

Introduction to Economics for Engineers

Instructor: Naoya Abe

E-mail: nabe@ide.titech.ac.jp



Department of International Development Engineering (IDE)
Tokyo Institute of Technology

1

Goals of this course

- ◆ To expose students to various basic and important ideas and frameworks of economics.
- ◆ To let students to be ready to understand various economics topics which are often written in newspapers and/or magazines
- ◆ To allow future engineers to feel comfortable when they talk with economists or alike, who often talk about something simple and easy in a very difficult way!
- ◆ To allow students to access to other applied economics such as environmental economics

2

Course venue and grading

- ◆ **Venue and time:** meet on every Thursday from 13:20 to 14:50 at Room B04/05 at Ishikawadai-4 Build.
- ◆ **Grading:** there will be a written and closed-book final exam.
- ◆ **Suggested textbooks:**

"INTERMEDIATE MICRO ECONOMICS" by Hal Varian (but I do not strictly follow the textbook. You do not have to buy this book.)

3

Why economics is so powerful, or at least influential?

- ◆ Relatively speaking, **logic is simple and straightforward.** Indeed, modern economics has been strongly influenced by physics.
- ◆ Single criterion: **efficiency, which is not necessarily always critical nor important**
- ◆ In general, maximizing or optimizing something such as utility, profit, social welfare, surplus, etc...
- ◆ Think about any similar examples in your engineering fields.

4