ECON (ECON)

ECON 102. Principles of Microeconomics. 3 Units.
This course is an introduction to microeconomic theory, providing a foundation for future study in economics. In particular, it addresses how individuals and businesses make choices concerning the use of scarce resources, how prices and incomes are determined in competitive markets, and how market power affects the prices and quantities of goods available to society. We will also examine the impact of government intervention in the economy.

ECON 103. Principles of Macroeconomics. 3 Units.
While Microeconomics looks at individual consumers and firms, Macroeconomics looks at the economy as a whole. The focus of this class will be on the business cycle. Unemployment, inflation and national production all change with the business cycle. We will look at how these are measured, their past behavior and at theoretical models that attempt to explain this behavior. We will also look at the role of the Federal Government and the Federal Reserve Bank of the United States in managing the business cycle.

ECON 255. Economic History of the United States. 3 Units.
The growth of the American economy from the colonial period to the present. Competing explanations of economic growth; significant attention to the political and legal environment in which the U.S. economy developed; "lessons" of past experience for contemporary policy; some attention to inequality and the changing distribution of wealth and income. Offered as ECON 255 and HSTY 255.

ECON 307. Intermediate Macro Theory. 3 Units.
Macroeconomics studies aggregate indicators of the performance of an economy, most commonly measured in terms of GDP, and the rates of unemployment and inflation. An important goal of macroeconomic researchers is to develop a model of an economy that is simple, yet powerful enough to explain the historical trends of these aggregate economic indicators. Needless to say, coming up with a good model has remained a very difficult task. So far, there is no single model that is good enough to coherently explain even the most prominent historical trends of aggregate economic indicators. But several models have been built, each offering insight into a certain aspect of the economy. Throughout the course model building is motivated by real world cases from the American economy. Prereq: ECON 102 and ECON 103.

ECON 308. Intermediate Micro Theory. 3 Units.
This course builds on ECON 102 and provides a more in-depth analysis of the theory of the consumer, the theory of the firm, market equilibrium, market failure and government intervention in the market. The focus in this class is on intuition, rather than mathematical derivations, although there will be some. You should come away from this course with a greater understanding of how consumers and firms make their decisions and how they interact in the market place. Note: a student cannot receive degree credit for both ECON 308 and ECON 309. Prereq: ECON 102 and (MATH 121 or MATH 125).

ECON 309. Intermediate Micro Theory: Calculus-Based. 3 Units.
This course builds on Economics 102 and provides a more in-depth analysis of the theory of the consumer, the theory of the firm, market equilibrium, market failure and government intervention in the market. We will use calculus to derive supply, demand and market equilibrium from first principles. You should come away from this course with a greater understanding of how consumers and firms make their decisions and how they interact in the market place. Note: a student cannot receive degree credit for both ECON 308 and ECON 309. Prereq: ECON 102 and (MATH 122 or MATH 126).

ECON 312. Entrepreneurial Finance - Undergraduate. 3 Units.
This course explores the financing and financial management of entrepreneurial new ventures. The course will focus on issues of financial management of new ventures (forecasting cash flows, cash flow management, valuation, capital structure) and the various financial methods and mechanisms available to entrepreneurs (bootstrapping, angel investors, venture capitalists, IPOs). Offered as ENTP 310 and ECON 312. Prereq or Coreq: ACCT 101 or ACCT 203 or consent of instructor.

ECON 326. Econometrics. 4 Units.
Econometrics is the application of statistics to empirical economic analysis. One way of testing the validity of economic theories is to gather data and apply statistical tests to see if the data support the theory. These data are usually gathered by observing actual economies, firms and consumers, rather than by performing experiments in a laboratory. Because field data does not have the precision and control of laboratory data, analysts must compensate by adjusting their statistical procedures. In this class, we will concentrate on regression analysis, which is the basic tool of the economic researcher. We will study the assumptions commonly made in the application of this technique, the consequences of violating these assumptions, and the corrections that can be made. Students will have a chance to formulate and test their own hypotheses using econometric software available for personal computers. Prereq: ECON 102 and ECON 103 and (OPRE 207 or STAT 243 or STAT 312).

