

**University of California, San Diego**  
**Department of Economics**  
**Spring Quarter 2007**

### **ECON 170B: Management Science Microeconomics**

Prof. Augusto Nieto Barthaburu  
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Office Hours: Tuesday 12:00-1:20  
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Lectures: MW 5:00-6:20 Center Hall 115  
Website: <http://weber.ucsd.edu/~anieto/Econ170B>

#### **Text/Readings**

- **Required Text:** Michael R. Baye, *Managerial Economics and Business Strategy (MEBS)*, 5th Edition, McGraw-Hill-Irwing, 2006.

There are a color hardback version and a black and white paperback version of the text. The contents of either version are identical, so you only need to buy one. We will follow the book closely during the course. It is important that students read the corresponding chapters BEFORE each lecture.

- **Recommended Text:** *Walter Nicholson, Microeconomic Theory: Basic Principles and Extensions.*

The current edition is the 9<sup>th</sup>, but the contents in earlier editions are almost identical. This is a very good reference book, so if you can get an earlier edition cheap I recommend you to do it.

#### **Course Description**

This course is the continuation of Econ 170A. We will start from where you left in that course. After a brief review of Econ 170A, we will discuss topics on imperfect competition (oligopoly), game theory, decisions under uncertainty, economics of information, pricing strategies, market failure and the interaction between firms and the government.

#### **Grading**

Midterms (2): 30% each

Final: 40%

The midterms will be in lecture time on Monday, April 23 and Monday, May 14. There will be **absolutely no makeup exams**. If you have to miss a midterm **for a medical or another University approved reason**, the weight will be allocated to the remaining exams. In that case, you will need to provide a proof of your situation. The weights will not be reallocated under any other reason.

Please refer to tritonlink for the final exam time and location. All students must take the final exam at the scheduled date and time, so if you have any conflicts with other exams you are advised not to take this course (or the other courses that this course's exam conflicts with).

Midterm exams will not be cumulative, but the final exam will be. All exams will consist of a multiple choice section and a short answers section.

### **Homework**

Homework will be assigned but will not be collected. Solutions for each problem set will be provided at the course web site. It is very important that you work on the problem sets and understand them, since they are the best preparation for the exams.

### **Teaching Assistants**

Chris Wignall  
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### **COURSE OUTLINE**

**Topic 1:** Review of Econ 170B

**Topic 2:** Oligopoly  
MEBS, Chapter 9

**Topic 3:** Game Theory  
MEBS, Chapter 10

**Topic 4:** Pricing Strategies  
MEBS, Chapter 11

**Topic 5:** Economics of Information  
MEBS, Chapter 12

**Topic 6:** Market Failure  
MEBS, Chapter 14