

# ECONOMICS (ECON)

The Economics Program prepares graduates to:

- use their knowledge of economics to better understand the world around them, enabling them to make more informed decisions in their personal as well as their professional lives;
- develop skills such as critical analysis, statistical analysis, and reasoning and competency in written and oral communication; and
- apply their knowledge of economics in private enterprise or business firms, the the public sector (i.e., policy making), or graduate study in economics or a related field.

Students majoring in Economics may choose the Standard Program or the Comprehensive Program Secondary Licensure Emphasis.

To graduate, all economics majors must have a grade point average of 2.500 or above in all courses for the major.

## Program Goals

The central goal of the Economics Faculty is to develop students' powers of analysis while expanding their understanding of Economic theories, methods, history and institutions. In addition, the program also develops students' ability to engage current and historical policies and controversies through written analysis and oral presentations.

- Economics Comprehensive Major: Secondary Licensure Emphasis (<https://catalog.western.edu/undergraduate/programs/economics/economics-comprehensive-secondary-licensure/>)
- Economics Comprehensive Major: Secondary Licensure Emphasis (with a 3+2 Master of Arts in Education) (<https://catalog.western.edu/undergraduate/programs/economics/economics-comprehensive-secondary-licensure-3-2/>)
- Economics Major: Standard Program (<https://catalog.western.edu/undergraduate/programs/economics/economics-standard-program/>)
- Economics Minor (<https://catalog.western.edu/undergraduate/programs/economics/economics-minor/>)

## Capstone Course Requirement

The following courses in the Economics Major fulfill the Capstone Course Requirement: ECON 498 Income Distribution, Poverty and Wealth. Students completing the Secondary Licensure Emphasis may use student teaching to fulfill this requirement.

## Economics Courses

### ECON 197. Special Topics. (1-6 Credits)

### ECON 201. Macroeconomics (GT-SS1). (3 Credits)

An introduction to the methods, models, and approaches used by economists to analyze and interpret events and policies related to the overall operation of the economy. The course endeavors to make sense of unemployment, inflation, recessions, debt and deficits, economic growth, the expanding role of the Federal Reserve, and policies to provide stability to the economy. Additional attention is given to the making of economic policy in an era of globalization. Finally, students are exposed to multiple schools of thought regarding macroeconomic reasoning. Prerequisite: ACT math score of 21 or above; SAT math score of 540 or above; MATH 099; ALEKS test score of 46 or higher; Accuplacer Quantitative Reasoning, Algebra, and Statistics test score of 240 or above; or Accuplacer Elementary Advanced Algebra and Functions test score of 245 or above. Or instructor permission. Prerequisite or corequisite: ENG 102. GT-SS1

### ECON 202. Microeconomics. (3 Credits)

The theory of microeconomics makes use of the tools of marginal cost-benefit analysis to provide a framework for the economic analysis of decision-making. The focus is on the choices of individual firms and consumers, and the resultant outcomes in individual markets. The social implications of the functioning of competitive markets are examined, as well as the causes of market failure and the potential roles of government in correcting them. Prerequisite: ACT math score of 21 or above; SAT math score of 540 or above; MATH 099; ALEKS test score of 46 or higher; or Accuplacer Elementary Advanced Algebra and Functions test score of 245 or above. Or instructor permission.

### ECON 215. Environmental Economics. (3 Credits)

A presentation of the analytical tools and approaches used by economists to examine and assess environmental issues, conflicts, and policies. Students are asked to use market analysis, externality analysis, cost-benefit analysis, instrument choice models, and market and non-market valuation techniques to investigate issues such as air and water quality, global warming, toxic substances, wilderness designation, and sustainable development plans. Prerequisites: MATH 105, MATH 113, MATH 140, MATH 141, or MATH 151 with a minimum grade of C-. Or instructor permission.

### ECON 216. Statistics for Business and Economics. (3 Credits)

An introduction to descriptive statistics and statistical inference, with application in business, including hypothesis testing, confidence intervals, and simple regression analysis. Prerequisite: MATH 140, MATH 141, or MATH 151 with a minimum grade of C-; or instructor permission.

### ECON 297. Special Topics. (1-6 Credits)

### ECON 301. Intermediate Macroeconomics. (3 Credits)

An analysis of competing theories about the overall functioning of economies including both growth and stabilization policies. Alternative models are examined at the levels of assumptions, mechanics, dynamics, and policy implications. Theories are examined within their historical context and the sets of problems faced by the theorists. Students are asked to engage, analyze, interpret and provide a course of action for real-world cases. Prerequisites: ECON 201; ECON 202; and MATH 140, MATH 141, or MATH 151 with a minimum grade of C-; or instructor permission.

**ECON 302. Intermediate Microeconomics. (3 Credits)**

Intermediate Microeconomics extends the analysis of individual economic behavior and the functioning of markets learned in ECON 202 by incorporating the more sophisticated microeconomic models used in more advanced economic analysis. Topics include the theories of the consumer and the firm, the functioning of market, and the impact of market structure on price formation. Prerequisites: ECON 202; MATH 140, MATH 141, or MATH 151 with a minimum grade of C-; ECON 201 recommended. Or instructor permission.

**ECON 303. International Economics and Globalization. (3 Credits)**

An exploration of economic, political, and social effects of globalization. This is examined from the perspectives of trade, development, finance, and the environment. The first half of the course focuses on the impacts of international trade. This includes preferential trading relations, protectionism, global trade agreements, competitiveness, and possible conflicts between trade and social objectives. The second half of the course focuses on international monetary relations and regimes. This includes understanding the balance of payments, exchange rate determination, currency crises, and international debt. Prerequisites: MATH 140, MATH 141, or MATH 151 with a minimum grade of C-; ECON 201; ECON 202 recommended; or instructor permission.

