Professor Edward Steinberg
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The text is **MANAGERIAL ECONOMICS AND BUSINESS STRATEGY** (7th edition) by Michael R. Baye, published by McGraw-Hill. Short additional readings will be assigned during the course.

**READING ASSIGNMENTS**

June 29
Chapters 1-2 – Fundamentals of managerial economics; demand and supply

July 1
Pages 73-90 – Elasticity concepts; Is the demand for Starbucks coffee inelastic? Why is the consumer demand for rubber bands inelastic? How does income elasticity of demand affect the pro(re)gressiveness of excise taxes?

July 6
Chapter 4 – Theory of the consumer; applications of indifference-curve analysis; Does the Consumer Price Index overstate inflation?

July 8
“A Manager’s Guide to Economic Statistics” (notes will be distributed in class)

July 13
Chapter 5, to page 187 – Production and costs

July 15
Pages 264-277 – Managing in competitive markets

July 20
**Midterm Exam**

July 22
Page 277-end of chapter, and Chapter 7 – Monopoly and monopolistic competition

July 27
Chapter 9 and pages 352-363 – Oligopoly

July 29
Pages 395-416 and Chapter 12 – Pricing strategies and the economics of information

August 3
Chapter 14 – The role of government

August 5
**FINAL EXAM**

**Basis for your grades:**

<table>
<thead>
<tr>
<th>Component</th>
<th>Percentage</th>
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<tbody>
<tr>
<td>Midterm Exam</td>
<td>40%</td>
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<tr>
<td>Final Exam</td>
<td>50%</td>
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<tr>
<td>Paper</td>
<td>10%</td>
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The paper (suggested length: 2-3 typed pages) is due at the final exam and should discuss how the information contained in a newspaper article published during the course relates to the material covered in the course. (A sample paper will be distributed early in the semester.) Please submit a copy of the article with your paper.