

ECON 345
Public Policy Towards Business
Spring 2024

Section Number: 345.001
Department: Economics
Lecture Times: MWF 12:30 – 1:45 PM
Classroom: Phillips Hall- Room 265
Prerequisites: ECON 101 and ECON 310 or 410

Instructor: Toria Mullen
Email: ttmullen@live.unc.edu
Office Hours: Tuesday 2 PM Gardner Hall 411
Wednesday 1:30 PM Via Zoom
Office Hours Zoom: XX
Office: Gardner 411
Website: Sakai

1. Course Description

Why is it that airplane tickets get more expensive on the day of the flight, but Broadway tickets get less expensive on the day of the show? Why did the Justice department not allow Office Depot and Staples to merge? Would consumers be better off if they could purchase cable channels individually? In this course, we will use some basic mathematical concepts to help us answer important questions about how businesses behave and, more practically, how government regulation works.

2. Course Goals and Key Learning Objectives

- Develop an analytical toolkit that allows us to examine strategic choices by firms and how those choices impact consumers
- Use real world examples to examine how the US government has handled actual antitrust cases
- This course is qualified as an IDEA in action curriculum – ways of knowing. The learning outcomes and questions for student that are expected to be covered through this course under this action are outlined in the following website <https://ideasinaction.unc.edu/focus-capacities/ways-of-knowing/>

3. Course Resources

Sakai Website : All slides, annotations, homeworks, practice problems, and quizzes will be distributed and available on the course website.

Optional Text: *The Antitrust Revolution: Economics, Competition and Policy*
(optional readings assigned from 7th edition)

Authors: Kwoka and White
ISBN-13: 978-0190668839

Optional Text: *Industrial Organization: Contemporary Theory and Empirical Applications*
(optional readings assigned from 5th edition but any addition should work)

Authors: Pepall, Richards and Norman
ISBN-13: 978-1118250303

4. Course Requirements

If you have questions about course materials or course procedures, there are a variety of ways to get help:

- Always check the syllabus first as 90% of course procedure questions are answered in this document
- Use the office hours (first person explanations are the best and most efficient way to get your questions answered)
- If for some reason you cannot get your questions answered during scheduled office hours, please feel free to setup an individual appointment with me or send an email. I will typically respond to emails within 24 hours during the week.

5. Course Grades

Problem Sets (17%): You will have six problem sets throughout the course and are permitted to work together to complete them. The problem sets will be available on Sakai at least one week prior to the due date. **Problem set submission deadlines will be at 11:59pm on the due date.**

Problem sets are designed to prepare you for quizzes and exams. Because quizzes and exams make up 70% of your grade, it is important that you take these problem sets seriously. The lowest problem set score will be dropped.

Group Assignment (8%): The last section of the course will be student-led presentations of antitrust cases. You will be assigned to a group of four or five students. I will provide the cases via Sakai

We will discuss the presentation requirements in greater detail as it nears, but in general each student will be required to speak for 4-5 minutes. The group is expected to cover the more important portions of the antitrust cases and economic issues raised by all parties.

Articles (5%): Each section will end with articles written with real-world examples of these topics. There will be 5 topics with opportunities to summarize the articles. You are required to cover 2 of the topics. Article summaries will be detailed in the assignment and are due 9:00 AM the day it is due and the articles are covered in class. Students that submit an assignment for a topic should be prepared to summarize their article for the class and lead a discussion.

Quizzes (20%): There will be four 40-minute online quizzes (via Sakai) on

1. **Thursday, February 1st**
2. **Thursday, February 22nd**
3. **Tuesday, April 2nd**
4. **Thursday, April 18th**

Your lowest quiz grade will be dropped

Midterm Exam (25%): There will be a 50 min midterm on **Thursday, February 29th**

Final Exam (25%): There will be a final exam that covers material from the entire course. This exam will be on **May 6th at 4 pm**

Grading: This table shows the minimum grade you must achieve for each raw score. I reserve the right to curve grades up if I see fit. This means that a 77% will never earn you less than a C+, but I might decide that students with a 77% actually deserve a B- or a B.

Grade	A	A-	B+	B	B-	C+	C	C-	D+	D	F
Percent Range	93-100	90-92.99	87-89.99	83-86.99	80-82.99	77-79.99	73-76.99	70-72.99	67-69.99	60-66.99	<60

6. Course Policies

Late/Missed Work Policy

Problem sets are due at 11:59pm on the date specified. Due dates and times of assignments are firm. No late work will be accepted after the due date; however, you are always welcome to turn in your assignments early.

Quizzes and Exams

All quizzes and exams will be open book and open note. Memorization is not a valuable skill and will not be emphasized in this course. The quizzes and exams will challenge you to apply the concepts you have learned in class and via the homework assignments.

Because the lowest quiz score is replaced, there will be no makeup quizzes. If you miss the midterm and present me with a valid and documented excuse **in advance**, your final exam will comprise of 50% of your final grade. If you have an illness, are participating in a University-sanctioned activity, or the assignment falls on a major religious holiday that has the potential of affecting your performance, your absence will be excused. Where applicable, you must provide documentation from a coach or doctor. The scenarios above are broad but do not cover all acceptable excused absences. I reserve the right to excuse an absence, in which case your final exam will be re-weighted. If you miss an exam for any reason, you should contact me and we can decide on an appropriate course of action going forward.

