The purpose of this course is to provide students with a basic understanding of economic concepts and tools that have direct managerial applications. Among the topics discussed in class are: price determination in alternative market structures, demand theory, production and cost functions, and decision making under uncertainty. In addition, the course will provide a basic introduction to econometric analysis and its role in managerial decision making.

Each student will complete a short econometric project as part of the course. In this project, students will use regression analysis to examine the relationship between a dependent variable and a set of independent variables that are assumed to affect the dependent variable. Hypothesis tests will be used to test economic hypotheses.

The final grade in the course will be determined according to the following formula:

- project: 20%
- midterm: 40%
- final: 40%

Topics:

I. Introduction - Chapter 1
II. Market equilibrium - Chapter 2
III. Elasticity and demand - Chapters 3
IV. Optimizing behavior - Chapters 4
V. Regression analysis - Chapter 5
VI. Consumer Theory - Chapter 6
VII. Demand analysis and forecasting - Chapters 7 and 8
VIII. Production and Costs - Chapters 9, 10, and 11
IX. Perfect competition - Chapter 12
X. Imperfect competition - Chapters 13, 14, and 15
XI. Multiple plants, markets, and products - Chapter 16
XII. Risk and uncertainty - Chapter 17 (as time permits)
XII. Investment - Chapter 18 (if time permits)

Schedule:

- Midterm: March 12
- Final: May 14
- Project due date: May 7