PEPPERDINE UNIVERSITY
THE GEORGE L. GRAZIADIO
SCHOOL OF BUSINESS AND MANAGEMENT

MIKE KIMEL
MBAM 592.12
ECONOMIC CONCEPTS
FALL 2003, SESSION A
TUESDAYS
1:00 PM – 5:00 PM
MALIBU CAMPUS

SYLLABUS
Course Description
This course introduces the principles and application of microeconomic analysis. Attention is given to supply and demand theories, price and wage practices, market structures, production, and cost analysis. It includes study of the economic role of government and the limitations of the market system. The concepts and data for the study of individual economic behavior, firms, industries, and markets are introduced. The course also introduces the principles and application of macroeconomic analysis of the external business environment, covering concepts such as consumption, saving, investment, employment, production, business fluctuations, unemployment and inflation, money and banking, international trade, and economic growth.

Course Objectives
The main purpose of this course is to establish a basic understanding of microeconomic and macroeconomic analysis. This will not only prepare you for future coursework in economics in our MBA program, but also establish a framework for analyzing economic problems within the context of the business environment. Specific emphasis will be placed on the development of analytical thinking and problem solving skills. In addition, there will be numerous opportunities to improve the skills necessary for today’s managers, including written and oral communication skills, as well as the ability to work in teams.

Texts and Course Materials
The Text for this class is Principles of Economics, 3rd Edition by Mankiw. In addition, study guides will be available, which can be used as needed. Additionally, understanding current events will be a significant part of this course; you are strongly encouraged to read major newspapers and periodicals on a regular basis, particularly those geared toward business and economic issues, such as The Economist, the Wall Street Journal, etc.

In terms of math, you will need to be comfortable working with graphs and have a good grasp of basic algebra. If you are unsure about your abilities in these areas, see me as soon as possible.
You should read all assigned material prior to class. You may find it helpful to take notes from your readings and bring these to class. In addition, since we only have seven weeks together, it is crucial that you do not fall behind in your reading.

**Grading**

Each student in the class begins the class with a grade of B. Those who demonstrate that they deserve more than a B will get a better grade. Those who perform poorly and are unprepared will get a lower grade. In addition, the ability to apply concepts learned is valued far above the ability to memorize and regurgitate material from the books and lecture material, or from other sources.

Your preliminary grade for the class is determined by your performance on the final and on quizzes, which are offered once a week. 50% of your grade will be determined by your performance on the final and 50% by your performance on quizzes. The preliminary grade may be adjusted according to your in-class participation. Those who participate in a positive fashion, contributing to other students’ understanding of course material on a regular basis, may, at the discretion of the professor, see their final grade raised above their preliminary grade by one grade (e.g., a student with a preliminary grade of B+ with excellent in-class participation might see their grade rise to an A-). Those who participate in a negative fashion (i.e., engaging in disruptive or disrespectful behavior) will see their final grade reduced from their preliminary grade (e.g., a student with a preliminary grade of C+ who engages in disruptive or disrespectful behavior will see their grade fall to a C).

The quizzes and the final will share a similar, two-part format. The first part of each test will consist of material derived straight from the book and lecture material, and will take the form of multiple choice or true false questions. These questions are intended to be easy for those who have paid attention in class and read the assigned portions of the book, so it is assumed that students who are well prepared will do well on them. Students getting less than 20% of these questions correct will receive a grade no higher than F on the test. Those getting less than 40% will receive a grade no higher than D on the test. Those getting less than 60% correct will receive a grade no higher than C on the test. Students getting more than 60% of the questions correct will receive a grade of at least C+. The exact grade will depend on their performance on the remaining part of the test.

The second part of each test will be one or more essays or problems that may be only peripherally related to material covered in the book or in lectures. The purpose of this is to test your ability to think about the concepts covered in the class and how to apply them, since real-world business problems rarely look exactly like examples from textbooks.

