

Economics 414 – Managerial Economics – Spring 2017
Western Kentucky University
Department of Economics

Classing Meetings	Monday, Wednesday, Friday 8:00 – 8:55 Central GH 137 and satellites
Professor	David Zimmer david.zimmer@wku.edu Office Hours: M,W,F 11:00-12:00, GH 426
Text (optional)	<i>Managerial Economics</i> , any edition, by Mark Hirschey

Course Description and Objectives

Managerial economics is the study of choice behavior on the part of individual consumers and firms, with particular emphasis on decisions made by managers. This course is designed to present a logical and coherent framework in which to analyze managerial-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.

Grades	There are three in-class exams. The exams are equally weighted. Final letter grades will be determined according to the standard 90-80-70-60 scale.
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Exam Dates	Exam 1 – February 22 Exam 2 – April 3 Exam 3 – May 12, 8:00am With the exception of the third exam, these dates are tentative and subject to change.
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Missed Exams	There are no makeup exams. If you must miss an exam for an official <i>documented</i> reason, the scores of your other two exams will be re-weighted accordingly. This is only permitted for <i>one</i> of the first two exams. Do not miss the third exam for any reason.
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Tentative Course Outline

Topic 1: Managerial decisions and mathematical tools

Reading: Chapters 1, 2, and appendices to Chapter 2

Topic 2: 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: Chapter 14

Topic 11: Risk and uncertainty

Reading: Chapter 16

Topic 12: Government policy

Reading: Chapter 19