Economics 390

Spring 2022

Homework #5

Due 5/5/2022

For homework #5 you need to keep a reading log for the articles you read this semester. For each article you need to list the author and title in the first column and then provide three to five key bullet points of what you learned from the article or what you thought was interesting and thought provoking.

To get full credit for this assignment you must have read at least twenty of the articles and completed the entry for each of these twenty articles. If you read less than twenty articles and at least ten articles you will get partial credit. If you read less than ten articles you will get only a very small credit for the assignment.

Here is a beginning to the formatting for this assignment:

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| Title of Article:  Reading 1  Duflo, Esther and Banerjee, Abhijit. Economic Incentives Don’t Always Do What We Want Them To, *The New York Times*, October 31, 2019. | 3 to 5 Key Bullet Points from the Article   * Financial incentives are less powerful than people usually expected * Both true and rich people do not stop working even when the welfare raises for them * There are many elements such as status, dignity, social connections that needed to be considered when people make a decision. * There are some policymakers ignore the fact that financial incentives are less powerful than people think. For instance, policymakers should not be too afraid of raising tax. – Z.X. * It proposes a finding hid in plain sight that the influence of financial incentives are overestimated. And then it demonstrates that people would still go to work when some economic incentives emerge, including salary caps for the rich, increasing welfare for the poor, and tax incentives. * It also argues when crises happen, a vicious spiral of blight and hopelessness would also prevail among the unemployed. In a survey, the thought that someone should slack off when particular incentives come, but not themselves. So author drew a conclusion that something else, such as status, dignity, social connections, would have impacts on people’s working decision. * In order to solve these problems, we should first realize that it is unreasonable to expect markets to always deriver outcomes that are acceptable —or even efficient. And author mentions a G.I. Bill for the “veterans” of disruptions, enhancements of T.A.A, and combination of tax raising and revenue increase as solutions. – X.H. |
| Title of Article: **The Four Different Types of Goods**  Reading 2  Author of Article: Jodi Beggs  Topic: Overview of Private Goods, Club Goods, Public Goods, and Common Resources | 3 to 5 Key Bullet Points from the Article |
| Title of Article: **Greed vs. the Common Good**  Reading 3  Author of Article: Dylan Selterman  Topic: Tragedy of the Commons and Externalities | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 4  **Altruistic Punishment in Humans**  Author of Article: Ernst Fehr and Simon Gachter  Topic: Article exploring how altruistic punishment has the potential to aid human cooperation particularly in groups of humans who do not know one another; public goods; free ridership | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 5  **Essential Behavioral Economics Principles for Business**  Author of Article: from http://brandtrust.com  Topic: Behavioral economics and where the rational model of economics fails | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 6  “A Model to Teach Non-Rival and Excludable Goods in Undergraduate Microeconomics”  Author of Article: Aaron D. Wood  Topic: Non-Rival and Excludability | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 7  “Information Age: Three Cheers for ‘Creative Monopolies’”  Author of Article: L. Gordon Crovitz  Topic: Monopoly | 3 to 5 Key Bullet Points from the Article |
| Title of Article: **3 Types of Price Discrimination**  Reading 8  Author of Article: Meredyth Glass  Topic: Price Discrimination | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 9  **Lecture Notes on Price Discrimination**  Author of Article: see citation to the right  Topic: Price Discrimination | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 10  **The Impossible Math of College Admissions**  Author of Article: Paul Tough  Topic: Price Discrimination | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 11  **The Hidden Divide on Campus**  Author of Article: Anthony Abraham Jack  Topic: College Expenses | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 12  **Expectations and Attitudes Toward Gender-Based Price Discrimination**  Author of Article: O.C. Ferrell, Dimitri Kapelianis, Linda Ferrell, Lynzie Rowland  Topic: Gender-based Price Discrimination | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 13  “Metro Transit: 2017 Annual Report”  Author of Article: prepared by Madison Metro Transit  Topic: Bus Company Operations and Financial Data | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 14  “The Lives of Others; Externalities”  Author of Article: From The Economist, August 19, 2017  Topic: Externalities and Pigouvian Taxes | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 15  **Paying Teachers More**  Author of Article: From **The Economist**, August 26, 2000  Topic: Incentives | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 16  “The Taxes of Sin”  Author of Article: From **The Economist**, July 28, 2018  Topic: Excise Taxes and Externalities | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 17  “The Free Rider Problem”  Author of Article: From the **Stanford Encyclopedia of Philosophy**  Topic: Free Rider and Public Goods | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading #18  “Hurray for Health Reform”  Author of Article: Paul Krugman  From **The New York Times**, March 19, 2012 |  |
| Title of Article:  Reading 19  “The Importance of Financial Literacy”  Author of Article: Annamaria Lusardi, From **NBER Reporter**, 2009, Number 2  Topic: Financial Literacy | 3 to 5 Key Bullet Points from the Article |
| Title of Article: Reading 20  “Mortgages Made Simpler”  Author of Article: By Richard H. Thaler, From **The New York Times**, July 4, 2009  Topic: Financial Institutions, Mortgages | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 21  “Asymmetric Information”  Author of Article: Karl E. Case, Ray C. Fair, and Sharon M. Oster, **Principles of Economics**, Twelfth Edition, Pearson, 2017, pages 354- 359.  Topic: Asymmetric Information | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 22  “Information Asymmetries and Information Costs”  Author of Article: Stephen G. Cecchetti and Kermit L. Schoenholtz, **Money, Banking and Financial Markets**, McGraw Hill, 2017, p. 279-290.  Topic: Asymmetric Information, Adverse Selection and Moral Hazard | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 23  “Opting In vs. Opting Out”  Author of Article: Richard H. Thaler, From **The New York Times**, Sept. 26, 2009.  Topic: Optimal Design | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 24  “7 Personal Financial Planning Tips for New College Grads” by Phillip Christenson found at https://www.moneytips.com/financial-planning-tips-for-college-grads  Topic: Financial Guide to New Graduates | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 25  “Delivering Affordable Spaces Isn’t So Easy”  Author of Article: Bob Van Enkenvoort, **The Wisconsin State Journal,** December 6, 2015.  Topic: Affordable Housing | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 26  “Madison’s Average Home Value Tops $300,000”  Author of Article: Dean Mosiman, **Wisconsin State Journal**, April 13, 2019.  Topic: Affordable Housing | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 27  “Why the Rent Is Too Damn High: The Affordable Housing Crisis”  Author of Article: Patrick Sisson, **Curbed**, May 19, 2016.  Topic: Affordable Housing | 3 to 5 Key Bullet Points from the Article |
| Title of Article:  Reading 28  “Affordable Housing Crisis: Why Are U.S. Cities Struggling?”  Author of Article: Patrick Sisson, Jeff Andrews, and Alex Bazeley, **Curbed**, May 5, 2019.  Topic: Affordable Housing | 3 to 5 Key Bullet Points from the Article |