

**BA 511 – Applied Microeconomic Theory – Summer 2018**  
**Western Kentucky University**  
**Gordon Ford College of Business**

**Classing Meetings**      5/19, 6/2, 6/16, 6/30, 7/14, 7/28, 8/11  
8:30 – 12:00 Central  
Center for Research and Development

**Professor**                David Zimmer  
[david.zimmer@wku.edu](mailto:david.zimmer@wku.edu)  
Office: Grise Hall 426

**Text (optional, not required)**

*Managerial Economics*, any edition, by Mark Hirschey

(Students who regularly attend class should be able to survive without the text. But for those who seek a useful resource, this is the book I prefer. Mr. Hirschey recently passed away, and the book has since picked up a coauthor. However, go for cheaper, earlier versions, which are widely available on Amazon.)

**Course Description and Objectives**

Microeconomics is the study of choice behavior on the part of individual consumers and firms. This course is designed to present a logical and coherent framework in which to analyze micro-level phenomena. Upon completion, students should be able to understand and illustrate economic analytic tools, particularly from the context of designing and implementing management strategies. The class also will feature a brief module on macroeconomic analysis.

**Grades**

There will be several in-class and out-of-class problem sets. Those will be equally weighted, with final letter grades will be determined according to the standard 90-80-70-60 scale.

## **Tentative Course Outline**

(Chapter numbers refer to the 12th edition of the Hirschey book)

Topic 1: Managerial decisions and mathematical tools

Reading: Chapters 1, 2, and materials to be distributed

Topic 2: Basics of supply and demand

Reading: Chapter 3

Topic 3: Utility and demand

Reading: Chapter 4

Topic 4: Demand estimation

Reading: Chapter 5 and some of Chapter 6

Topic 5: Production and production costs

Reading: Chapters 7 and 8

Topic 6: Linear programming

Reading: Chapter 9

Topic 7: Competitive markets

Reading: Chapters 10 and 11

Topic 8: Monopoly

Reading: Chapter 12

Topic 9: Imperfect competition

Reading: Chapter 13

Topic 10: Game theory

Reading: materials to be distributed

Topic 11: Risk and uncertainty

Reading: Chapter 16

Topic 12: Government policy

Reading: materials to be distributed

Topic 13: Macroeconomics

Reading: materials to be distributed

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*Under these policies, discrimination, harassment and/or sexual misconduct based on sex/gender are prohibited. If you experience an incident of sex/gender-based discrimination, harassment and/or sexual misconduct, you are encouraged to report it to the Title IX Coordinator, Andrea Anderson, 270-745-5398 or Title IX Investigators, Michael Crowe, 270-745-5429 or Joshua Hayes, 270-745-5121.*

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#### ADA Accommodation Statement

*In compliance with University policy, students with disabilities who require academic and/or auxiliary accommodations for this course must contact the Student Accessibility Resource Center located in Downing Student Union, 1074. SARC can be reached by phone number at 270-745-5004 [270-745-3030 TTY] or via email at [sarc.connect@wku.edu](mailto:sarc.connect@wku.edu). Please do not request accommodations directly from the professor or instructor without a faculty notification letter (FNL) from The Student Accessibility Resource Center.*