



## CURRICULUM GUIDE: OFFICIAL COURSE OUTLINE

Course Code	ECON 295	Course Title	Managerial Economics			
Credit Value	3	Department	Social Sciences			
No. of weeks	14	Hrs. per week	<i>Lecture</i>	<i>Tutorial</i>	<i>Laboratory</i>	<i>Total</i>
			3	0	0	3
Course Description	An intermediate economic theory class with a focus on market and business applications. Topics include an overview of price theory, demand and supply in output and input markets, production, and market structure, price and quantity regulations, multiple pricing strategies, collusion, economics of anti-trust, the organization of firms, and the economics of contracts.					
Prerequisite(s)	ENGL 098, ECON 103, ECON 105, MATH 104					
Initial Articulation Targets	<i>UBC</i>	<i>SFU</i>	<i>UVic</i>	<i>UNBC</i>	<i>TRU</i>	
	ECON 295 (3)	ECON 2XX (3) or BUS 2XX (3)	ECON 200 Lev (1.5)	ECON 2XX (3)	ECON 3040 (3)	
	For updated information on the transferability of this course, please consult the BC Transfer Guide, <a href="http://www.bctransferguide.ca">www.bctransferguide.ca</a>					
Learning Outcomes	<p>Upon successful completion of this course, the student will be able to:</p> <ul style="list-style-type: none"> <li>• Conduct optimization techniques for utility and profit maximization, and solve for the optimal choice functions</li> <li>• Explain the mathematical techniques with graphs and intuition</li> <li>• Apply demand and supply theory to pricing and other problems within a business and other real world contexts</li> <li>• Examine, within a theoretical and applied context, the process by which the costs of production are determined</li> <li>• Develop a method of analysis, which will enable the student to analyze the impact of market structure on the behaviour of firms</li> <li>• Explain different forms of compound pricing used in different real world contexts</li> </ul>					
Content	<p><b>Core</b> topics – all of the following will be covered:</p> <ul style="list-style-type: none"> <li>• Supply and demand</li> <li>• Welfare and government intervention</li> <li>• Production and cost</li> <li>• The competitive firm</li> <li>• Monopoly</li> <li>• Pricing with market power</li> <li>• Externalities</li> <li>• Monopolistic competition</li> </ul>					



	<ul style="list-style-type: none"> <li>• Oligopoly (Cournot, Bertrand, Collusion)</li> <li>• Cartels; game theory</li> <li>• Asymmetric info, adverse selection, signaling</li> <li>• Moral hazard and agency problems</li> <li>• Contracts, hold-up and hold-out problems</li> <li>• The organization of the firm</li> </ul> <p>Additional topics may also be covered, at the discretion of the instructor.</p>		
Methods of Instruction	Lecture, seminar		
Required Textbook(s)	<p>The following textbook(s) is/are required, or approved equivalent(s).</p> <p>Baye, Michael R. <i>Managerial Economics and Business Strategy</i>. McGraw-Hill Irwin, 9th Ed. 2016.</p> <p>Hirschey, Mark and Pappas, James. <i>Managerial Economics</i>, Latest Ed. The Dryden Press.</p> <p>Landsburg, Steven. <i>Price Theory with Applications</i>, Latest Ed. Cengage Learning.</p> <p>Mansfield, Edwin. <i>Managerial Economics, Theory, Applications, and Cases</i>, Latest Ed. W.W. Norton &amp; Company.</p> <p>Samuelson, William and Marks, Stephen. <i>Managerial Economics</i>, Latest Ed. The Dryden Press.</p> <p>Truett, Lila J. and Truett, Dale B. <i>Managerial Economics</i>, Latest Ed. South-Western Publishing Co.</p>		
Required Equipment and Technology	<p>Students are required to have a computer with internet access.</p> <p>The following resources are provided by the College:</p> <ul style="list-style-type: none"> <li>• Office 365</li> <li>• Student email</li> </ul>		
Homework Hours	At minimum, students can expect one hour of homework for every hour of instructional time.		
Evaluation	<i>Component</i>	<i>% Value</i>	
	Assignments (2-4)	0-30%	
	Quizzes	0-10%	
	Class participation	0-10%	
	Term examination(s)	30-50%	
	Final examination	40-50%	
Completion Requirements	The minimum grade to pass this course is D (50%). Unless otherwise stated, a minimum grade of C- (55%) is required for this course to fulfil a prerequisite.		
Course Designer(s)	Douglas Allen, Ph.D., Department of Economics, Simon Fraser University	Consultant(s), if applicable	
Dean's Approval	Barbara Moon, Ph.D., Dean of Arts and Sciences, Alexander College	Dean's Approval Date	September 27, 2006



Curriculum Committee Approval Date	September 27, 2006	First Term Offered	Winter 2009
Last Review Date	August 11, 2021	Next Review Date	August 11, 2026
Revision History	March 3, 2011-Prerequisite of MATH 105 changed to MATH 104 by Douglas Allen August 1, 2014-Revised by Douglas Allen April 29, 2015-Library resources added by Librarians, AC August 11, 2021 – Minor revision to grading (added participation mark) and updating of text resources by Laurel Xiao.		