

Syllabus

Instructor: Marco A. Castaneda
Location: CAS 138
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Lectures: Tuesday and Thursday, 08:00–09:20am
CAS 104

Hours: Wednesday and Friday, 08:30-09:30am, Online
By appointment

1 Description

This is a course in microeconomic analysis with applications to business analysis and strategy. The material in the course is generally referred to as “managerial economics” and will include basic optimization and analytical technics useful for understanding the behavior and performance of a business. The material to be covered includes a review of the analysis of perfectly competitive markets as well as the analysis of strategic behavior and imperfect competition. In addition, we will cover selected topics in business strategy and the economics of organization.

Learning Outcomes: At the completion of this course, the students will be able to

1. Apply the basic analytical techniques used in economic analysis, including optimization, game theory, and statistical analysis.
2. Describe the basic theory of consumer behavior, estimate a demand function, and use the demand function to make production and pricing decisions.
3. Explain the basic function of a business, estimate a cost function, and use the cost function to make production and pricing decisions.
4. Describe the different types of market structures and explain the basic relationship between market structure and prices, market shares, and profitability.
5. Describe and explain a number of business strategies, such as product differentiation, complementary products, and nonlinear prices, which can improve the performance of a business.

The students will learn the material by reading the textbook, attending the lectures, and completing a number of problem sets. The comprehension of the material will be measured by the performance of the students on the problem sets, quizzes, and examinations.

2 Prerequisites

The only formal academic prerequisite for this course is a course in introductory microeconomics. A course in calculus and a course in probability and statistics would be helpful, but are not required.

a. Textbook

The required textbook for the course is Baye and Prince, *Managerial Economics and Business Strategy*, 10th edition (McGraw-Hill). This book will be the main source for the material in this course. This is a relatively non-technical book and contains good introductions and intuitive explanations for much of the material we will cover.

b. Mathematics

I will present the material in a student-friendly form, which means simple models with simple functional forms. I believe you can obtain the intuition behind the phenomena from a simple model and understand that the results can be extended to more general formulations. Therefore, the only mathematics required for the course are algebra and elementary calculus, which I will review as needed.

3 Structure of the course

I will dedicate as much time to the course as necessary. The material in the course is closely related to my research and teaching interests and I intend to make this course a fun and productive experience for you.

a. Lectures

Research in Psychology has demonstrated that a central element in the learning process is active participation by the learner. I understand lectures can promote passive observation rather than active participation. Therefore, to promote active participation, my lectures will generally include:

- i. Presentation of technical material in which students participate in the derivation of the results,
- ii. Discussion of the results and implications for the real world, and
- iii. The opportunity for students to work in teams.

The lectures will be more fun and productive if you have read the material ahead of time and come to class prepared to contribute to the discussion.

b. Grades

Your grade for the course will be determined by your performance in the class, as follows:

i. Examination

There will be one examination. Your performance on the examination will determine 25% of your grade. The examination will consist of problems similar to the ones presented in class or in the homework.

ii. Quizzes

There will be a number of quizzes during the semester and your performance on the quizzes will determine 15% of your grade. For the quizzes, you will have access to your textbook and lecture notes. The quizzes are intended to make sure that you are reading the required material in your textbook.

iii. Homework

A number of homework assignments will be distributed during the semester and your performance on the homework will determine 20% of your grade. To obtain full credit in the homework, your work must be correct and must be turned in on time. You are encouraged to work with other students, but you should write and turn in your own homework.

iv. Research Paper

You are required to write a research paper, where you will analyze a business or industry of interest to you. Your performance on the research paper will determine 30% of your grade. I will provide you with more information about the research paper later in the course.

v. Attendance

Attendance and participation will determine 10% of your grade. You are required to attend and participate in class because attendance and participation are essential if you want to do well in this class. For instance, I will cover material not contained in the textbook but that I will include in the quizzes, homework assignments, and examinations.

Your grade for the class will be computed based on your overall performance using the standard scale:

A = 90%+	B = 80-89%	C = 70-79%	D = 60-69%	F = 59%-
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Table with Grade Policy

Research Paper	30%
Examination	25%
Homework	20%
Quizzes	15%
Attendance and Participation	10%

4 Outline

This section provides a tentative outline for the material we will cover in the course and the approximate dates. We will not cover every topic in every chapter and I will adjust the outline if necessary.

WEEK	DATE		
1	JAN 16, 18	Chapter 1	Introduction
2	JAN 23, 25	Chapter 2	Equilibrium in Competitive Markets
3	JAN 30, FEB 1 *	Chapter 3	Demand and Elasticity
4	FEB 6, 8	Chapter 5 Chapter 6	The Production and Cost Functions
5	FEB 13, 15	Chapter 7	Industry Structure
6	FEB 20, 22	Chapter 8	Perfect Competition
7	FEB 27, 29		Monopoly
8	MAR 5, 7	Examination	
9	MAR 12, 14	Spring Break	
10	MAR 19, 21	Chapter 3	Regression Analysis
11	MAR 26, 28 *	Chapter 10	Game Theory
12	APR 2, 4		Imperfect Competition
13	APR 9, 11	Chapter 11	Pricing Strategies
14	APR 16, 18	Chapter 6 Chapter 12	Economics of Information
15	APR 23, 25		Student Presentations
16	APR 30	Research Paper	

* **JAN 29: Census Date:** Deadline for all registration and schedule changes.