ECON 327. Advanced Econometrics. 3 Units.
This class builds on the foundations of applied regression analysis developed in ECON 326. The goal of the class is to equip students with the tools to conduct a causal analysis of a hypothesis in a variety of settings. Topics will include causality, panel and time series data, instrumental variables and quasi-experiments, semi- and non-parametric methods, and treatment evaluation. Offered as ECON 327 and ECON 427. Prereq: ECON 326.

ECON 328. Designing Experiments for Social Science, Policy, and Management. 3 Units.
Both economists and firms are increasingly relying on experiments to study the economic behavior of individuals and the effectiveness of policies in a wide range of settings. This course gives students the tools they need to design and critique experiments that answer a research or business question. A small part of the class will be devoted to important theoretical concepts in experimental design, such as treatments, factorial designs, randomization, internal and external validity, biases, and inference problems. The bulk will be devoted to learning about how these concepts come together by discussing exciting new experimental work on topics such as discrimination and identity, cooperation versus self-interest, and dishonesty and corruption. Prereq: ECON 102 and (OPRE 207, STAT 201, STAT 243, STAT 312, ANTH 319, or PSCL 282).
ECON 329. Game Theory. The Economics of Thinking Strategically. 3 Units.
The term "game theory" refers to the set of tools economists use to think about strategic interactions among small groups of individuals and firms. The primary purpose of this course is to introduce students to the basic concepts of game theory and its applications. The class will stress the use of game theory as a tool for building models of important economic phenomena. The class will also include a number of experiments designed to illustrate the game theoretic results, and to highlight how reality may depart from the theory. The course will stress the value of thinking strategically and provide students with a framework for thinking strategically in their everyday lives. Rather than approaching each strategic situation they encounter as a unique problem, students will be taught to recognize patterns in the situations they face and to generalize from specific experiences. A paper on an application of game theory will be required for graduate students. Offered as ECON 329 and ECON 429. Prereq: ECON 102.

ECON 330. Economic Behavior and Psychology. 3 Units.
This course is an introduction to Behavioral Economics, a growing field which incorporates insights from other disciplines--primarily psychology--into microeconomic models. We will cover fundamental aspects of decision-making, such as how people respond to risk, how people make trade-offs between short-term and long-term rewards, and the ways in which people aren't as selfish as standard economic models suggest. We will cover novel economic models that can accommodate phenomena such as altruism, loss aversion, and self-control problems. We will discuss empirical applications of these concepts in areas ranging from personal finance and health to marketing and public policy. Prereq: ECON 102.

ECON 332. Economic Analysis of Labor Markets. 3 Units.
This course is about the economics of work and pay. We will take a comprehensive look at labor markets in the U.S. and other advanced countries and examine related social policy issues. This will include the effect of unions on wages; the underpinnings of the income distribution of the U.S.; issues of poverty and welfare; discrimination and wage differential by gender and race; the relationship between work and family; education as a determinant of wages; and the way firms use wage and employment practices to motivate their employees to work productively. What makes labor economics special is that the commodity we examine is human labor, something that is central to the organization of our lives and the functioning of the economy. Labor economics thus applies the standard neoclassical model of demand, supply, and equilibrium to many areas that also have a profound human dimension. Prereq: ECON 102.

ECON 338. Law and Economics. 3 Units.
This course examines legal institutions and rules from an economic perspective. Students will learn when and how legal rules can be efficient. Topics will include property law (including intellectual property), tort law, contracts, and crime. Offered as ECON 338 and ECON 438. Prereq: ECON 102.

ECON 341. Money and Banking. 3 Units.
This course emphasizes the importance of financial markets, the nature and role of the financial system, and the linkages between these--money and banking--and the economy. Emphasis is placed on both theoretical and practical constructs, on major innovations and contemporary changes, and the closely intertwined condition of financial and economic systems with monetary and fiscal policy. Offered as BAFI 341 and ECON 341.
ECON 364. Economic Analysis of Business Strategies. 3 Units.
This course examines how companies compete against each other and interact with customers in an effort to increase profits. Topics include: pricing strategies, product differentiation, advertising, R&D strategies, bundling and tie-ins, entry barriers, mergers and acquisitions, collusion and cartels, the dynamics of network industries (e.g. information technology), and technology adoption and diffusion. The course will take two complementary perspectives. First, we will consider the point of view of companies, and ask how different business strategies can affect competitive success. Second, we will consider the perspective of consumers and policymakers: we will ask whether different firm strategies enhance or reduce social welfare, and will explore different policy options to increase welfare (e.g. antitrust policies, patent systems). The first part of the course will utilize a range of basic economic tools. In the second part of the course, we will apply what was learned in the first part to real examples of firms and industries, including both business and legal cases. Prereq: ECON 102.

