

Solving Problems is as Easy as ABCD

Econ 203 - Dr. Jackson

The purpose of the ABCD approach is three-fold: 1) breaking down complex problems into reasonable steps means you are less likely to get stuck, 2) requiring you to be clear about your chain of reasoning means you are more likely end up with a correct or reasonable answer, and 3) requiring you to show/explain in writing your reasoning means I can clearly see where misunderstandings are occurring.

You will need to use these steps to solve problems whenever they are preceded by “ABCD:” in class activities and exams.

Analyze the problem (2 points)

1. BOX what best summarizes the question: “list”, “what will you do”, “explain ...”, “why”, “which one” etc. The number of box will indicate the number of answers you need to provide before you are done in part C.

2. UNDERLINE anything that needs a definition or equation.

Optional: Squiggle underline anything you want to remind yourself of when you double-check in Step D, but that doesn’t need clarification in Step B.

Background information (4-6 points)

1. Define and/or write the formula for any terms underlined in step A.

2. Identify any assumptions, models, and/or ideas relevant to the question.

Optional: If it will help you solve the problem or explain your answer, draw a graph to illustrate the situation. Especially with the supply & demand model and the aggregate supply/aggregate demand model, drawing a picture can save you a lot of written explanation.

Combine to solve (4-6 points)

1. Clearly answer the question or questions which you boxed in Step A based on the background information you provided in Step B.

2. Provide your reasoning! ANYONE with intro to microeconomics should be able to read your answer and understand how you arrived at the answer you are gave.

Optional: If you’re stuck, return to step B to see if you can elaborate on your definitions or provide definitions and/or equations for terms you used in step B.

Double check & reflect (1 point)

1. “Double check” refers to confirming that you have a clear answer in Step C to each question you boxed in Step A. As you confirm you have a clear answer, BOX just the answer (not any additional explanation or reasoning you provided to support your answer) as visual confirmation of your process. When you are done, the number of boxes in Step C should match the number of boxes in Step A.

2. “Reflect” refers to two things: **a) What lesson(s) do we learn from this question?** and **b) Does your answer make sense?** If you don’t think the answer makes sense, you should use this space to comment on **why** your answer(s) don’t make sense, even if you can’t figure out where you went wrong in solving the problem.