MGT514E Principles of Managerial Economics
SMB564E Business Economics Analysis

Fall 2017

Younghwan In

Introduction

Economics provides a useful way of thinking for managers. This business-oriented economics course stresses the application of microeconomic theory in managerial decision making. We will use a combination of tables, figures, and simple mathematics. Students are expected and encouraged to participate actively and interrupt to ask questions in classes.

Textbook

Acemoglu, D., D. Laibson, and J. A. List (2016): *Economics*. Harlow: Pearson Education. (ISBN of the global edition: 978-1-292-07920-2)

Topics

(Topics with an asterisk (*) will be discussed as time permits.)

I. Introduction to Economics

1. The Principles and Practices of Economics
2. Economic Methods and Economic Questions
3. Optimization: Doing the Best You Can
4. Demand, Supply, and Equilibrium

II. Foundations of Microeconomics

5. Consumers and Incentives
6. Sellers and Incentives
7. Perfect Competition and the Invisible Hand

8. Trade*
9. Externalities and Public Goods
10. The Government in the Economy: Taxation and Regulation
11. Markets for Factors of Production*

III. Market Structure

12. Monopoly
13. Game Theory and Strategic Play
14. Oligopoly and Monopolistic Competition

IV. Extending the Microeconomic Toolbox

15. Trade-offs Involving Time and Risk*
16. The Economics of Information
17. Auctions and Bargaining
18. Social Economics*

Schedule: 10:00-11:20am Mondays and Wednesdays

Assessment

- Assignments and class participation (20%)
- Midterm examination (40%)
- Final examination (40%)

Contact Information

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- Consultation hours: Please feel free to drop by my office during my scheduled consultation hours (2-4pm Tuesdays) or email cyin@business.kaist.ac.kr to make an appointment for other times.