

University of Haifa – The Faculty of Management

Global Green MBA Program - Ember Class 2017-2018
International MBA Program - Nuphar Class 2017-2019

Period 1: 19.10.2017 - 15.12.2017

The Course: Managerial Economics (Green) 209.8105; (International) 209.4950

Lecturer: Dr. Sagi Akron

Office Tel: 04-8288495 **email:** sagiakron@univ.haifa.ac.il

Class hours: Friday, 11:00-14:00 **Room:** 207, Jacobs Building

Office hours: Friday, after classes (14:00). Please schedule in advance by email.

Course Website: <http://moodle.haifa.ac.il/> Please visit the website to download all course materials (presentations, home assignments, solutions, relevant articles etc.)

Aims and Short Description: The course is designated for MBA students with no prior knowledge in economics. Its purpose is to deliver the fundamental issues of economics and to supply the student with the basic economic analytical tools. Each lecture discusses the basic questions of both Micro and Macro Economics, with an emphasis on the Micro Economics (about 5-6 meetings out of the total 8 meetings). After each lecture, the students are given home assignments for submission in the following week. The solution is uploaded in the course website after each submission. At the end of the course, students would acquire analytical economic tools.

Course Requirements

Attending class regularly

Submitting individually home assignments on schedule (compulsory with no grade)

Reading the relevant chapters/ sections in the course textbook before class

Final Exam: The student may bring to the exam 2 double sided sheets and a simple calculator

Final Grade

Attendance and participation: 10%, assignments submission on schedule: 10%

Final Exam: 80%

Course Textbook

Case, K., E., Fair R., C., and S., M., Oster, *Principles of Economics*, 10th Edition, Pearson Education Inc. (henceforth: *CFO*)

Course Overview

Part 1: Introduction to Micro - Economics

The Scope and Methods of Economics (reading: CFO 1)

- Opportunity Cost and Scarce, Marginalism
- Fields of Economics, Theories and Models

1

Scarcity and Choice (reading: CFO 2)

- Scarcity and Choice
- The Production (Consumption) Possibilities Frontier – PPF (CPF)
- Opportunity Costs
- Comparative Advantage and International Trade

Demand and Supply: Overview and Applications (reading: CFO 3, 4)

- Excess Demand and Supply
- Demand, Supply and Market Efficiency

The Firm behavior – Supply (reading: CFO 7, 8, 9, 10)

- Production
- The Competitive Firm Demand for Labor
- The Diminishing Marginal Production and Efficient Allocation of inputs
- The Competitive firm's Demand for inputs: Labor Market
- The Distinction between the Short Run and the Long Run
- The Short Run Costs and Output Decisions
- The Shut Down point and Break Even Point

2-3

Elasticity (reading: CFO 5)

- Slope and Price Elasticity of Demand and Supply

The Consumer behavior - Demand (reading: CFO 6)

- Consumer Budget and Utility
- Diminishing Marginal Utility
- Income and Substitution Effects

4

General Equilibrium and Market Efficiency in Perfect Competition

(reading: CFO 12, 13)

5-6

- Aggregate Demand and Supply
- General Equilibrium Analysis
- Market Adjustment to Demand and Supply Changes
- The Monopoly and Market Efficiency

Part 2: Introduction to Macro - Economics

Introduction to Macro – Economics and Basic Concepts (reading: CFO 20)

6-7

- The Keynesian Approach
- The main determinants of Macro - Economics

Measuring the National Output and Income (reading: CFO 21)

- The National Income and Output
- Measuring the National Accounts

Unemployment and Inflation (reading: CFO 22)

Aggregate Expenditure and Equilibrium Output (reading: CFO 23)

7-8

- Aggregate Consumption, Personal Saving, and Aggregate Investment
- The Marginal Propensities and the Aggregate Expenditure
- The Multiplier

The Government Fiscal Policy (reading: CFO 24)

- The Government Budget
- Deflationary and Inflationary Gaps
- The Government Spending

The Money Market (reading: CFO 25, 26)

- Money Supply
- The Demand for Money and Equilibrium
- Monetary Policy and its Implication on National Output