Econ 532
Wohlgemuth

Lecture 1
The Basics and the Tool Box

Reading: Baye Chapter 1

Review Math and Graphical Concepts

Finding the slope

Economics: The study of the allocation of scare resources to produce goods and services for consumption among competing and unlimited wants.

Opportunity Cost

Profits

    Accounting Profits
    Economic Profits

Accomplishing Goals

    Principal Agent Problem

Economic Model

Managerial Economics

Identifying Goals & Constraints:

    Consumers, Workers, & Firms

Marginal Analysis

Net Present Value & IRR

Porter's Five Forces Framework