The final exam is mandatory and will be given at the scheduled time. The UNC Undergraduate Bulletin provides specific and narrow exceptions to this rule. If you believe you qualify for one of these exceptions, you will need to work with the Dean's office and/or Academic Advising in order to reschedule the exam.

Regrade Policy

Regrade requests can be submitted in writing for up one week after the assignment grades have been returned. If you feel that your work has been graded unfairly or incorrectly (this includes errors with grade entry or addition of points), you must justify why you believe your response deserves more points. By submitting a regrade request, you acknowledge that your entire assignment will be regraded and your grade may increase or decrease. All regrades are final.

Accessibility Resources and Service Office

The University of North Carolina – Chapel Hill facilitates the implementation of reasonable accommodations, including resources and services, for students with disabilities, chronic medical conditions, a temporary disability or pregnancy complications resulting in difficulties with accessing learning opportunities. All accommodations are coordinated through the Accessibility Resources and Service Office. In the first instance please visit their website:

<http://accessibility.unc.edu>, Tel: 919-962-8300, or Email: accessibility@unc.edu. A student is welcome to initiate the registration process at any time; however, the process can take time. If you are established with ARS, and will require appropriate academic accommodations, please contact me after class, during office hours, or by individual appointment.

Counseling and Psychological Services

UNC-Chapel Hill is strongly committed to addressing the mental health needs of a diverse student body. The [Heels Care Network](#) website is a place to access the many mental health resources at Carolina. CAPS is the primary mental health provider for students, offering timely access to consultation and connection to clinically appropriate services. Go to their website <https://caps.unc.edu/> or visit their facilities on the third floor of the Campus Health building for an initial evaluation to learn more. Students can also call CAPS 24/7 at 919-966-3658 for immediate assistance.

Academic Integrity

As a student of the University of North Carolina you are expected to behave in accordance with the school's honor code. Plagiarism, forgery, unauthorized collaboration, and the use of unauthorized materials are only some of the behaviors that I will not tolerate in this course. If you have any uncertainties about any of your work, please approach me before an assignment's due date. I take academic integrity very seriously and will not hesitate to report any instance where I feel academic integrity has been compromised, either intentionally or unintentionally.

The Instrument of Student Judicial Government can be found here:

<https://studentconduct.unc.edu/sites/studentconduct.unc.edu/files/documents/Instrument.pdf>

Title IX Resources

Any student who is impacted by discrimination, harassment, interpersonal (relationship) violence, sexual violence, sexual exploitation, or stalking is encouraged to seek resources on campus or in the community. Reports can be made online to the EOC at <https://eoc.unc.edu/report-an-incident/> or by contacting the University's Title IX Coordinator (Elizabeth Hall, titleixcoordinator@unc.edu) or the Report and Response Coordinators in the Equal Opportunity and Compliance Office (reportandresponse@unc.edu). Confidential resources include Counseling

and Psychological Services and the Gender Violence Services Coordinators (gvsc@unc.edu). Additional resources are available at safe.unc.edu.

Syllabus Changes

I reserve the right to adjust the syllabus as I see fit. All changes will be announced in class. Adjustments made to deadlines will be announced as early as possible

7. Course Schedule

As far as possible, the dates of all examinations and due dates for important assignments are listed here. There may be changes to the schedule, including due dates and exam dates. These changes will be announced as early as possible.

Optional reading assignments are given for the week and relevant to the material taught in class.

PRN = Pepall, Richards, and Norman. This book is slightly more advanced than necessary but provides good written explanations for concepts we cover. The class lectures and slides are a guide to what topics are important within each PRN chapter.

KW = Kwoka and White. This is a book consisting of different antitrust cases. Each case is examined by an economist who worked directly on the case. There are some technical parts that we will skip. Our focus will be on the central economic ideas that they highlight. This will be a critical tool in connecting the models we develop in class to real world applications.

Week	Dates	Topics	Items Due	Optional Readings
1	1/11	Introduction Math Review		PRN: Ch. 1 KW: Intro
2	1/16 1/18	Monopoly -		PRN: Ch. 2 KW: pg. 1-7
3	1/23 1/25	- Monopoly Linear Pricing	Problem Set 1	PRN: Ch. 5
4	1/30 2/1	- -	QUIZ 1	
5	2/6 2/8	Monopoly Nonlinear Pricing -		PRN: Ch. 6
6	2/13 2/15	NO CLASS- Wellness Day -		PRN: Ch. 8

7	2/20 2/22	Bundling -	Problem Set 2 QUIZ 2	
8	2/27 2/29	- MIDTERM EXAM		PRN: Ch. 9.1-9.6 KW: pg. 7-13
9	3/5 3/7	Game Theory -		PRN: Ch. 10.1-10.2 KW: pg. 13-20
10	3/12 3/14	SPRING BREAK SPRING BREAK		
11	3/19 3/21	-Oligopoly -		PRN: Ch. 3
12	3/26 3/28	- NO CLASS- Wellness Day	Group Project Problem Set 3	PRN: Ch. 11.1
13	4/2 4/4	- -	QUIZ 3	PRN: Ch. 11.2-11.3
14	4/9 4/11	Collusion -	Problem Set 4	PRN: Ch. 12 & 14
15	4/16 4/18	Mergers	QUIZ 4	
16	4/23 4/25	Antitrust Project -		
17	4/30	- LAST CLASS	Problem Set 5	
18	5/6	FINAL EXAM @ 4PM		