SHANE S. MOSHIRI, Ph.D., Cnd.

MBAM 592.11

ECONOMIC CONCEPTS

FALL 2003, SESSION A

MONDAYS

8:00 AM-12:00 PM

MALIBU CAMPUS

SYLLABUS
COURSE OBJECTIVES
The first part of this course will be devoted to the study of methodology of economic analysis aimed at familiarizing students with the economic way of thinking. In the course of the session we will learn a wide variety of economic models that will be used to explain, analyze, and predict economic behavior. In order to achieve this objective, we shall focus on the discussions of various economic theories and how they can be used as effective analytical tools in making senses of complex macroeconomic and microeconomic behavior.

COURSE OUTLINE
This course surveys the major principles of Microeconomics and Macroeconomics. The objective of the course is to help students acquire a systematic understanding of the operations of the market economy. Who determines what will be produced and how much? How prices and wages are determined and why are they continually changing? What are the characteristic features of competitive markets as opposed to monopolistic ones? In the Macroeconomic part of the course, we shall learn the underlying causes, and effects of, inflation, unemployment and the way in which macroeconomic stabilization policies such as the fiscal and monetary polices can be used to stimulate the economy.

REQUIRED TEXTS
And Student Learning Guide, by Walstad and Bingham.

RECOMMENDED READING
The following intermediate texts are recommended to those who might be interested in a mathematical treatment of the subject matter

- Theory and Applications Macroeconomics, 5th Ed., Edger Browning
- Macroeconomics, a Modern Approach, 2nd Ed., Andrew Schotter
- Microeconomics Theory and Applications, 3rd Ed., Dominick Salvatore
ADDITIONAL READING

For coverage of business news students are advised to read the following publications: the Wall Street Journal, Margin Magazine, Barrens, Economists, or the Business Week.

ECONOMIC JOURNALS

There exist numerous scholarly economics journals intended for peer-review. These are far too technical for introductory and intermediate students. However, the following publications cover general, non-specialized, and in-depth treatment of recent developments in economics and economic policy debates. There are frequent contributions by conservative and liberal economists. These include:

- **Challenge Magazine.** Unlike Business Week or the Economist, this is a news magazine. It covers economic policy debates. It also includes "Recommendation for Further Reading."
- **Journal of Economic Perspectives**—Many of the papers in JEP are commissioned surveys for non-specialists and most are written by well-known experts in the field. It contains recommendation for further readings.
- **American Economic Review.** Only the May issues are accessible to non-specialist. The AER publishes articles presented in the preceding January at the annual meeting of an American Economic Association.
- **Journal of Economic Literature.** This is a great place to begin research for term paper. The JEL is a reference publication that includes current articles in economics, book reviews, and article abstracts.

ADDITIONAL SOURCES FOR RESEARCH

The following Publications contain wealth of comprehensive data for research. They Include:

- **Statistical Abstract of the United States** (description of features of the U.S economy.)
- **Department of Labor, Bureau of Labor Statistics.** U.S. Department of labor, Bureau of Economic Analysis.
- **Survey of Consumer Expenditure, University of Michigan Survey Research Center.**
- **National Longitudinal Survey of Labor Force Behavior, by center for Human Resource Development at Ohio State University**
- **Economic Report of the President**
- **Survey of Current Business.**
- **Historical Abstract of United States.**
- **National Bureau of Economic Research, Index of Leading Indicators**
- **National Association of Business Economists.**
- **Various publications by the United Nations**
- **The IMF Survey**
EXAMINATIONS AND GRADES
There will be two exams of multiple-choice variety. All exams will cover both lectures as well as text materials. Students are required to take the tests on the scheduled dates and times as no “make-up,” or, “incomplete” will be given.

Grades will be determined according to the following. A "class curve" will not be used to affect grades.

<table>
<thead>
<tr>
<th>Component</th>
<th>Weight</th>
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<tbody>
<tr>
<td>Homework</td>
<td>10</td>
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<tr>
<td>First Exam (50 questions)</td>
<td>50</td>
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<tr>
<td>Term Paper</td>
<td>50</td>
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<tr>
<td>Final Exam. (Cumulative)</td>
<td>50</td>
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There will be a total of 160 points available.

A university grading scale will be used in determination of the final course grade. The following ranges will illustrate the grading criterion:

94- 100% = A
90-93% = A-
87-89% = B+
83-86% = B
80-82% = B-
77-79% = C+
73-76% = C
70-72% = C-
67-69% = D+
63-66% = D
60-62% = D-
<60% = F

HOMEWORK ASSIGNMENTS
While all homework assignments are from the main textbook, the Multiple Choice Questions (MCQs) are contained in the Study Guide. The latter and the former will be due in the next class meeting. The assigned homework problems are listed, below, under "Topic."

TERM PAPER
In addition to the tests, a collaborative research paper will be required. The paper should be well researched using scholarly sources such as academic journals suggested above. The topic of choice may include anything in the area of Microeconomics or Macroeconomics. The length of the paper will be limited to approximately 10 to 15 pages (single-spaced) with an in-class group presentation of same not exceeding 15 minutes.
ATTENDANCE
Students are expected to attend all the scheduled meetings. Those who miss more than four (4) hours of class in the course of the trimester without a compelling reason shall be excluded.