ECON 368. Environmental Economics. 3 Units.
Economic models and reasoning provide a valuable lens through which to view many of the most intractable and perplexing environmental problems. The objective of this class is to apply the tools of a typical introductory or intermediate microeconomics course to topics involving the natural environment. That is, we will view environmental topics from the perspective of an economist. Topics that will be covered in this class include: market failure in the case of externalities and public goods provision; management of renewable resources; cost-effective pollution control; and energy use and global climate change. Perhaps the most exciting part of this course is that we will take tools from the classroom and apply them to ongoing environmental questions. Lectures will include guest presentations from professionals who are actively working on environmental challenges. Offered as ECON 368 and ECON 468. Prereq: ECON 102.

ECON 369. Economics of Technological Innovation and Entrepreneurship. 3 Units.
This course is designed to help students identify, evaluate, and obtain control over technological opportunities so they may successfully understand the challenges of starting new companies. The course focuses on four themes: 1) the source, discovery and evaluation of technological opportunities; 2) the process of organizing a new firm to produce new technology that satisfies the needs of customers; 3) the acquisition of financial and human resources necessary to exploit technological opportunities; and 4) the development of mechanism to appreciate the returns from exploitation of technological opportunities. Prereq: ECON 102.

ECON 372. International Finance. 3 Units.
This course deals with open-economy macroeconomics and international financial markets, covering open-economy national income analysis, international macroeconomic policy coordination, exchange rate determination, foreign portfolio investment, and global financial crises. Offered as BAFI 372 and ECON 372. Prereq: ECON 103.

ECON 373. International Trade. 3 Units.
This course deals with international trade theories and policies, covering: gains from and patterns of trade; immigration; foreign direct investment; protectionism; multilateral trade liberalization; regionalism; and the costs and benefits of globalization within, as well as among, nations. Prereq: ECON 102.

ECON 374. Financial Regulation. 3 Units.
This course will provide students with an understanding of the economic underpinnings of financial regulation as it exists in the United States today. The course will highlight salient aspects of financial markets, such as asymmetric information and the chains of exposures linking financial market participants, that make financial regulation both necessary and yet problematic. Emphasis will be put on the difference between regulations on individual financial firms as compared with regulating for systemic financial stability. The course will be designed to: (1) provide enhanced understanding of financial markets to undergraduate students who have already taken ECON/BAFI 341 (Money and Banking); (2) provide institutional insight to master’s level finance students; (3) illustrate the application of welfare analysis to financial regulation, and (4) teach all students to think critically about regulatory arbitrage and the dynamic evolution of regulated markets. Prereq: ECON 102, ECON 103 and (ECON 341 or BAFI 341).

ECON 375. Economics of Developing Countries. 3 Units.
This course focuses on international aspects of economic development. The term “developing country” is often defined as a country that exhibits low per capita income, high poverty level, low level of industrialization, or low life expectancy. In terms of size, the developing countries make up at least three-fourth of the world population. Why do we study those countries’ economies separately from the industrialized economies? In fact, low economic growth, high unemployment, or high poverty rates also exist in many developed countries. The differences lie not in the types of problems but in the causes of these problems. In addition, differences in the kind of institutions that prevail in developing countries also lead to different policy prescriptions. Among developing countries, differences in historical experience, cultural practices, political institutions and economic conditions are also enormous. Illustrations and explanations of those differences are provided from a wide range of developing countries. Prereq: ECON 102.

ECON 376. Inside the Financial Crisis. 3 Units.
This is a case study in the events surrounding the 2007 global financial crisis. The course will build from fundamental economic concepts into a comprehensive analysis of the elements, which led to the collapse and the contemporary policy debates about the recovery. The background for debate will come from an analysis of: housing and housing finance; bank runs and Bear Sterns; mortgage backed securities; and toxic asset purchases. The course will then examine major components of the Dodd-Frank Act and enable students to assess whether the act will address the causes of the 2007 crisis and more importantly establish the conditions to prevent a future crisis. Prereq: ECON 102 and ECON 103.

