

Non-Profit Org.
U.S. Postage
PAID
Brockton, MA
Permit #301

THE TEXT AND VIDEO MATERIALS HAVE BEEN EXTENSIVELY TESTED WITH MBA CLASSES. COMMENTS FROM STUDENTS:

"Unlike my first round of taking microeconomics as an engineering undergraduate, the way the course material was presented in the McKenzie/Lee text and video modules was far more interesting and captivating. I actually enjoyed the material and the class; and the materials must have been quite effective, since I ended the quarter with an A+. It's great when professors can create a book and supporting materials that actually make a dry subject like microeconomics interesting and enjoyable to learn."

RG, Systems Engineer

"The combination of the text with the video modules is a great approach to teaching and maximizing the limited time working MBA students are afforded with their busy schedules."

LK, Senior Hydrogeologist

Request an examination copy at
www.cambridge.org/us/0521859816

or speak with your sales rep at

866.257.3385

CAMBRIDGE
UNIVERSITY PRESS
40 West 20th Street
New York, NY 10011-4211



CAMBRIDGE

FOR COURSE CONSIDERATION

MICROECONOMICS FOR MBAs

The Economic Way of
Thinking for Managers

Richard B. McKenzie and Dwight R. Lee



"In my experience Richard McKenzie and Dwight Lee's textbook *Microeconomics for MBAs* is the only textbook that takes quantitative microeconomic lessons and makes it applicable to everyday business functions."

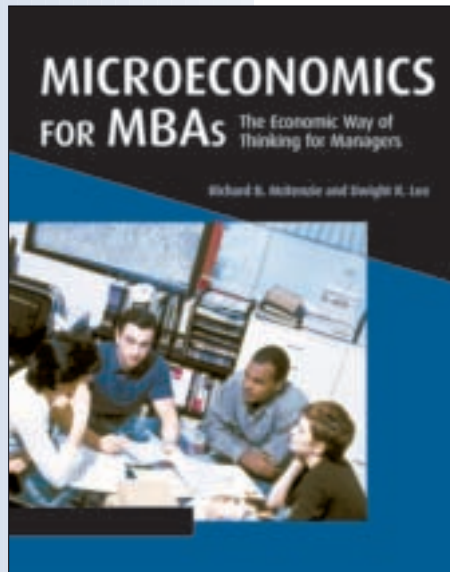
JN, MBA Student, Financial Analyst

MICROECONOMICS FOR MBAs

The Economic Way of
Thinking for Managers

Richard B. McKenzie, *University of California, Irvine*

Dwight R. Lee, *University of Georgia*



February 2006

650 pages

123 figures

16 tables

Paperback

ISBN: 10:0521859816

This is the first textbook in microeconomics written exclusively for MBA students. McKenzie/Lee minimizes attention to mathematics and maximizes attention to intuitive economic thinking. The text is structured clearly and accessibly: Part I of each chapter outlines the basic theory and Part II applies this basic theory to management issues. “Perspective” sections in each chapter provide a new line of argument or different take on a business or policy issue, and carefully chosen topics and review questions are

designed to spark lively and instructive debates. Throughout the book and modules, McKenzie/Lee aim to infuse students with the economic way of thinking in the context of a host of problems that MBA students, as future managers of real-world firms, will find relevant to their career goals.

To help students learn the material covered in the text, Professors McKenzie and Lee offer “virtual tutorials” in the form of video modules that are available on a DVD packaged with the textbook and on the Internet. These modules deal with three classes of topics:

1. Basic economic concepts that all MBA students should understand at some level upon entering their programs of study.
2. Concepts, principles, and modes of analysis that are often hard to comprehend the first time they are presented in written text or lectures.
3. Topics that have a high probability of being covered in examinations.

About the Authors

Richard B. McKenzie is the Gerken Professor of Enterprise and Society in the Paul Merage School of Business, University of California, Irvine.

Dwight R. Lee is Professor of Economics and Ramsey Chair of Private Enterprise in the Terry College of Business, University of Georgia.