**ECON 315. Labor Economics. (3 Credits)**

The central questions in the field of labor economics are how wages are determined, and why a market economy provides such a vast range of possible rewards to human labor. To answer them, this course examines the role of market forces (the supply of and demand for labor) as well as that of social, political, and economic institutions. Prerequisites: MATH 140, MATH 141, or MATH 151 with a minimum grade of C-; ECON 202; ECON 201 recommended. Or instructor permission.

**ECON 316. Econometrics. (3 Credits)**

The application of advanced statistical methods and modeling to an empirical understanding of economic issues. Combines elements of statistical reasoning with economic theory and provides an excellent opportunity to combine concepts learned in previous economics courses. Topics covered include multiple regression analysis, model specification, dummy variables, multicollinearity, heteroscedasticity, autocorrelation, limited dependent variables, simultaneity, time series, forecasting, and methodological issues. Prerequisites: ECON 201 or ECON 202; and ECON 216 or MATH 213; or instructor permission.

**ECON 317. Economics and Public Policy. (3 Credits)**

An examination of the field of public economics, the branch of economics concerned with the reasons for market failure (monopoly, public goods, externalities, information asymmetry) and the potential for government policies to correct them. The application of the tools of economic analysis to understanding the causes of and potential solutions to social problems of current interest are emphasized. Prerequisites: MATH 140, MATH 141, or MATH 151 with a minimum grade of "C-"; ECON 202; ECON 201 recommended. Or instructor permission.

**ECON 319. Industrial Organization. (3 Credits)**

A study of the branch of economics that analyzes the performance of industries in their role as producers of goods and services. Provides tools for analyzing and evaluating interactions between market structure (the number and size of firms in an industry), firm conduct, and industry performance. The role of government, through antitrust and other regulation, in improving the efficiency of industries and thus the economic system as a whole, is also considered. In addition, the theoretical tools of industrial analysis are used to perform case studies of actual industries. Prerequisites: MATH 140, MATH 141, or MATH 151 with a minimum grade of C-; ECON 202. Or instructor permission.

**ECON 333. Game Theory. (3 Credits)**

Game theory is the systematic study of strategic interactions that are present not just in economics and business but in politics, law, computer science, dating, sports and more. The main goal of the course is to introduce students to the basic concepts and tools of game theory and to apply these tools to real-life situations. Topics can include: strategic form games, extensive form games, rational choice, Nash equilibrium, incomplete information, signaling, repeated games, and reputations. Prerequisite: ECON 201, ECON 202 or ECON 215; or instructor permission.

**ECON 350. History of Economic Thought. (3 Credits)**

An examination of the development of economic thought and economic methodology from the pre-capitalist era to the present, with emphasis on placing the development of economic theory into its historical and political context. Major topics include the early classical school (Smith, Ricardo, Marx), the rise of modern neoclassical economics, and critical responses to mainstream theory. Prerequisites: MATH 140, MATH 141, or MATH 151 with a minimum grade of C-; ECON 201; and ECON 202. Or instructor permission.

**ECON 361. Money, Banking, and Financial Markets. (3 Credits)**

A survey of the core topics relating to the monetary sector of the economy. This includes an examination of the role and nature of money, financial institutions and markets, banking structure and regulation, determinants of interest rates, central bank policy, exchange rates, and the international monetary system. Attention is also given to particular monetary episodes such as the Great Depression, the Latin American debt crisis, the collapse of the Mexican Peso, and the Asian monetary collapse. Prerequisites: MATH 140, MATH 141, or MATH 151 with a minimum grade of "C-"; ECON 201; or instructor permission.

**ECON 370. Natural Resource Economics. (3 Credits)**

A study of the efficient and equitable use of society's scarce natural resources. This course discusses the application of economic theory to natural resource problems, such as externalities and resource extraction. Particular attention will be placed on Western United States issues, including water, energy, mineral extraction, forestry and public land use. Prerequisites: MATH 140, MATH 141, or MATH 151 with a minimum grade of C-; ECON 202 or ECON 215. Or instructor permission.

**ECON 392. Independent Study. (1-4 Credits)****ECON 397. Special Topics. (1-6 Credits)**

Prerequisite: overall GPA of 2.500 or higher, or department chair permission.

**ECON 476. American Economic Development. (3 Credits)**

An inquiry into sources and character of American economic development. A survey is provided of several key moments in American political economy such as the market revolution, reconstruction, populism, progressivism, the Great Depression, the New Deal, and globalization. Students are asked to engage the ideas, social movements, and institutions that have shaped the modern American economy. Prerequisite: Instructor permission.

**ECON 492. Independent Study. (1-6 Credits)**

Prerequisite: overall GPA of 2.500 or higher, or department chair permission.

**ECON 497. Special Topics. (1-6 Credits)**

Prerequisite: overall GPA of 2.500 or higher, or department chair permission.

**ECON 498. Income Distribution, Poverty and Wealth. (3 Credits)**

A seminar-style examination of the causes and consequences of historical trends in income and wealth distribution in the United States, concentrating especially on the trend toward increasing inequality that began in the 1970s. Topics include: empirical analysis of distributional data; causal analysis based on both microeconomic and macroeconomic analysis; the roles of institutional change, social attitudes, and government policy; and both positive and normative evaluations of the economic and social consequences. This course fulfills the Economics Capstone Requirement.

**ECON 499. Internship in Economics. (1-6 Credits)**

The Economics Internship gives Economics majors who have completed 18 credits of economics the opportunity to apply their analytical skills in the service of businesses, government, and the community. Prerequisite: 18 credits of Economics courses including ECON 201; ECON 202; ECON 216 or MATH 213; and instructor permission.