ECON 377. Topics in Monetary Policy. 3 Units.
Central banks have become enormously powerful economic institutions in many countries, yet their purposes and functions are widely misunderstood. This course is designed to enrich one’s understanding of how central banks, such as the Federal Reserve System, actually operate; how they have been adapting to changes in the economic and financial landscape; and how they have been adapting to changes in technology. The course will highlight current monetary policy and central banking issues being dealt with in the United States and elsewhere. The course will emphasize the connection between economic theory and the practice of central banking. Where relevant, topics will be examined from a multi-country perspective, so that the practices of several different countries may be compared and contrasted. Prereq: ECON 102 and ECON 103.
ECON 378. Health Care Economics. 3 Units.
Healthcare accounts for over one-sixth of the U.S. national economy and over one-eighth of its workforce, shares that have dramatically increased over the last 50 years. The rapid growth in healthcare spending has accompanied growing concerns about the quality and efficiency of U.S. healthcare delivery and persistent disparities in access to care. Are these concerns justified? If so, what can policymakers do - and what are they doing - to address them? The purpose of this course is to develop the analytical skills necessary for understanding how the U.S. health care sector operates, how it has evolved, the forces at work behind perceived deficiencies (in access, quality and cost control), and the expected impact of alternative policy proposals. These issues are addressed through the lens of microeconomic theory. Under this framework, outcomes result from the interaction of decisions made by participants in the healthcare economy (e.g. patients, providers, insurers, government), with those decisions governed by the preferences, incentives and resource constraints facing each decision-maker. This course should be of particular interest to students who envision future careers in healthcare delivery, healthcare management, pharmaceutical and device innovation, health insurance or public health, as well as other policy-oriented students seeking to understand the contentious issues in healthcare policymaking. Prereq: ECON 102.

ECON 386. Urban Economics. 3 Units.
Microeconomic theory as taught in principles (and even intermediate) does not usually take into account the fact that goods, people, and information must travel in order to interact. Rather, markets are implicitly modeled as if everyone and everything is at a single point in space. In the first part of the course, we will examine the implications of spatial location for economic analysis. In the second part of the class, we will use microeconomic tools to understand urban problems. Topics that we will cover include urban growth, suburbanization, land use, poverty, housing, local government, transportation, education, and crime. Prereq: ECON 102.

ECON 391. Advanced Topics and Writing in Economics. 3 Units.
This course is characterized by intense yet open-ended intellectual inquiry, guided by reading from primary and secondary sources, and will include extensive practice in written and oral communication. The focus will be on contemporary economic issues and scholarship, and assumes a high level of ability in undergraduate economics training. Specifically, this course provides an avenue for an intellectual discourse on some of the most challenging present day economic issues, and we will rigorously think and write about how economic concepts can be applied to virtually any topic, issue and event in the social world. Students will be challenged throughout the course to think and write like an economist and see the world through the economist’s lens. Counts as SAGES Departmental Seminar. Prereq: (ECON 308 or ECON 309) and (ECON 326 or BAFI 361).

ECON 395. The Economy in the American Century. 3 Units.
This class provides an approved SAGES capstone experience for economics majors. It uses American economic history as an arena for a culminating application of the diverse knowledge and skills students have acquired during their undergraduate careers. The twentieth century American economy was shaped by a series of transformations that make our lives profoundly different from those lived by Americans in 1900. Attempting to understand these transformations has shaped the discipline of economics. Events and processes such as mass migration, the Great Depression, the growth of women’s participation in the workforce, and suburbanization generated questions that economists developed theories and bodies of empirical evidence to answer. Students will synthesize knowledge accumulated in their prior undergraduate study to tackle big questions posed by the history of the American economy during the 20th century. These questions cover the spectrum of economic life and scholarship, from finance and technology to human capital and gender. Students form teams to tackle an important question developed in consultation with the instructor. Each team will be responsible for educating the class on their research findings through research and delivering a class-length presentation and preparing readings and exam questions. Students will produce an individual final paper related to their team’s topic that expresses their own scholarly perspective and interest. Counts as SAGES Senior Capstone. Prereq: Junior or Senior standing.

