taken *very seriously*. In the past, it has often been the case (and is no secret if you look at my course evaluations online) that students putting the most effort into the worked problems tend to perform best on assessments because *the worked problems tend to be much more difficult than assessments*. Worked problems will be posted regularly to Canvas and will be used as constructive examples to potentially be covered in the TA discussion.

Technology Prerequisites: It is your responsibility to make sure you are enrolled in the online course (Canvas) by registering for the class formally through the university. I will not provide access to the Canvas course if you are not already enrolled or on the wait list to avoid complications with the course roster and to routinely check it and your email for announcements and to access newly distributed material. *You must also make sure that your browser is compatible with the Canvas quiz assessment system and that you have access to EITHER a webcam w/audio or a cell phone camera w/audio (see the self-proctoring instructions below), NO EXCEPTIONS.* In the past, some students had browsers that did not display the math text. There is a *Technology Check Practice Quiz* that you should complete prior to the end of week 1 to iron out any technical issues – it will not count towards your course score, and is intended to make sure that your browser is compatible with the math text. If you run into any technical issue later in the course and did not complete the Technology Check Practice Quiz, you may find less leniency in your situation. Any questions regarding Canvas issues or general technology issues should be directed to ITS@ucsd.edu.

Discussion Sections: Discussion sections will be primarily focused on going through solutions to problem sets, quizzes, and lecture review problems. These discussions will be recorded and posted to Canvas.

Location: Virtual Offices / Discussion Virtual Rooms (TBD)

Time: Fridays: 3pm-3:50pm (CENTR 113) & 4pm-4:50pm (CENTR 212)

Head Teaching Assistants: Yanying (Sophie) Sheng (yas107@ucsd.edu), Jianan Yang (jiy346@ucsd.edu), Ha Dieu (Kimi) Vu (vha@ucsd.edu)

Other Course Staff: Bryce Park (UIA) (bspark@ucsd.edu), Idaliya Grigoryeva (Reader) (igrigoryeva@ucsd.edu)

COURSE DELIVERABLES

Lecture Survey Questions (LSQs): At the beginning of each lecture (the first LSQ that will count towards your grade will start during the second class on 1/6/22), I will ask a quiz-like question in Canvas related to reviewing material covered in a previous lecture or to motivate the material to come. While these questions are designed for the students attending the live-session, they can be submitted for credit anytime up until 11:59pm (PST) on Sunday for the current week's lectures. These questions are graded on a participation basis only (full credit if you do it, none if you don't) and cannot be "made up" for *any* reason in the event they are missed, which is why the time window is extended through Sunday. They are coded "LSQ -W#L#" where the # following W is the week and the # following L is the lecture number (1 or 2) of that week.

Lecture Review Problems (LRPs): There are five 5 of lecture review problems (20 questions each in the same format/spirit as quiz questions) to be completed approximately on a biweekly basis (slight exceptions to the recurring interval – see the schedule below for deliverable due dates). These problems will act to check your

understanding of the lecture material and will be graded for correctness. You are encouraged to use your notes and digital resources to help yourself complete these review problems, and may consult with classmates and TAs on these problems. Review problems will be available to be submitted any time before the Sunday at 11:59pm deadline outlined below. The LRP's are not time constrained otherwise and you may go back and forth between questions freely. They are coded "LRP -#" where the # following W is the week.

Quizzes: Rather than only a few high stakes exams, there will be 5 quizzes administered (almost bi-weekly, but not quite) remotely (and asynchronously) on *Monday evenings* (see the deliverables schedule below) except for the last quiz, which will be administered remotely during the final examination period scheduled by the registrar (Tuesday, 3/15/22 from 7pm-10pm). The quizzes will involve applications and problem solving related to recently covered topics. The quizzes (usually 20 questions each) will be administered through Canvas, will consist of a variety of question types (multiple choice, numerical response, etc.), and will make up a majority of the course assessment (see below). During the quizzes, you will only be able to see one question at a time, cannot move onto the next question until answering the current one, and cannot go back to past questions after answering them. Each student will effectively have a different quiz using randomized question variants from a question pool. The quizzes will be available during a 4 hour window starting at 8pm (PST) on *Monday* and will remain open until 11:59pm (PST) that night - you will have 60 minutes to complete the quiz after starting it (so don't start it if you're not ready to finish it!) and must submit it prior to 11:59pm that evening (you will be cut off). The lowest quiz score will be dropped at the end of the term when computing your aggregate quiz percentage. If you've performed well through the last week of the course, you may choose to not attend the last quiz and use that as your dropped quiz (so effectively, the last quiz cannot *hurt* your grade relative to what it would be in the absence of it) – no action required otherwise. You may use your notes and digital resources to complete the quiz, but you may not consult with any other individuals during the quiz - your answers should be your own per the academic integrity policy (see below). Note that Canvas provides many metrics to allow us to monitor your quiz activity (even in real time), so it is somewhat easy to note suspicious behavior quantitatively. The quizzes are coded "Quiz - #."

