

**UNIVERSITY OF FLORIDA  
DEPARTMENT OF ECONOMICS  
ECP 5702  
Managerial Economics**

Fall 2017

**Instructor:** Elias Dinopoulos

**Office:** MAT 310

**Telephone:** 392-8150

**Office Hours:** Tuesday 12:40 p.m. – 1:40 p.m., also by appointment.

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**Course Description:** This class will focus on the decision-making process of business executives.

It provides a comprehensive treatment of economic principles used explicitly or implicitly in determining the behavior of consumers and firms. The course is theory based but practice oriented. Business decisions often require numerical solutions, and therefore algebraic, geometric and game theoretic techniques will be developed and used. The class will address several basic questions including the following: What are the determinants of firm size? Why some industries are profitable and some are not? How does market structure affect firm profitability and strategy? How do strategic decisions affect market equilibrium and competitive advantage?

**Grades:** There will be comprehensive final exam counting 100% of the grade. In addition, there will be extra-credit (attendance-based) class assignments. More information in regards to these assignments will be provided in class. The following distribution translates numerical scores into letter grades.

Grade Distribution

Numerical Score Range	Letter Grade
95.00 – 100.00	A
88.00 – 94.99	A-
80.00 – 87.99	B+
70.00 – 79.99	B
60.00 – 69.99	B-
50.00 – 59.99	C+
40.00 – 49.99	C
30.00 – 39.99	C-

**Exam date: Wednesday, October 11, 2016, 6:15-8:15 pm.** The exam room will be announced in class. Exam is closed book, closed notes, no phone use, and no computer use. Calculators (no phone calculators though) are allowed.

**Reading Materials:** The textbook is *Economics of Strategy*, David Besanko, David Dranove, Mark Shanley, Scott Schaefer, Seventh Edition, 2016, John Wiley & Sons, designated below as *Besanko et al.* Moreover, a binder containing lecture notes is available from Target Copy.

**Electronic Communication:** There is a class web site in Canvas, which will serve as the electronic communication platform for this class.

## **COURSE OUTLINE**

### **1. Economic Foundations and Principles**

Besanko et al., Economics Primer: Basic Principles.

Besanko et al., Chapter 2 : The Horizontal Boundaries of the Firm.

### **2. The Market Environment of Business Decisions**

Besanko et al., Chapter 5: Competitors and Competition.

### **3. Strategic Interactions**

Besanko et al., Chapter 9: Strategic Positioning for Competitive Advantage

Besanko et al., Chapter 8: Industry Analysis.

Besanko et al., Chapter 6: Entry and Exit