ECON 397. Honors Research I. 3 Units.
All students admitted to the Honors Program will undertake an independent research project (Senior Thesis) under the guidance of a faculty member (Thesis Advisor). ECON 397 is used to define the topic, review relevant literature, formulate hypotheses, and collect appropriate data toward completing their research project. Students will have the responsibility of providing regular progress reports to their thesis advisor highlighting the work accomplished to date, the immediate challenges confronting them, and a plan to complete the project in the time remaining. Prereq: ECON 102, ECON 103, ECON 326 and ECON 308 or ECON 309; Junior standing and minimum GPA of 3.3 in ECON major and 3.0 overall.

ECON 398. Honors Research II. 3 Units.
This is the second course in a two course sequence to complete the Honors Research Program in Economics. Counts as SAGES Senior Capstone. Prereq: A grade of B or higher in ECON 397.

ECON 399. Individual Readings and Research. 1 - 6 Units.
Intensive examination of a topic selected by the student. A student must receive permission from the program administrator before the start of the term, and permission will only be granted in cases where the student has a clear learning plan and objectives in using the independent readings/research option that cannot be met through available course offerings.

ECON 427. Advanced Econometrics. 3 Units.
This class builds on the foundations of applied regression analysis developed in ECON 326. The goal of the class is to equip students with the tools to conduct a causal analysis of a hypothesis in a variety of settings. Topics will include causality, panel and time series data, instrumental variables and quasi-experiments, semi- and non-parametric methods, and treatment evaluation. Offered as ECON 327 and ECON 427.
ECON 429. Game Theory: The Economics of Thinking Strategically. 3 Units.
The term "game theory" refers to the set of tools economists use to think about strategic interactions among small groups of individuals and firms. The primary purpose of this course is to introduce students to the basic concepts of game theory and its applications. The class will stress the use of game theory as a tool for building models of important economic phenomena. The class will also include a number of experiments designed to illustrate the game theoretic results, and to highlight how reality may depart from the theory. The course will stress the value of thinking strategically and provide students with a framework for thinking strategically in their everyday lives. Rather than approaching each strategic situation they encounter as a unique problem, students will be taught to recognize patterns in the situations they face and to generalize from specific experiences. A paper on an application of game theory will be required for graduate students. Offered as ECON 329 and ECON 429.

ECON 431. Economics of Negotiation and Conflict Resolution. 3 Units.
Students frequently enroll in a negotiation class with one thought in mind—negotiating a better job offer from an employer. They soon learn, however, that negotiation skills can do far more than improve a paycheck. Negotiations occur everywhere: in marriages, in divorces, in small work teams, in large organizations, in getting a job, in losing a job, in deal making, in decision making, in board rooms, and in court rooms. The remarkable thing about negotiations is that, wherever they occur, they are governed by similar principles. The current wave of corporate restructuring makes the study of negotiations especially important for M.B.A.s. Mergers, acquisitions, downsizing and joint ventures call into question well established business and employment relationships. Navigating these choppy waters by building new relationships requires the negotiation skills that you will learn in this class. Offered as ECON 431 and ORBH 413.

ECON 438. Law and Economics. 3 Units.
This course examines legal institutions and rules from an economic perspective. Students will learn when and how legal rules can be efficient. Topics will include property law (including intellectual property), tort law, contracts, and crime. Offered as ECON 338 and ECON 438.

ECON 468. Environmental Economics. 3 Units.
Economic models and reasoning provide a valuable lens through which to view many of the most intractable and perplexing environmental problems. The objective of this class is to apply the tools of a typical introductory or intermediate microeconomics course to topics involving the natural environment. That is, we will view environmental topics from the perspective of an economist. Topics that will be covered in this class include: market failure in the case of externalities and public goods provision; management of renewable resources; cost-effective pollution control; and energy use and global climate change. Perhaps the most exciting part of this course is that we will take tools from the classroom and apply them to ongoing environmental questions. Lectures will include guest presentations from professionals who are actively working on environmental challenges. Offered as ECON 368 and ECON 468. Prereq: MBAC 512.

ECON 501. Special Problems and Topics. 1 - 18 Units.
This course is offered, with permission, to students undertaking reading in a field of special interest.