

Last Revised: January 2022

COURSE INFORMATION

Course Title: Managerial Economics

Course Number: ECON 250

Credits: 3

Total Weeks: 14 (Fall, Spring)
12 (Summer) **Total Hours:** 39

Course Level: First Year Second Year
 New Revised Course
 Replacement Course

Department: Economics

Department Head: S. Plater

Former Course Code(s) and Number(s) (if applicable): N/A

Pre-requisites (If there are no prerequisites, type NONE): ECON 101 (formerly ECON 201), ECON 102 (formerly ECON 202) and MATH 111 or equivalent

Co-requisite Statement (List if applicable or type NONE): NONE

Precluded Courses: N/A

COURSE DESCRIPTION

This course includes an introduction to microeconomics analysis, consumer choice, analysis of consumer demand, elasticity of supply and demand, theory of production, costs of production, competitive markets, pricing in monopoly markets, oligopolistic markets, employment and pricing in factor markets, externalities, public goods and government intervention. Differential calculus is used in the course.

LEARNING OUTCOMES

Upon successful completion of the course, students will be able to:

- Apply the economic way of thinking to individual decisions and business decisions.
- Measure the responsiveness of consumers' demand to changes in the price of a good or service, the price of other goods and services, and income.
- Understand the different costs of production and how they affect short and long run decisions.
- Understand economies of scale, diseconomies of scale, economies of scope, and cost complementarities, and how each affects production.
- Explain the principal-agent problem and why different forms of compensation exist.
- Understand how game theory can be used to explain a number of business decisions.
- Apply different pricing practices such as price discrimination, two-part pricing, block pricing, commodity bundling, transfer pricing, and peak-load pricing

INSTRUCTION AND GRADING

Instructional (Contact) Hours:

Type	Duration
Lecture	39
Seminars/Tutorials	
Laboratory	
Field Experience	
Other (<i>specify</i>):	
Total	39

Grading System: Letter Grades Percentage Pass/Fail Satisfactory/Unsatisfactory Other

Specify passing grade: 50%

Evaluation Activities and Weighting (total must equal 100%)

Assignments: % <i>Specify number of, variety, and nature of assignments:</i>	Lab Work: %	Participation: 10% <i>Specify nature of participation:</i>	Project: % <i>Specify nature of project:</i>
Quizzes/Test: 20%	Midterm Exam: 30%	Final Exam: 40%	Other: %

TEXT(S) AND RESOURCE MATERIALS

Provide a full reference for each text and/or resource material and include whether required/not required.

Michael R. Baye and Jeffrey T. Prince. Managerial Economics and Business Strategy. 10th International Student Edition. New York: McGraw Hill LLC, 2022.

COURSE TOPICS

List topics and sequence covered.

Week	Topic
Week 1	The Fundamentals of Managerial Economics
Week 2	Market Forces: Demand and Supply
Week 3	Quantitative Demand Analysis
Week 4	The Theory of Individual Behaviour
Week 5	The Production Process and Costs
Week 6	The Production Process and Costs
Week 7	The Organization of the Firm MIDTERM EXAM
Week 8	The Nature of Industry
Week 9	Managing in Competitive, Monopolistic, and Monopolistically Competitive Markets
Week 10	Basic Oligopoly Models
Week 11	Game Theory: Inside Oligopoly
Week 12	Pricing Strategies for Firms with Market Power

Week 13 The Economics of Information

Week 14 **FINAL EXAM**

NOTES

1. Students are required to follow all College policies. Policies are available on the website at: [Coquitlam College Policies](#)
2. To find out how this course transfers, visit the BC Transfer Guide at: bctransferguide.ca