

The Economics of Power

Syllabus – Spring 2025 – EC 410/510 – CRN 31623/31636

Course at a glance:

Lecture: Mondays and Wednesdays, 2:00 PM – 3:20 PM, 125 Mackenzie Hall

Midterm: “Take home,” due Tuesday, April 29, 2:30 PM

Final exam: “Take home” portion due Wednesday, June 11, 2:30 PM. Oral portion to be scheduled during Exam Week.

Professor Keaton Miller

Office Hours: Tuesdays, 9:30 AM – 11:30 AM, 535 PLC

Email: keatonm@uoregon.edu

Grader: Jaichung Lee, jaichung@uoregon.edu. Office hours Tuesday, 4 PM – 5 PM, PLC 507

Course description:

Economics is the study of constrained decision making. Often our choices are constrained or influenced by the power that others wield over us. Whether it's the power of a large social media corporation to determine what constitutes acceptable content for their platform, the power of a manager to fire employees at will, or the power of the primary earner in a marriage to compel their partner to endure mistreatment, systems of power pervade our experience of ourselves, each other, and the world around us. Where does power come from? How is it wielded? How should we live in a world filled with giants? This course will attempt to answer these questions through the lens of economic analysis, both theoretical and empirical. In the first half of the course we will discuss power systems at scales ranging from interpersonal to international. The second half of the course will feature an ongoing simulation based on real-world power struggles.

This course has some overlap with EC 460/560. Taking either will likely increase your learning in and enjoyment of the other.

Prerequisites: EC 311, EC 313, EC 320 (or EC 423). We will be using *quite* a lot of calculus in this class. If you are not comfortable with derivatives and maximization problems, you may wish to consider alternative options.

Experimental course disclaimer: This course is a new addition to the catalog. The schedule of lectures, assignments, and other course details may vary during the term.

Course Organization:

This course is lecture, reading, and participation driven. There is no formal textbook, but collections of notes and other relevant materials will be posted on Canvas. Lectures will explore major concepts, summarize empirical research, and work through problems. Ample time will be given for in-class participatory activities. Homework will be assigned approximately every two weeks. There is a midterm in Week 5 and a final exam at the end of the term. See below for details.

In the second half of the course, we will conduct a simulation of a power struggle between communities inspired by real-world events. Students will take on roles of different parties to the conflict. The simulation will consist of group assignments including in-class debates and a presentation.

Students enrolled in EC 510 will complete additional homework problems focused on the mathematics behind the ideas we discuss in class and will be assigned a review of a recent paper in the field.

Office Hours:

I have scheduled office hours on Tuesdays, from 9:30 AM – 11:30 AM, in 535 PLC. This time is intended for students to ask me questions about the material; I will not provide solutions to specific homework problems (though I will cover the concepts).

If that time does not work for you, I am happy to schedule appointments through e-mail.

E-mail Policy:

Students are encouraged to contact me with questions about the course material but should not expect an immediate response. I generally respond to e-mail twice per day, at around 9 AM and around 5 PM. I aim to respond to all e-mails within two business days. Additionally, I will not provide solutions to specific homework questions before that homework is due (though I will provide help understanding the concepts behind the questions).

Lecture slides:

I present lectures using PowerPoint slides. These slides will be available in full via Canvas. Please observe the copyright notice elsewhere in this syllabus: don't distribute the slides.

Homework:

Homework will be assigned and submitted via Canvas. Each homework will be due at 11:45 PM on the announced day. *No late homework will be accepted.* The only exception to this rule is an event affecting Canvas access that impacts a significant portion of the class.

While several problem sets will be assigned, *the lowest score will be dropped before determining your final grade.*

This drop is a *scarce resource* and it is your responsibility to allocate it responsibly. I do not grant additional drops, nor are there any opportunities to make-up homework points for any reason. They are designed to be used in cases of illness, technical issues, or other urgent matters that may arise during the term.

Students are encouraged to work together on problem sets. However, each student must draft their own version of the answers. *All collaborators must be identified.*

Midterm:

The midterm will be a take-home, written assignment due in Week 5. The midterm is "open notes" – but you must work alone. Scores may be curved at my sole discretion. Exam curves will never result in a student obtaining a lower "curved" score than the "raw" score calculated by summing the points earned on each question.

Final Exam:

The final exam consists of two parts. The first will be a take-home, written assignment similar to the midterm, which will account for 75% of the exam grade.

The second is a 15-minute oral examination conducted during exam week, which will account for 25% of the exam grade. Students will sign up for slots with me, either in-person in my office or via Zoom. Incentives may be provided to encourage “bunching” of slots. This portion of the exam will be focused on broad concepts and students’ ability to think in real-time.

Scores may be curved at my sole discretion. Exam curves will never result in a student obtaining a lower “curved” score than the “raw” score calculated by summing the points earned on each question.

Grading:

For those in 460, grades will be determined as follows: 35% homework, 20% simulation, 20% midterm, and 25% final.

For those in 560, grades will be determined as follows: 35% homework, 20% simulation, 15% midterm, 10% paper review project, and 20% final.

