



College of Business Administration  
Department of Economics  
Economic Foundations for MBA  
ECO 5937 – Sections (2) and (4)  
O. Mikhail  
Fall 2001

## Course Outline

Date/Time : August 20, 2001 to October 11, 2001.  
**Section 2** Tuesday 18:00 – 20:50.  
**Section 4** Thursday 18:00 – 20:50.  
Class : **Section 2** BA146.  
**Section 4** CL1 - 122.  
Office : BA 360.  
Office Hours : TR 16:00 - 17:15.  
E-Mail : omikhail@hotmail.com  
omikhail@bus.ucf.edu  
Web Page : <http://www.bus.ucf.edu/omikhail>

### Course Objective:

This is an introductory class to economics. The class is divided into two parts, ‘Microeconomics’ and ‘Macroeconomics’.

*The first four weeks:* Microeconomics is the study of individual agents’ economic decisions. It addresses questions relating to what is produced and how, and what is consumed and by whom. It deals with the determination of prices and quantities in individual markets and with the relationships among these markets.

*The second four weeks:* Macroeconomics is the study of aggregate variables’ fluctuations. Macroeconomics asks what determines these aggregates and how they respond to changing conditions. It addresses questions relating to the idleness of resources during recessions, and the growth of productive capacity. The macro part is aimed at helping students understand the basic functioning of the U.S. economy. We will also discuss how government policies affect the economy.

Students should be able to master basic definitions, understand market behavior and policy issues in recent U.S. economy within a specific modeling framework by the end of the course. Students are responsible for *all* materials presented in the textbook, in the study guide and in the lecture notes.

## Required Books:

Lipsey, R. Courant, P. and Ragan, C. (1999) *Economics*. Twelfth Edition, Addison Wesley.

Menz, Frederic C. and Mutti, John H. (1999) *Study Guide to accompany Economics*. Twelfth Edition, Addison Wesley.

## Evaluation: (Preliminary)

Assignments	20%
Mid-Term Exam [ <i>Microeconomics</i> ]	40%
Final Exam [ <i>Macroeconomics</i> ]	40%

## Reading List:

Week 1	Introduction, Economic Systems, Demand/Supply and Elasticity. Chapters: 1, 2, 3, 4 and 5.
Week 2	Consumer Behavior. Chapter: 7 and Appendix to Chapter 7.
Week 3	Production and Cost in the Short Run and in the Long Run. Chapters: 8 and 9.
Week 4	The Week of September 10, 2001. Mid-Term Exam [ <i>Microeconomics</i> ].
Week 5	Macroeconomics, Measurements and National Income Determination. Chapters: 21, 22, 23 and 24.
Week 6	Output and Prices in the Short Run and in the Long Run. Chapters: 25 and 26.
Week 7	Money, Monetary Institutions, Output and Prices. Chapters: 27 and 28.
Week 8	Policies and General Review.
Week 9	The Week of October 15, 2001. Final Exam [ <i>Macroeconomics</i> ]

The following letter grade system will be used,

Grade	Grade Point	Percentages
A	4.00	90 – 100
A-	3.75	85 – 89
B+	3.25	80 – 84
B	3.00	75 – 79
B-	2.75	70 – 74
C+	2.25	65 – 69
C	2.00	60 – 64
C-	1.75	56 – 59
D+	1.25	54 – 55
D	1.00	52 – 53
D-	0.75	50 – 51
F (Fail)	0.00	0 – 49

#### Important Academic Dates

Classes Begin	August 20
Late Registration and Add/Drop	August 21-24
Withdrawal Deadline	October 19
Founder's Day	November 22-25
Classes End; Last Day to Remove Incomplete	December 3
Final Examination Period	December 4-10