Features

- Breaking away from standard textbooks molds, this text is designed specifically for MBA students.
- In Part I of every chapter, the authors cover standard microeconomic theory in an accessible way, and provide an array of applications to government policies that MBA students need to understand.
- In Part II of every chapter, topics in the emerging sub discipline of organizational economics are considered, which show MBA students how the economic way of thinking can be applied to the problems managers face on a daily basis.
- Each chapter ends with “The Bottom Line,” a section that lists “key takeaways” – succinct statements of the most important lessons to be drawn from the chapter.
- Appended to each chapter are a series of review questions that will activate discussions within your student teams.
- The authors are the first to provide their own video tutorials of material covered in a microeconomic textbook, enabling adopting professors to “offload” routine material from their lectures and freeing up class time for discussions. The video modules, available on an accompanying DVD, can be downloaded to iPods.
- On the website for the book, the authors will provide pointers, puzzles, and video commentaries on management issues and related economic policies: www.cambridge.org/us/0521859816

Notable Topics in MICROECONOMICS FOR MBAs

- Principal/agent theory
- Logic of group behavior
- Pay for performance
- Logic of queues
- Residual claimants and firm efficiency
- Tragedy of commons/tragedy of anticommons
- Getting incentives rights
- Optimal shirking
- Selling pollution rights
- Role of “hostages” and “bonds” in business
- Prevalence of prisoner dilemma games in business
- Make-or-buy decisions
- Last-period problems and solutions
- Firm maturity and indebtedness
- Management responses to government controls
- Underpaying and overpaying workers
- Mandatory retirement
- Credible commitments
- Enhancing profits from fringe benefits
- Problems of team production and payment
- Debt/equity structure and executive incentives
- Promotions and pay
- Executive pay and “overpayment”
- Manager honor, integrity, and trust and firm efficiency and profits
- Innovator’s dilemma
- First-mover advantage
- Winner’s curse
- Asymmetric information and the “Lemon problem”
- Management takeover defenses
- Microsoft monopoly
- Durable goods monopoly
- Logic of frequent-buyer programs
- Worker preference for tough bosses
- Economic problems with Maslow’s hierarchy of wants and needs
- How minimum wages hurt the workers who keep their jobs
- Why spammers hate spam
- Consequences of management snooping
- Piracy and “optimum piracy”
- Rational addiction
- Network effects
- Information cascades
- Shirking as a fringe benefit (and a source of profits)
- Relocating workers and pay
- Value of mistreating customers
- Role of hostile takeovers and firm efficiency
- Battle of the sexes and management leadership
- Growing profits through growing debt
- Efficiency gains from outsourcing
- Piece-rate pay and worker incentives
- Two-part pay system
- Menus of pay options and worker incentives
- Worker pay and promotion tournaments
- Why old workers earn more than equally productive young workers
- The prevalence of tenure in universities and the absence of tenure in business
- Capital mobility and competition among businesses and among governments

Visit www.cambridge.org/us/0521859816 to view a complete Table of Contents

Non-Profit Org.
U.S. Postage
PAID
Brockton, MA
Permit #301

*“...a great scientific textbook.
It is a tour de force...to write
mathematical sections that are
both complete and at an
appropriate academic level.
The authors have clearly
succeeded in this challenge,
making this a remarkable
pedagogical book...The choice
of exercises is excellent
and possibly the best feature
of the book. In summary,
this textbook is a great
reference at undergraduate
levels, particularly for those
who like to teach or learn using
lots of examples and exercises.”*