Your scores in each category will be combined according to those percentages to create a final course score out of 100 points, which will then be assigned a letter grade according to the table at the end of this syllabus. Students who demonstrate significant improvement between the midterm and the final may have their grades adjusted to reflect that improvement.

*The overall course grade may or may not be curved. Any curve will not lower any student’s grade. What this means is that **grading in this course is non-competitive**. Students are encouraged to work with each other to gain a better understanding of the material.*

If you are concerned about your grade in my course, please contact me as soon as possible.

Academic Misconduct and the Student Conduct Code:

The Student Conduct Code defines Academic Misconduct in part as “unauthorized collaboration, accessing, or using of unauthorized materials, information, tools, or study aids” and “any intentional action that helps, or is intended to help, another engage in academic misconduct.”

I encourage students to collaborate with each other on homework assignments, but collaborators must be identified on the assignment. The use of external resources to complete homework assignments (such as solutions found on the internet) is prohibited.

Collaboration of any kind on exams is prohibited. This includes, but is not limited to, asking questions about the exam of people who have already completed the exam, and giving information about the exam to people who have not already completed the exam. *Do not talk about exams during the exam period.*

If I have reason to believe a student has engaged in Academic Misconduct, General Misconduct, Discriminatory Misconduct, or any portion of the Student Conduct Code (including, but not limited to, the situations described above), I will follow the appropriate University Policy and contact the Office of Student Conduct and Community Standards.

Per Section VII of the Student Conduct Code, the conduct process may result in academic sanction. The default academic sanction for misconduct in this course is to receive a score of zero on the relevant assignment or exam. I reserve the right to assess alternative sanctions.

In short: *I have absolutely no tolerance for cheating or other dishonest behavior. Don't cheat.*

Addendum on ChatGPT and other AI tools:

The use of ChatGPT and other AI tools for assistance on homework and exam problems is not forbidden. *If you choose to use ChatGPT or any other AI tools, you must:*

1. *Identify which AI tools you have used to assist with which problems, and*
2. *Include the raw input to and output from the AI tool.*

Failure to follow this procedure will be considered academic misconduct.

Recommendations:

Students often ask me for letters of recommendation for various programs of study, scholarships, employment, or for other opportunities. In general, I am unable to provide strong letters of recommendation based on performances in this course alone. I recommend that if you think you might benefit from a recommendation from me in the future, you should ask questions in class, regularly attend office hours, and generally think about how you can provide me with a basis from which to communicate with others about your skills.

Accessibility:

The University of Oregon is working to create inclusive learning environments. Please notify me if there are aspects of this course that result in disability related barriers to your participation. For more information or assistance, you are also encouraged to contact the Accessible Education Center, 164 Oregon Hall, 346-1155; website: <http://aec.uoregon.edu/>

Mental Health and Wellness:

University Health Services help students cope with difficult emotions and life stressors. If you need general resources on coping with stress or want to talk with another student who has been in the same place as you, visit the Duck Nest (located in the EMU on the ground floor) and get help from one of the specially trained Peer Wellness Advocates. Find out more at <https://health.uoregon.edu/ducknest>.

University Counseling Services (UCS) has a team of dedicated staff members to support you with your concerns, many of whom can provide identity-based support. All clinical services are free and confidential. Find out more at counseling.uoregon.edu or by calling 541-346-3227 (anytime UCS is closed, the After-Hours Support and Crisis Line is available by calling this same number)."

Copyright Notice:

The materials used in this class, including, but not limited to, lecture slides, exams, and homework assignments are protected by copyright. You are granted permission to access materials and make copies and derivative works for your personal use. You may not distribute course materials to any other person, regardless of student status, without express written permission from me.

The sharing of class materials without the specific, express approval of the instructor may be a violation of the University's Student Conduct Code (Section V.2.f.F), which could result in further disciplinary action. *This includes, among other things, uploading class materials to websites for the purpose of sharing those materials with other current or future students.* Additionally, any unauthorized copying of class materials is a violation of federal law and may result in further action.

Tentative Schedule:

This schedule may change as the course progresses. Look to Canvas for updated assignments and readings.

Week	Tuesday	Thursday
1	Introduction: What is Power?	Game Theory: A review
2	The Principal/Agent Problem	Nash Bargaining
3	Commitment	Evolutionary Game Theory, or, Why We Can't Have Nice Things
4	Dictatorships	Review (if time)
5	MIDTERM	Introducing the Simulation
6	Party Politics and the Hotelling Model	Voting and Arrow's Impossibility Theorem
7	Coalitions	Power in Markets
8	The Investment Game I	The Investment Game II
9	Power in International Relations	Example: United Academics Bargaining
10 6/5	Simulation Finale	Review

Final Exam (written portion) is due on Wednesday, June 11, at 2:30 PM

Letter Grades:

Course Points	Letter Grade	Pass / No Pass
98+	A+	P
93-97	A	P
90-92	A-	P
87-89	B+	P
83-86	B	P
80-82	B-	P
77-79	C+	P
73-76	C	P
70-72	C-	P
67-69	D+	NP
60-66	D	NP
59-	F	NP