- The following represent the rule of conduct provided by the university.

Conduct

“The University expects from all of its students and employees the highest standard of moral and ethical behavior in harmony with its Christian philosophy and purposes. Engaging in or promoting conduct or lifestyles inconsistent with traditional Christian values is not acceptable. The following regulations apply to any person, graduate or undergraduate, who is enrolled as a Pepperdine University student. These rules are not to be interpreted as all-inclusive as to situations in which discipline will be invoked. They are illustrative, and the University reserves the right to take disciplinary action in appropriate circumstances not set out in this catalog. It is understood that each student who enrolls at Pepperdine University will assume the responsibilities involved by adhering to the regulations of the University. Students are expected to respect order, morality, personal honor, and the rights and property of others at all times. Examples of improper conduct for which students are subject to discipline are as follows:

- Dishonesty in any form, including plagiarism, illegal copying of software, and knowingly furnishing false information to the University.
- Forgery, alteration, or misuse of University documents, records, or identification.
- Failure to comply with written or verbal directives of duly authorized University officials who are acting in the performance of assigned duties.
- Interference with the academic or administrative process of the University or any of the approved activities.
- Otherwise unprotected behavior that disrupts the classroom environment.
- Theft or damage to property.
- Violation of civil or criminal codes of local, state, or federal governments.
- Unauthorized use of or entry into University facilities.
- Violation of any stated policies or regulations governing student relationships to the University.

Disciplinary action may involve, but is not limited to, one or a combination of the alternatives listed below:

Dismissal – separation of the student from the University on a permanent basis.
Suspension – separation of the student from the University for a specified length of time.
Probation – status of the student indicating that the relationship with the University is tenuous and that the student’s records will be reviewed periodically to determine suitability to remain enrolled. Specific limitations to and restrictions of the student’s privileges may accompany probation.” See current GSBM Catalog.
Policy on Disabilities

Assistance for Students with Disabilities

“Students with disabilities, whether mental or physical, are encouraged to contact the Equal Opportunity Office before the academic year begins or soon after classes are in session. This office will assist each student by providing general information about campus facilities and available resources. The office will assist in providing reasonable accommodation to students with disabilities pursuant to applicable laws. Inquiries should be directed to equal opportunity officer, Lauren Breeding (310) 506-6500. (Students who wish to file a formal grievance should refer to the “Nondiscrimination Policy,” which is listed in the “Legal Notices” section of this catalog.)” See current GSBM Catalog.

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The ensuing outline will serve to organize the seven weeks of the session. The exam dates are tentative and may be changed if the need arises. In addition to the following, some supplemental (required) readings may be assigned in due course.
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<tr>
<th>Lecture</th>
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<tbody>
<tr>
<td>September 2nd</td>
<td>Holiday*</td>
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<td>September 8th</td>
<td>Introductory remarks. Economic Methodology, Scarcity, Choice and the tenets of Market Economy</td>
<td>Ch. 1</td>
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<td>Problems: 4, 7, and 14. SLG: Chapter1. Do all Multiple Choice Questions (MCQs)</td>
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<td>Foundations of Economics..................................................................Ch 2</td>
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<td>Problems: 5, 6, and 10. SLG: 2. And all MCQs</td>
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<td>Understanding individual Markets: Demand and Supply..........................Ch 3</td>
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<td>Problems: 2, 5, and 8. SLG: Ch. 3. Do all MCQs.</td>
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<td>Sept. 15th</td>
<td>Product Demand: Elasticity of Demand and Supply..............................Ch 20</td>
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<td>Problems 3, 4, and 5. SLG: 20. All MCQS.</td>
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<td>The U.S. Economy: Private and Public Sector ...................................Ch. 5</td>
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<td>Problems: 1, 3, and 4. SLG: Ch. 5, all MCQs.</td>
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<td>Sept. 22nd</td>
<td>Measuring Domestic Output, National Income and the Price Level...........Ch.7</td>
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<td>Problems: 1, 4, and 10. SLG: 7. All MCQs</td>
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<td>Economic Growth, Employment, and Inflation ....................................Ch. 8</td>
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<td>Problems: 7 and 8. SLG: 8. All MCQs.</td>
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<td>Sept. 29th</td>
<td>Fiscal Policy and Deficit Spending............................................Ch.12</td>
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<td>Problems: 2, 3, and 4. SLG: 12. All MCQs.</td>
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<td>Money, Banking, and the Monetary Policy ......................................Ch.13</td>
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<td>Problems: 1, 5, and 8. SLG: 13. All MCQs.</td>
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<td>Lecture</td>
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<td>October 6&lt;sup&gt;th&lt;/sup&gt;</td>
<td>International Economics and the World Economy</td>
<td>Ch. 37</td>
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<td>Exchange Rates, the Balance of Payments, and Trade Deficit</td>
<td>Ch. 38**</td>
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<tr>
<td>October 13&lt;sup&gt;th&lt;/sup&gt;</td>
<td>Group Presentation. Final.</td>
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* An additional class meeting may be arranged as a substitute.

** Tentatively Scheduled

** Important Dates **

- **September 22<sup>nd</sup>:** First Test. Chapters: 1, 2, 3, 4, and 20.
- **October 13<sup>th</sup>:** Papers Due.
  
  Group presentations
  Final. Cumulative.