– R. Botet, *European Journal of Physics*

Request an examination copy at
www.cambridge.org/us/0521679710

or speak with your sales rep at

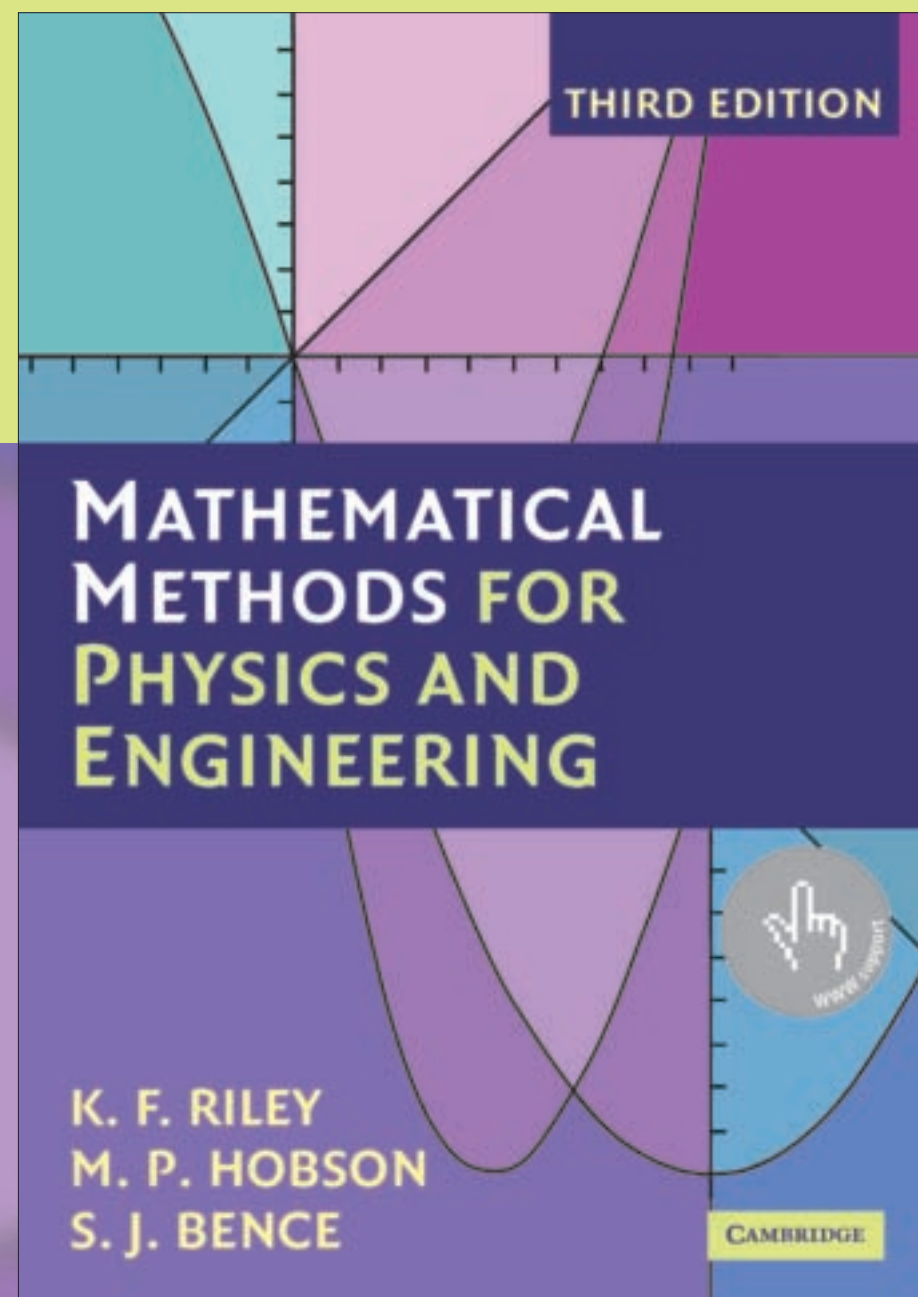
866.257.3385

CAMBRIDGE
UNIVERSITY PRESS
40 West 20th Street
New York, NY 10011-4211



CAMBRIDGE

FOR COURSE CONSIDERATION

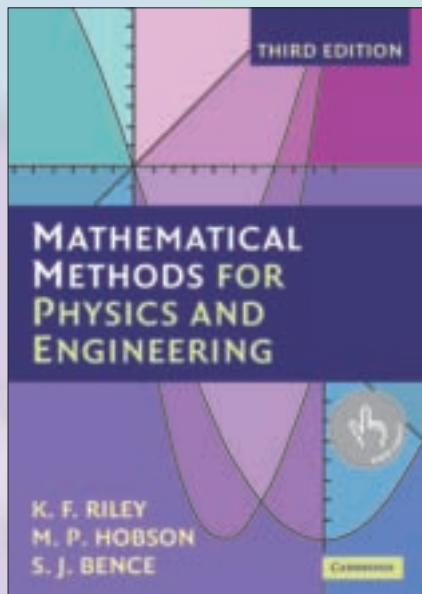


*“...a great scientific textbook.
It is a tour de force...”*

– R. Botet, *European Journal of Physics*

THIRD EDITION

MATHEMATICAL METHODS FOR PHYSICS AND ENGINEERING



Ken Riley
University of Cambridge

Michael Hobson
University of Cambridge

Stephen Bence

The third edition of this highly acclaimed undergraduate textbook is suitable for teaching all the mathematics ever likely to be needed for an undergraduate course in any of the physical sciences. As well as lucid descriptions of all the topics covered and many worked examples, it

contains more than 800 exercises. A number of additional topics have been included and the text has undergone significant reorganization in some areas. New stand-alone chapters:

- give a systematic account of the 'special functions' of physical science
- cover an extended range of practical applications of complex variables including WKB methods and saddle-point integration techniques
- provide an introduction to quantum operators.

Further tabulations, of relevance in statistics and numerical integration, have been added. In this edition, all 400 odd-numbered exercises are provided with complete worked solutions in a separate manual, available to both students and their teachers; these are in addition to the hints and outline answers given in the main text. The even-numbered exercises have no hints, answers or worked solutions and can be used for unaided homework; full solutions are available to instructors on a password-protected website.

ALSO AVAILABLE FOR ADOPTION:

Student Solutions Manual: ISBN 0521679737

Mathematical Methods for Physics and Engineering plus Student Solutions Manual: ISBN 0521683394

FEATURES AND UPDATES

- Over 800 exercises, 400 with complete solutions available, 400 for unaided homework – the only book at this level to have fully worked solutions to ALL of its problems
- Added: Two major chapters in this third edition dealing with 'special functions' and the applications of complex variables
