Managerial Economics

Course Description

The source for (almost) all economic questions is the issue of scarcity. Building on this insight, this course considers three central elements. First, an analysis of the interplay between supply and demand on markets is made. Secondly, the course will consider the development of insights into the behaviour of consumers in markets. In a third part, the course will focus on entrepreneurial decisions that depend, among other things, on production technology available and competitive conditions in markets. These three core elements are taught from an application-oriented standpoint, in which references to (current) challenges of the management of companies are established. The course includes both the examination of economic theories and their application in business practice.

Contents

1. Basics
   1. Definitions & Main Topics of Economics
   2. Thinking like an Economist
2. The Invisible Hand of the Market
   1. Supply and Demand
   2. Market Balance
   3. Flexibility
   4. Applications
3. Consumer Decisions
   1. Utility Theory
   2. Willingness to Pay
   3. Demand
   4. Applications
4. Business Decisions I: Full Competition
   1. Production
   2. Costs
   3. Supply
   4. Applications
5. Business Decisions II: Partial Competition
   1. Monopoly
   2. Monopolistic Competition
   3. Oligopoly
6. Business Decisions III: Game Theory
   1. Methodology
   2. Simultaneous Games
   3. Sequential Games
7. Advanced Microeconomics
   1. Information Economics
   2. Behavioural Economics