* **MAR 25: Withdraw Date:** Last day to withdraw from the course.

UNIVERSITY POLICIES

This section contains a number of university policies which you should be familiar with. Follow the links for additional information.

Withdrawing from Class

Students, you are allowed to [withdraw](#) (drop) from this course through the [Withdrawal Portal](#). Withdrawing from classes can impact Financial Aid, Scholarships, Veteran Benefits, Exemptions, Waivers, International Student Status, housing, and degree progress. Please read this page, speak with your instructors, consider your options, and speak with your instructor. UT Tyler faculty and staff are here for our students and often can provide additional support options or student assistance. Please read the implications for withdrawing from a course and the instructions on using the Withdrawal portal on the [Registrar's Withdrawal page](#). We encourage you to consult your advisor(s) and financial aid for additional guidance. CAUTION #1: Withdrawing before census day does not mean you get a full refund. Please see the [Tuition and Fee Refund Schedule](#).

CAUTION #2: All international students must check with the [Office of International Programs](#) before withdrawing. All international students are required to enroll full-time for fall and spring terms.

CAUTION #3: All UT Tyler Athletes must check with the Athletic Academic Coordinator before withdrawing from a course. CAUTION #4: All veterans or military-affiliated students should consult with the [Military and Veterans Success Center](#).

Final Exam Policy

Final examinations are administered as scheduled. If unusual circumstances require that special arrangements be made for an individual student or class, the Dean of the appropriate college, after consultation with the faculty member involved, may authorize an exception to the schedule. Faculty members must maintain student final examination papers for a minimum of three months following the examination date.

Incomplete Grade Policy

If a student, because of extenuating circumstances, is unable to complete all of the requirements for a course by the end of the semester, then the instructor may recommend an Incomplete (I) for the course. The "I" may be assigned in place of a grade only when all of the following conditions are met: (a) the student has been making satisfactory progress in the course; (b) the student is unable to complete all coursework or final exam due to unusual circumstances that are beyond personal control and are acceptable to the instructor, and (c) the student presents these reasons before the time that the final grade roster is due. The student and the instructor must submit an Incomplete Form detailing the work required and the time by which the work must be completed to their respective department chair or college dean for approval. The time limit established must not exceed one year. Should the student fail to meet all of the work for the course within the time limit, then the instructor may assign zeros to the unfinished work, compute the course average for the student, and assign the appropriate grade.

Grade Appeal Policy

Disputes regarding grades must be initiated within sixty (60) days from the date of receiving the final course grade by filing a Grade Appeal Form with the instructor who assigned the grade; this is separate from the Application for Appeal form submitted to the Student Appeals Committee, which does not rule on grade disputes as described in this policy. If the student is not satisfied with the decision, the student may appeal in writing to the Chairperson of the department from which the grade was issued. In situations where there is an allegation of capricious grading, discrimination, or unlawful actions, appeals may go beyond the Chairperson to the Dean of the college from which the grade was issued, with that decision being final. The Grade Appeal form is found in the [Registrar's Form Library](#).

Disability/Accessibility Services

In accordance with the Rehabilitation Act, Americans with Disabilities Act (ADA) and the ADA Amendments Act (ADAAA), the University of Texas at Tyler offers accommodations to students with learning, physical, and/or psychological disabilities. If you have a disability, including a non-visible diagnosis such as a learning disorder, chronic illness, TBI, PTSD, ADHD, or a history of modifications or accommodations in a previous educational environment, you are encouraged to visit <https://hood.accessiblelearning.com/UTTyler> and fill out the New Student application. The Student Accessibility and Resources (SAR) office will contact you when your application has been submitted and an appointment with the Assistant Director Student Accessibility and Resources/ADA Coordinator. For more information, including filling out an application for services, please visit the [SAR webpage](#), the SAR office located in the University Center 3150, or call 903.566.7079.

Military Affiliated Students

UT Tyler honors the service and sacrifices of our military-affiliated students. If you are a student who is a veteran, on active duty, in the reserves or National Guard, or a military spouse or dependent, please stay in contact with your faculty member if any aspect of your present or prior service or family situation makes it difficult for you to fulfill the requirements of a course or creates disruption in your academic progress. It is important to make your faculty member aware of any complications as far in advance as possible. Your faculty member is willing to work with you and, if needed, put you in contact with university staff who are trained to assist you. The [Military and Veterans Success Center \(MVSC\)](#) has campus resources for military-affiliated students. The MVSC can be reached at MVSC@uttyler.edu or via phone at 903.565.5972.

Academic Honesty and Academic Misconduct

The UT Tyler community comes together to pledge that "Honor and integrity will not allow me to lie, cheat, or steal, nor to accept the actions of those who do." Therefore, we enforce the [Student Conduct and Discipline policy](#) in the Student Manual Of Operating Procedures (Section 8).

FERPA

UT Tyler follows the Family Educational Rights and Privacy Act (FERPA) as noted in [University Policy](#). The course instructor will follow all requirements to protect your confidential information.

Absence for Official University Events or Activities

This course follows the practices related to [approved absences](#) as noted by the Student Manual of Operating Procedures.

Absence for Religious Holidays

This course follows the practices related to [Excused Absences for Religious Holy Days](#) as noted in the Catalog.

Campus Carry

We respect the right and privacy of students who are duly licensed to carry concealed weapons in this class. License holders are expected to behave responsibly and keep a handgun secure and concealed. More information about [campus carry](#) is available online.