
COURSE INFORMATION

Division: Strategy and Business Economics

Instructor: James Vercaammen
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Office HA 268; 604-827-3844
Office hours: M 10 - 11:30, W 10:30 – 12:00
Lecture (Section 103): MW 1:00-2:30 in HA 491

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604-827-3172
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This course is cross-listed as FRE 295 Section 101.
The course website can be accessed through *Canvas*
There will be teaching assistants for this course. Contact details will be provided in class.

COURSE DESCRIPTION

Managerial Economics covers the economic foundations of managerial decision-making. Topics include supply and demand, empirical methods, organization and objectives of the firm, competition and monopoly, pricing with market power, oligopoly, game theory, uncertainty and information, the agency problem, behavioral economics, and market failure.

LEARNING OBJECTIVES

By the end of the course, students should be able to apply economic models and economic analysis to a wide range of business problems, including pricing decisions and competitive strategy decisions. In carrying out economic analysis, students should be comfortable using diagrams, a variety of mathematical techniques, and spreadsheets.

ASSESSMENT

Assignments

#1 Distributed Sept. 17, due Oct. 1 in class	– 5%
#2 On-Line Assignment, Oct. 10, due Oct. 22	– 5%
#3 Distributed Nov. 14, due Nov. 26 in class	– 5%
Midterm Exam Thursday, Oct. 25, 6:30-8:30	– 35%
Class Participation (including clicker questions)	– 10%
Final Exam TBA	– 40%
Total:	100%

ACADEMIC INTEGRITY AND PLAGIARISM

All UBC students are expected to behave as honest and responsible members of an academic community. See <http://www.calendar.ubc.ca/vancouver/index.cfm?tree=3,54,111,959>

COMMERCE 295: Managerial Economics Fall 2018

Course Outline

Required Textbook: *Managerial Economics and Strategy, 2nd edition* by Jeffrey Perloff and James Brander. This textbook is available in the UBC bookstore or can be obtained at lower cost as an e-book from the bookstore or on-line. Used copies of the 1st edition are also acceptable. Used copies of earlier (custom paperback) editions are not recommended. Access to the helpful online resource MyLab comes with new copies, but is not required. Access to MyLab can be purchased at <http://www.mypearsonstore.ca/bookstore/myeconlab-with-pearson-etext-access-card-for-managerial-9780134169767>

Course ID: COMM 295 (ubc23218) FRE295 (ubc40965)

Technology Requirements: All students must have an iClicker and should have a laptop computer. All students must be able to access the *Canvas* website for the course

Course Schedule

Class	Day	Date	Reading	Topic	Comment
1	Wed	5-Sep	1,2.1-2.4, 3.1	Introduction, Supply and Demand, Elasticity	
2	Mon	10-Sep	5.1, 6.1, 6.2	Production and Cost	
3	Wed	12-Sep	3.2	Estimation I	
4	Mon	17-Sep	3.3, 3.4	Estimation II	Assign 1
5	Wed	19-Sep	7.1-7.4	Organization and objectives of the firm	
6	Mon	24-Sep	8.1-8.4	Competition, Consumer Surplus	
7	Wed	26-Sep	8.4, 9.1-9.4	The Invisible Hand, Monopoly	
8	Mon	1-Oct	10.1-10.4	Pricing: Price Discrimination	Assign 1 due
9	Wed	3-Oct	10.5, 10.6	Pricing: Price Disc. Cont'd: Two-Part Pricing	
	Mon	8-Oct		Thanksgiving (no class)	
10	Wed	10-Oct	10.6, 10.7	Pricing: Bundling, Peak-Load Pricing	Assign 2
11	Mon	15-Oct	11.1, 11.2	Cartels, Cournot Oligopoly	
12	Wed	17-Oct	11.3, 11.4	Bertrand Oligopoly, Monopolistic Comp.	
13	Mon	22-Oct	12.1-12.3	Static Games	Assign 2 due
14	Wed	24-Oct	13.1-13.2	Dynamic Games	
	Thu	25-Oct		Midterm (6:30-8:30 pm)	
15	Mon	29-Oct	13.3, 13.5	Entry Deterrence, Hold-Up	
16	Wed	31-Nov	13.6, 14.1	Behavioral Game Theory, Uncertainty	
17	Mon	5-Nov	14.2-14.3	Uncertainty cont'd	
18	Wed	7-Nov	14.5	Behavioral Decision-Making w/ Uncertainty	
	Mon	12-Nov		Remembrance Day (no class)	
19	Wed	14-Nov	15.1, 15.2	Adverse Selection	Assign 3
20	Mon	19-Nov	15.3, 15.4	Moral Hazard and Agency	
21	Wed	21-Nov		Economic Research Example	
22	Mon	26-Nov	15.4, 15.5	Contracts and Monitoring	Assign 3 due
23	Wed	28-Nov	16.1, 16.4	Market Failure; catch-up; review	
	TBA	TBA		Final Exam (comprehensive)	