

MIDDLE EAST TECHNICAL UNIVERSITY | DEPARTMENT OF ECONOMICS

WEEK 08 / 14

Midterm Examination

A written examination covering Weeks 1-6.

Economics Concept: **Cumulative: Scarcity Through Signaling Theory**

SCOPE

What Is Covered

- Week 1-2: Scarcity, opportunity cost, and the tragedy of the digital commons.
- Week 3-4: Trade embargoes, autarky, zero marginal cost, and Gresham's Law.
- Week 5-6: Algorithmic matching markets, club goods, and signaling theory.



FORMAT

Written, In-Class

- Closed-book. No devices. Standard written examination conditions apply.
- Expect short-answer application questions, not just definitions — you will be asked to apply a model to a new case, not just recite it.
- Weight: 20% of the final course grade.



20% OF FINAL GRADE

ADVICE

How to **Actually** Prepare

- Know the mechanism behind each concept, not just its name — you will be asked why, not just what.
- Revisit the case studies (the 4chan ban, Bobiler vs. İnci Sözlük) as worked examples of the underlying models.
- Office hours are available by request through the usual departmental contact.



TAKEAWAY OF THE WEEK

Half the Course. All of the Theory So Far.

Everything after the midterm builds directly on these six weeks. Study the mechanisms,
not the vocabulary.

NEXT WEEK → TURKISH SURREALISM & THE COCKROACH PHENOMENON