

## SECTION PRESENTATION READINGS

Section 13 (October 11-13): People making choices under constraints: "Box-office revenue up for 2009: It's not just higher ticket prices: More people are going to the movies, even as the recession has depressed consumer spending in nearly every other category," by Ben Fritz. Los Angeles Times (December 14, 2009)

<http://latimes.com/business/la-fi-ct-boxoffice14-2009dec14,0,5678666.story>

Section 14 (October 13-18): A complex division of labor coordinated by a market: Leonard Read (1958), "I, Pencil" <http://www.econlib.org/library/Essays/rdPncl1.html>

Section 15 (October 18-20): Supply and demand: "Food Prices Are Rising Worldwide: Weather, Oil Costs among Factors," by Katherine Corcoran, Boston Globe, (March 30, 2008)

<http://tinyurl.com/8qkgnb>

Section 16 (October 20-25): Incentives and rewards: "In Praise of Price Gouging," by John Stossel. Posted at Townhall.com, September 7, 2005.

[http://www.townhall.com/columnists/JohnStossel/2005/09/07/in\\_praise\\_of\\_price\\_gouging](http://www.townhall.com/columnists/JohnStossel/2005/09/07/in_praise_of_price_gouging)

Section 17 (after M Oct 25 lecture): Jeffrey Sachs, "The Real Causes of Famine"

<http://www.time.com/time/magazine/article/0,9171,989405,00.html>; Amartya Sen, "The Possibility of Social Choice" especially parts IX and X

[http://nobelprize.org/nobel\\_prizes/economics/laureates/1998/sen-lecture.pdf](http://nobelprize.org/nobel_prizes/economics/laureates/1998/sen-lecture.pdf)

Section 18 (after W Oct 27 lecture): Martin Weitzman, "Prices vs. Quantities" (note that only Part I and some of Part IV will be comprehensible to the students)

<http://www.er.uqam.ca/nobel/r25314/cours/ECO8071/Articles/WeitzmanREStud74PricesVQuantities.pdf>

Section 19 (after M Nov 1 lecture): Mark Thoma on Thomas Palley on the iron ore oligopoly

<http://economistsview.typepad.com/economistsview/2008/07/thomas-palley-p.html>

## (OPTIONAL) SUGGESTED QUIZ QUESTIONS

Section 13 (after M Oct 11 lecture): Q: about what share of economic growth in labor productivity in the U.S. over the past generation is due to improvements in knowledge and organization?

(A: about 2/3) Q: about what share of economic growth in labor productivity in China over the past generation is due to improvements in knowledge and organization? (A: about 2/3)

Section 14 (after W Oct 13 lecture): Q: What is producer surplus? Q: What is consumer surplus?

Q: In what sense are these "surpluses"?

Section 15 (after M Oct 18 lecture): Q: What do we mean when we say that demand is inelastic?

Q: What do we mean when we say that supply is inelastic?

Section 16: (after W Oct 20 lecture): Q: Why is market supply generally more elastic in the long run than in the short run? Q: Why is market demand generally more elastic in the long run than in the short run?

Section 17 (after M Oct 25 lecture): Q: When we say that a competitive market is "efficient" are we saying that it is in some sense "optimal"? Q: In what sense (if any) is the outcome of a competitive market "optimal"?

Section 18 (after W Oct 27 lecture): Q: What is a monopoly? Q: What is a duopoly? Q: What is an oligopoly?

Section 19 (after M Nov 1 lecture): Q: What is the difference between competition, monopoly, and monopolistic competition?