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1 Course Information

Instructor: Konstantinos Metaxoglou
Office: D-893 LA
Phone: 613-520-2600 (EXT. 3755)
E-mail and website: https://culearn.carleton.ca
Office Hours: Tuesday, 2:15pm–3:15pm

2 Preclusions and Prerequisites

Precludes additional credit for ECON 2001, ECON 2002 (no longer offered), ECON 2003 (no longer offered), and ECON 2020. Prerequisite(s): ECON 1000 or FYSM 1003 with a grade of C- or higher; MATH 1009 (or equivalent) with a grade of C- or higher. Students who believe they have taken a similar background course or courses from another university must provide appropriate documentation to the Department of Economics Undergraduate Administrator, Amanda Wright. A grade of C+ or higher is required to qualify for ECON 2030 and ECON 4020. A DEF(ered final grade) status at the end of this course precludes (continued) registration in any other course for which the former is a prerequisite.

3 Course Description

An economic analysis of managerial decision-making; elements of production and cost; price and output determination under perfectly and imperfectly competitive market structures; the
role of information; topics in business strategy; and the impact of government intervention.

4 Textbooks


The textbook by Allen et al. is the recommended textbook for the class and is the textbook that I have used to prepare my slides. The textbook by Baye and Prince is a supplementary reference.

5 Course Outline

The course outline below is tentative. The topics covered may change slightly during the term depending on how the class evolves. I may also include material from other sources beyond the ADWM chapters listed below as I see fit.

1. Introduction
   The basic of managerial economics (ADWM: Ch.1; BP: Ch.1 & 2)
   Supply, demand, and markets (ADWM: Ch.1; BP: Ch.1 & 2)

2. Demand theory (ADWM: Ch.2 & 3; BP: Ch.2)

3. Production Costs
   Production theory (ADWM: Ch.5; BP: Ch.5)
   Analysis of costs (ADWM: Ch.6; BP: Ch.5)

4. Market structure and simple pricing strategies
   Perfect Competition (ADWM: Ch.7; BP: Ch.8)
   Monopoly and monopolistic competition (ADWM: Ch.8; BP: Ch.8)

5. Sophisticated market pricing
   Price discrimination (ADWM: Ch.9; BP: Ch.11)
   Bundling and intrafirm pricing (ADWM: Ch.10; BP: Ch.11)

6. Business strategy
   Oligopoly (ADWM: Ch.11; BP: Ch.9)
   Game Theory (ADWM: Ch.12; BP: Ch.10)

7. Risk, information problems, and incentives
Risk Analysis (ADWM: Ch.14; BP: Ch.12)
Principal-agent problems and managerial compensation (ADWM: Ch.15; BP: Ch.6 & 12)

8. Government and business* (ADWM: Ch.17; BP: Ch.14)
* The extent and coverage will depend on time availability

Note: The course will use calculus and some elementary probability and statistics. It is assumed that you know the material covered in MATH 1009. A good reference for the application of the mathematical tools in this course is chapter 18 in Allen et al.

6 Tutorials

The attendance for the tutorials is highly recommended. They will focus on homework assignments and practice problems that will help you understand better the material covered in the lectures and prepare for the mid-term and final examinations.

7 Evaluation

Each student’s grade will be calculated using the following instruments and weights:

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Weight</th>
</tr>
</thead>
<tbody>
<tr>
<td>Four assignments (5% each)</td>
<td>20%</td>
</tr>
<tr>
<td>Mid-term exam</td>
<td>30%</td>
</tr>
<tr>
<td>Final comprehensive exam</td>
<td>50%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>100%</strong></td>
</tr>
</tbody>
</table>

Assignments: They must be submitted in the class on the due date prior to the beginning of the lecture and there will be a 50% penalty for assignments submitted late but on the due date. There are two submission requirements for the assignments: (1) the pages must be stapled together; (2) you must provide a cover page with your information that you will be able to download in PDF format from cuLearn must be attached in the front.

Spending time on your own trying to solve the problems in the assignments is a very good way to understand the material and perform well in the class. Although you are permitted to discuss the material with your classmates, you must ensure that the submitted work is your own; please see the statement on plagiarism below. Office hours offer a good chance to ask questions about the assignments.

Note: Details and due dates for the assignments will be provided during the term. I will not accept late assignments or assignments that do not comply with the submission guidelines
(1) and (2) as described above. If you miss an assignment for a documented compelling reason, the weight for each of the remaining assignments will become 5(1+1/3)%.

**Mid-term examination:** It will take place on Feb-15. Note that this is a tentative date. If you miss the mid-term examination for a documented compelling reason, the assigned weight will be added to the final exam. No makeup will be offered.

**Final comprehensive examination:** It will be formally scheduled during the examination period.

**Note:** No course grades are final until approved by the Faculty Dean. Note also that course grades may be scaled upwards or downwards in a rank-preserving manner to better fit the relevant departmental distributional norm. Application to write a deferred final examination must be made at the Registrar’s Office.

### 8 Regrading

Students seeking reappraisal of their graded assignment or mid-term examination should contact the instructor within a week after they receive their grades. Students are required to send e-mail to the instructor with the subject “ECON 2009G-REQUEST FOR REGRADING” explaining the reason(s) for requesting a reappraisal of their graded work.

**Note:** Reappraisals that do not conform to this standard will not be considered.

### 9 Plagiarism

Please be aware that plagiarism is serious offense at Carleton and should be recognized and avoided. For further information on how to do so, please see “Pammett on Plagiarism and Paraphrasing” at [www.carleton.ca/economics/courses/writing-preliminaries](http://www.carleton.ca/economics/courses/writing-preliminaries).

### 10 Requests for Academic Accommodation

You may need special arrangements to meet your academic obligations during the term. For an accommodation request the processes are as follows:

**Pregnancy obligation:** write to me with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known.
to exist. For more details see the Student Guide.

**Religious obligation:** write to me with any requests for academic accommodation during the first two weeks of class, or as soon as possible after the need for accommodation is known to exist. For more details see the Student Guide.

**Academic Accommodations for Students with Disabilities:** The Paul Menton Centre for Students with Disabilities (PMC) provides services to students with Learning Disabilities (LD), psychiatric/mental health disabilities, Attention Deficit Hyperactivity Disorder (ADHD), Autism Spectrum Disorders (ASD), chronic medical conditions, and impairments in mobility, hearing, and vision. If you have a disability requiring academic accommodations in this course, please contact PMC at 613-520-6608 or pmc@carleton.ca for a formal evaluation. If you are already registered with the PMC, contact your PMC coordinator to send me your Letter of Accommodation at the beginning of the term, and no later than two weeks before the first in-class scheduled test or exam requiring accommodation (if applicable). After requesting accommodation from PMC, meet with me to ensure accommodation arrangements are made. Please consult the PMC website for the deadline to request accommodations for the formally-scheduled exam (if applicable).