Self-Proctoring Instructions (QUIZZES ONLY): You will be required to "self-proctor" your quizzes by hosting your own Zoom meeting and saving a recording of yourself taking the quiz on canvas using the "screen share" function in Zoom while having your video and audio on. This can be done by *carefully* following the steps outlined in the ***self-proctoring guide*** posted to Canvas. Failure to follow these instructions may result in nullified quiz results and a score of zero on the assessment. You DO NOT need to self-proctor / record your LRP's or LSQ's assessments. If you don't have a webcam, you may request permission from the instructor to use your cellular device to record. You must submit your quiz recordings to the appropriate Canvas assignment prior to the following Sunday. ***Any questions regarding self-proctoring should be directed to the appropriate TA (Reader).***

Failure to follow these guidelines will result in a nullified quiz score and a possible violation of academic integrity.

Summary of Deliverable Deadlines:

- LSQs – Available every lecture (2 per week, starting the second class) and can be submitted before each Sunday prior to 11:59pm.
- LRPs – Due on prior to 11:59pm on Sundays, 1/23/22, 2/6/22, 2/27/22, 3/6/22, and 3/13/22
- Quizzes – Available from 8pm-midnight on Mondays, 1/24/22, 2/7/22, 2/28/22, 3/7/22, and Tuesday, 3/15/22 (final exam period).
- Self-proctoring Recording Links – Submitted prior to 11:59pm on Sundays, 1/30/22, 2/13/22, 3/6/22, 3/13/22, and 3/20/22.

FAQs: In the event you lose connection or have ANY sort of technological issue during a quiz assessment that prevents you from completing the quiz, that will count as a dropped quiz. If you get disconnected in the middle of recording (don't end the meeting or log out), but are able to reestablish connection, Zoom will automatically reconnect the session and will still be recording (so you don't need to hit record again after reconnecting). DO NOT EMAIL US DURING THE QUIZ REGARDING A TECHNICAL ISSUE – FOLLOW UP LATER. You should also be able to pick up where you left off in your Canvas quiz. If for some reason you can't see the mathematical font (MathJax), take a moment, leave the quiz, make sure your browser is up to date and compatible with Canvas, and continue the quiz (don't email us saying there is an error and then not take the quiz). Be sure to take the *Technology Check Practice Quiz* to verify you can see the math font with your browser. Because you are time constrained and cannot move back and forth freely between questions, you will need to make a cost-benefit judgement when you hit a snag, whether technical or conceptual. If there is some problem with the question (rare but possible), credit will be remunerated afterwards. It is your responsibility to make sure you have access to a stable internet connection in order to comply with the quiz guidelines.

Grading:

Lecture Survey Questions (LSQs)	5%
Lecture Review Problems (LRPs)	15%
<u>Quizzes</u>	<u>80%</u>
Total	100%

In the *past*, a student could typically guarantee themselves some type of A by ranking in the top 25% of students in the course and some type of B by ranking in the top 60% of students in the course. The median grade for the course typically winds up being around a B-. In the past, scoring a course composite score of 90% or above typically puts students in the A range. Similarly, scoring a course composite score of at least 80% tends to put students somewhere in the B range. In the past, scoring at least a 60% composite score for the course was the required threshold to pass the class (with C-). The instructor

reserves the final judgement in all grade assessment matters. *It is important to note that the Canvas grade center does not automatically apply these weights – you will need to compute this manually as outlined above.*

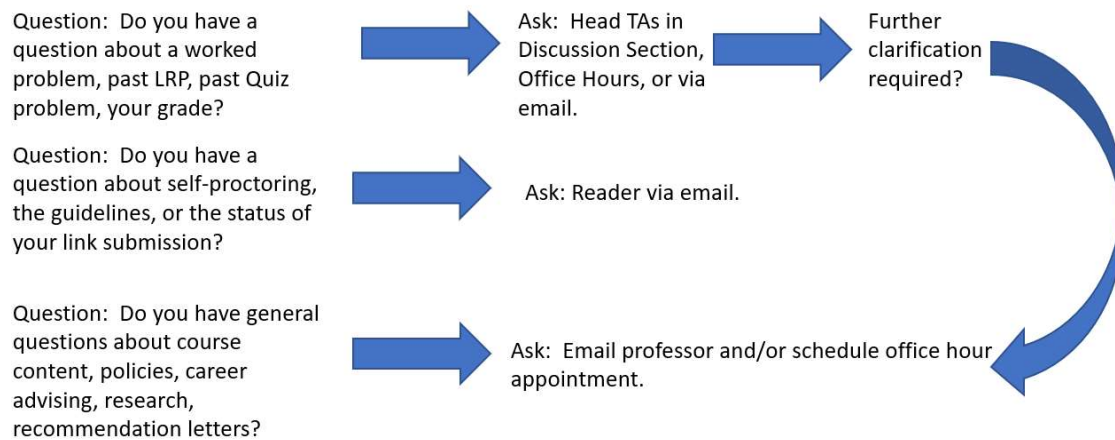
Absences & Attendance: If you miss a quiz for ANY reason (excused or unexcused), it will count as a dropped quiz. Otherwise, absence from a quiz OR failure to provide the recording of your quiz session if asked will be awarded a score of zero. The instructor reserves the right to re-weight the composite grading structure above to accommodate valid excused absences (ie: medical emergency, etc.) in the event students miss more than one quiz. This could involve an oral exam via Zoom with the instructor. To hedge risk, it is in the students' best interest to complete as many of the course assessments as possible. An excused absence for the last quiz will result in an incomplete grade if students' want that quiz score to be counted. The instructor reserves the right to change the format of the assessment for any legitimately excused absence. You will get to drop *the lowest* quiz score (for ANY reason aforementioned above), but the LSQs and LRPs cannot be made up as the time window for submission is much more flexible than for quizzes.

