

H A V E R F O R D C O L L E G E
Department of Economics

Managerial Economics
Fall 1998
Tuesdays 7:30-10:00 P.M.

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1. Textbook:

Maurice, Charles and Christopher Thomas, (1995). Managerial Economics, 5th edition, Irwin.

2. Supporting Material:

The Study Guide for Managerial Economics, by Maurice, and Thomas, 1995.

Salvatore, Dominick, Managerial Economics, Schaum's outline Series of McGraw Hill, 1989. (Highly recommended).

Salvatore, Dominick, Microeconomic Theory, Schaum's Outline, McGraw Hill, 1992.

3. Other possible References:

Edwin Mansfield, Managerial Economics: Theory, Applications, and Cases, W.W. Norton & Company, 1993.

Douglas, Evan J. Managerial Economics, Prentice Hall, 1992.

Mansfield, Edwin, Microeconomics: Theory and Applications, 7th Edition, 1992.

Emery, David, Intermediate Microeconomics, Harcourt, Brace, Jovanovich, 1984.

4. Students who feel that the text and the study guide are too difficult are encouraged to refer to another managerial book in section 2. If the basic microeconomic models are unfamiliar then it is essential to cover the appropriate chapter in an intermediate microeconomic text like Mansfield's.

It is important to solve as many problems as possible. Salvatore's problems book is highly recommended for that purpose. In order to solve the simple microeconomic problems, the students are referred to Salvatore's or Emery's book.

The beginning of each class will be devoted for problem solving. Students are encouraged to raise questions about unclear questions that relate to past material from the textbook and/or from the study guide. All students must solve the problems from the study guide that are stated below **after the material has been covered in class.**

5. Exams:

Two exams. The nature of the exam will be discussed in class at least one week prior to the designated date. Some homework assignments will be given and graded. Most questions on the exam are quantitative. The exams will cover only the material of the previous half of the semester.

6. Subjects

1. Introduction, self Reading, chapter 1
2. Demand, supply, and market Equilibrium, chapters 2, and 3
3. Self-reading, chapter 4, 5.
4. Risk and Uncertainty, chapter 6
5. Consumer behavior, empirical functions, chapters 7, and 8
6. Forecasting, chapter 9 (self reading)

Midterm exam

7. Production and cost, chapters 10, 11, 12
8. Linear programming applied to production and cost, appendix pp. 694-707.
Two classes (optional--may be excluded).
10. Perfect competition, chapters 13, and 14
11. Non perfect markets, chapters 15-18, two classes.

Final exam

Other possible readings on linear programming:

Miller, Ronald, Modern Mathematical Methods for Economics and Business, New York: Kureger, 1978. Chapters 6, 7.
(Highly recommended)

Rothenberg, Ronald, Linear Programming, North Holland, 1979.
Chapters 4, 5, 6

Baumol, William, Economic Theory and Operations Analysis, Prentice Hall, chapter 12