- Added: a stand-alone chapter on the use of coordinate-free operators to establish valuable results in the field of quantum mechanics
- Significant additions to the treatment of numerical integration
- Maintains the method and clarity of presentation that has been much praised in earlier editions

ABOUT THE AUTHORS

KEN RILEY is a retired Senior Tutor who has taught physics and mathematics for over forty years at Clare College, Cambridge. He has served on many committees concerned with the teaching and examining of these subjects at all levels of tertiary and undergraduate education. He is also one of the authors of *200 Puzzling Physics Problems*.

MICHAEL HOBSON is currently a University Reader at the Cavendish Laboratory and his research interests include both theoretical and observational aspects of cosmology. He is also a Director of Studies in Natural Sciences at Trinity Hall and enjoys an active role in the teaching of undergraduate physics and mathematics.

STEPHEN BENCE has had considerable experience of teaching mathematics and physics to undergraduate and pre-university students.

CONTENTS

Prefaces; 1. Preliminary algebra; 2. Preliminary calculus; 3. Complex numbers and hyperbolic functions; 4. Series and limits; 5. Partial differentiation; 6. Multiple integrals; 7. Vector algebra; 8. Matrices and vector spaces; 9. Normal modes; 10. Vector calculus; 11. Line, surface and volume integrals; 12. Fourier series; 13. Integral transforms; 14. First-order ordinary differential equations; 15. Higher-order ordinary differential equations; 16. Series solutions of ordinary differential equations; 17. Eigenfunction methods for differential equations; 18. Special functions; 19. Quantum operators; 20. Partial differential equations: general and particular; 21. Partial differential equations: separation of variables; 22. Calculus of variations; 23. Integral equations; 24. Complex variables; 25. Applications of complex variables; 26. Tensors; 27. Numerical methods; 28. Group theory; 29. Representation theory; 30. Probability; 31. Statistics; Index.

View a complete Table of Contents at www.cambridge.org/us/0521679710

Request an examination copy at www.cambridge.org/us/0521679710
or speak with your sales rep at 866.257.3385