There will be four or five quizzes, administered at the beginning of class, every week in weeks two through six. Each quiz will be designed to take 8 to 15 minutes. The final exam, which will cover material from the entire course, will be administered beginning in the second hour of the final week, and will be designed to take 90 minutes.

No opportunities for extra credit will be offered in this course.
Attendance Policy

Since we only meet seven times, I encourage you to attend every class period. Missing multiple classes will adversely impact your participation grade, and in addition, you will receive a zero on the quizzes given on days you miss. If you miss class on the last week, you will receive a zero on the final. No make-up quizzes will be administered. Make-up finals will only be administered under special circumstances and only at the discretion of the professor.

Access to the Instructor

Please do not hesitate to contact me, either by phone or e-mail, for any reason whatsoever. E-mailing me using my home e-mail address or calling me at home are the most reliable ways of contacting me. We can arrange to meet during office hours or by appointment. I care about your progress in the class, and if you are having difficulty, I would like to meet with you.

If you find yourself having difficulty with the class, please see me as soon as possible. In the past I have found that students who seek help early are often able to significantly their grade by the end of the quarter.

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.” GSBM Catalog, pgs. 217-218.

**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, Trevor Reynolds, (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.)” GSBM Catalog, pg. 31.
Schedule of Classes
Note – readings shown from Mankiw book. Also note that there are readings for the first week.

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<tr>
<th>Session</th>
<th>Date</th>
<th>Topic</th>
<th>Assignments</th>
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<tbody>
<tr>
<td>1</td>
<td></td>
<td>Introduction: Trade, Supply and Demand, Elasticity</td>
<td>Chapters 1 – 5</td>
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<td>2</td>
<td></td>
<td>How Markets Work: The Price System, Market Efficiency, Government Policy, Costs of Taxation</td>
<td>Quiz 1, Chapters 6 – 8</td>
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<td>3</td>
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<td>The Public Sector: Externalities, Public Goods, Tax Systems</td>
<td>Quiz 2, Chapters 10 – 12</td>
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<td>Additional Topic: Estimation (not covered in Mankiw)</td>
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<td>4</td>
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<td>Macroeconomics: What is Macroeconomics, Measuring a Country’s Well-Being, Productivity, Growth, Savings and Investment</td>
<td>Quiz 3, Chapters 23 – 25</td>
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<td>5</td>
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<td>The Real Economy: Savings and Investment, The Financial System, Unemployment, The Monetary System, Money</td>
<td>Quiz 4, Chapters 26 – 29, Chapter 33 (section on multiplier)</td>
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<td>6</td>
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<td>Macroeconomics and the Open Economy</td>
<td>Quiz 5, Chapter 9, Chapters 30 - 31</td>
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<td>7</td>
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<td>Final</td>
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Personal Data Sheet

Please complete as well as you can (some questions may not apply to you) and hand in the first day of class. These sheets will help me understand your background, and they will assist me as I determine the breadth, depth, and pace that we cover the course concepts.

Name______________________  Preferred First Name_______________________

Phone______________________  E-mail ________________________________

What’s the best way to contact you (phone or e-mail) if needed________________

What do you consider your "home" country (or state)?_________________________

Which colleges(s) did you graduate from?___________________________________

What was your major(s)?________________________________________________

Please indicate your highest-level achieved in undergraduate economics: (none, intro, or intermediate)

Microeconomics?_______________  Macro?__________________________

Describe your work experience (occupation, years of experience):

What industry did you work/work in? (e.g. Telecommunications)____________

Circle the MBA program you are in:

2-year  15-month  12-month  JD/MBA  MIB  Exchange

Circle the MBA concentration you expect to choose or are leaning towards:

Dispute Resolution  Finance  Global  Marketing  Technology

Do you have a specific industry/occupation that you would like to pursue and/or do you have a job waiting for you when you complete the MBA? Please list:

List here anything else you would like me to know about your background or interests, or expectations for the course (continue on back if needed):