

**Economics 308-Managerial Economics**  
**Rutgers University-Camden**  
**Fall 2015 Syllabus**

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Prof. John Smith  
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Email: [smithj@camden.rutgers.edu](mailto:smithj@camden.rutgers.edu)

Time: T/Th 11:00-12:20 PM  
Location: 219 Armitage  
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Textbook: Managerial Economics: Theory, Applications and Cases by W. Bruce Allen, Neil Doherty, Keith Weigelt, and Edwin Mansfield, 7th edition.

**Grading:**

Problem Sets: 10%  
Attendance on **October 27**: 5%  
Class participation: 5%

**Maximum of either:**

- Midterms Best 2 of 3: 40%
- Final Project: 40%
- Proposal 5% (Due October 20)
- Discussion 5% (Between October 22 and November 10)
- First Draft 5% (Due November 12)
- Presentation 10% (December 15 between 11:30 AM and 2:30 PM)
- Paper 15% (Due December 15 at 3 PM)

**or**

- All 3 Midterms: 45%
- Final Project: 35%
- Proposal 5% (Due October 20)
- Discussion 5% (Between October 22 and November 10)
- First Draft 5% (Due November 12)
- Presentation 10% (December 15 between 11:30 AM and 2:30 PM)
- Paper 10% (Due December 15 at 3 PM)

The class participation portion of the grade will be determined by classroom behavior. Constructive comments or questions will lead to a higher grade. Distractions, such as taking during class or use of any electronic device during class, will lead to a lower grade.

There are no makeup midterms for any reason. If you miss a midterm then this will count as your lowest exam. Midterms will be given in class on **September 29, November 5, and December 8.**

The Final Project is given in lieu of a Final Exam.

Review sessions will be given in class before every exam.

Attendance on **October 27** will account for 5% of your grade. During a portion of that class, you will participate in an experiment. You must be on-time in order to obtain the credit.

Lecture notes will be posted on the course website. Do not infer that class attendance is not strongly recommended.

If you are not able to purchase the textbook, it will be reserve in the library.

I only accept email attachments in pdf format.

Late problem sets are not accepted. Problem sets may be completed by teams of more more than two students.

Prerequisites: Principles of Microeconomics

### **Paper and Presentation**

The purpose of this course is to improve your economic decision making and increase your productivity as an employee or entrepreneur.

As such, in the future you may be required to:

1. Come up with an idea.
2. Research this idea.
3. Clearly and effectively communicate this idea in both in a presentation and paper.

Every student must complete a final project. This can be a proposal for a new company or a new product in an existing company. This can also be a recommendation for an improvement regarding an existing product.

This is designed to provide quite a bit of freedom in deciding the topic. Pick a topic which interests you but make sure it is a topic on which you are able to write a good managerial economics paper.

**You must locate data, analyze the data through the techniques developed in this course, and make inferences from this analysis. Your paper and presentation need to contain the summary of a regression.**

On **October 20** must submit a proposal of a half a page of text.  
Between **October 22 and November 10** must meet with me to discuss project

On **November 12** must submit a first draft of a page and a half of text.

On **December 15 between 11:30 AM and 2:30 PM** must give a presentation of paper.

By **December 15 at 3 PM** must submit a final paper between 3 and 5 pages of text. All written material associated with this project must be typed.

The grade of each portion of the project will be based on

1. Creativity
2. Effectiveness
3. Demonstration of the empirical techniques learned in the course

### **Schedule**

September 1-Lecture 1  
Chapter 1-Introduction

September 3-Lecture 2  
Appendix A: Optimization Techniques

### **September 8-No class, Monday schedule**

September 10 and 15-Lectures 3 and 4  
Chapter 2-Demand Theory

September 17-Lecture 5  
Chapter 3-Consumer Behavior and Rational Choice

September 22-Lecture 6  
Chapter 4-Production Theory

### **September 24-First Midterm Review**

### **September 29-First Midterm Exam**

October 1-Lecture 7  
Chapter 5-Analysis of Costs

October 6, 8, and 13-Lectures 8, 9 and 10  
Chapter 6-Perfect Competition  
Chapter 7-Monopoly and Monopolistic Competition

October 15-Extended office hours, but no class

October 20-Lecture 11  
Chapter 8-Managerial Use of Price Discrimination  
**Proposal Due**

October 22-Lecture 12  
Chapter 9-Bundling and Intrafirm Pricing

October 27-Lecture 13  
Chapter 10-Oligopoly  
**Attendance 5% of Grade**

October 29-Lecture 14  
Chapter 11-Game Theory (part 1)

**November 3-Second Midterm Review**  
**November 5-Second Midterm**

November 10-Lecture 15  
Chapter 11-Game Theory (part 2)

November 12-Lecture 16  
Chapter 12-Auctions  
**First Draft Due**

November 17 and 19-Lectures 17 and 18  
Chapter 13-Risk Analysis  
Appendix B-Discounting and Present Values

November 24-Lecture 19  
Chapter 14-Principal-Agent Issues and Managerial Compensation

**November 26-Thanksgiving, No Class**

December 1-Lecture 20  
Chapter 15-Adverse Selection

**December 3-Midterm Review**  
**December 8-Third Midterm**

December 10-Extended office hours, but no class

**Final Exam Period for the course is Tuesday December 15, 11:30 AM-2:30 PM**  
**Presentations will occur during this time and papers are due at 3 PM**