Student Instructions (Activity 2):

Healthcare and Economics

The purpose of this assignment is to discover challenges with the healthcare system in the United States, and be able to explain it in terms of economic concepts.

Before beginning, your instructor will assign you one of to radio shows to listen to; either Someone Else’s Money (<http://www.thisamericanlife.org/radio-archives/episode/392/Someone-Elses-Money>) or More Is Less (<http://www.thisamericanlife.org/radio-archives/episode/391/more-is-less>) . Both of these are episodes of the radio program called This American Life. They were recorded in 2009, but little has changed since then in the delivery of healthcare in the United States.

Please do the following:

1. Review the following terms to be sure you understand their meanings. It might be helpful to write down the definitions in the space just following the term.

Private Markets

Moral Hazard

Asymmetric Information

Supply

Demand

Market Failure

Government Failure

Industry Type

Perverse Incentives

Unintended Consequences

2. Now listen to the assigned radio show. It’s your job to discover where, in the show, they are talking about the concepts listed above (because they won’t be using those terms).

3. Choose one or more of the terms, and find at least three places in the show where the term could have been used. For each of the three:

 a) list the Act and the number of minutes in the show

 b) describe or quote what was actually said

 c) rewrite it using the term.

 d) repeat for a total of three times.

4. Do not repeat a place in the show and term that another student has used.

5. Please list only three, so that your classmates who post after you can find places too.

6. Add another paragraph discussing what part of the entire show you found most interesting and why.

7. Respond to at least two of your classmates and let them know whether you agree with their use of the terminology, and why.