

PROBLEMS OF INCORPORATING AND INTERPRETING COSTS IN OPTIMIZATION MODELS

POLITICA DE “SCREENING” A BĂNCILOR COMERCIALE EUROPENE

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***Abstract:** This paper deals with the analysis of costs incorporated into programming models as limits, while examining appropriate economic interpretation. Possibilities of including costs into criterion functions of linear and nonlinear models are also analyzed. The algorithm suggested in this paper relates to the determination of intervals of validity of dual prices and sensitivity analysis of fractional criterion function. Paper stresses out the necessity of analyzing information content of such models.*

***Key words:** Sensitivity analysis, Duality, Fractional criterion function*