Supplemental Material & Slides: Throughout the course, the instructor may post supplemental readings and slides via Canvas. These materials are meant to be used in addition to the lecture and are not to be used as a substitute for going to lecture, reading the textbook, or watching required video content. The instructor reserves the right to remove access to this material if he feels that it has adversely affected attendance in the lecture.

Classroom Decorum & Email: To avoid distracting others in the classroom, please arrive on time. You will be queued into the "waiting room". When class is in session, please respect others appropriately in the chat and in the meeting framework in general. You should not be trying to distract others using your video or audio inappropriately – in fact, you should turn your video and audio off if you don't want to be seen / heard / show up in the lecture recording. The instructor reserves the right to "remove" you from the live Zoom session if inappropriate behavior occurs. If you are removed, you will not be admitted back to that session. In extreme cases the instructor reserves the right to decrease the letter grade by an entire letter for a student due to inappropriate behavior. I use a "call-and-response" type lecture style, and you should feel encouraged to participate and leave feedback *in the chat* when queried by the instructor. Otherwise, any questions during the lecture can always be directed to the TA moderator. Please restrict the use of email to the minimally necessary volume, put the course number (ECON 2) in the subject of the email – I teach other classes, and this is the fastest way for me to know who I'm responding to. Put your *full name* at the end of email messages as well. Email questions regarding *how to do a particular review or problem set question* should be first directed to your TAs. Your email decorum should be professional. You should make sure you address the email formally and properly and use college level grammar (this isn't a text message, so save the emojis, LOLing, and WTFing for your informal

communications with friends – not for communicating with course faculty and staff). The way to get the fastest response via email is to email me directly at slevkoff@ucsd.edu. Messaging me through Canvas requires that I log into Canvas to reply, and this is more cumbersome. I also spend about 2 hours per day responding to emails, so if you don't get a reply immediately (I answer them in the order I get to them), please either follow up or wait. I should get back to you within no longer than three days at the most (especially if you ask over the weekend). If you email us asking about things mentioned explicitly in class or on the syllabus, you may not receive a reply – we will not waste time responding to queries resulting from an inability to follow directions (my pet peeve) and read instructions. Otherwise, all other general questions are welcome!

Who Should I Ask?: Please reference the flow chart below to efficiently utilize your course resources when making inquiries:



Statement of Academic Integrity: Integrity of scholarship is essential for an academic community. The University expects that both faculty and students will honor this principle and in so doing protect the validity of University intellectual work. For students, this means that all academic work will be done by the individual to whom it is assigned, without unauthorized aid of any kind.

Violation (or perceived violation) of any of the abovementioned policies will be enforced via zero tolerance, will result in an automatic zero on the exam/assessment in question, and may be referred to the student conduct process through the AIO office, so don't do anything that would even come close to something that an observer would potentially interpret as academic dishonesty. NO EXCEPTIONS.

It is possible that the department adopt the use of Zoom/Loom/LockDown Browser for proctoring this quarter, as some of you may have experienced in the past. These programs use video and audio recording or other personal information capture for the purpose of facilitating the course and/or test environment. You may be required to record your exam session to provide to the University to assess academic integrity. UC San Diego does not allow vendors to use this information for other purposes and the recordings will be deleted

when no longer necessary. However, if cheating is suspected, the recording may become part of the student's administrative disciplinary record. Finally, the instructor reserves the right to give an oral or alternative exam - potentially nullifying the assessment under question - if it is necessary to uphold academic integrity in situations where suspicious activity may have occurred.

**Tentative Schedule of Topics
(Subject to Change)**

Part I: Efficiency, Surplus & Intervention in the Perfectly Competitive Model

Readings: [1] Chapter 7

Part II: Monopoly and Price Discrimination

Readings: [1] Chapter 8

Part III: Game Theory & Strategic Interaction

Readings: [1] Chapter 9

Part IV: Oligopoly

Readings: [1] Chapters 8-9

Part V: Externalities & Public Goods

Readings: [1] Chapters 10, 13, 14

Part VI: Asymmetric Information

Readings: [1] Chapter 11