

ECONOMICS ELECTIVES

Fall 2020

*Immerse yourself
in Economics*



Visit the Economics Department website:

<http://academics.bentley.edu/departments/economics>

A major corporation contemplates the introduction of a new product line. Is there a way to predict the strength of consumer demand? How are consumer decisions influenced by price changes? How does the firm decide what price to charge and how much output to produce? What is the nature of competition in the industry? What strategies do firms use to compete? To learn about these and other interesting concepts in microeconomics, enroll in EC224.

EC 224
INTERMEDIATE PRICE THEORY



Intermediate Price Theory develops and reinforces the theory of price determination introduced in Principles of Microeconomics. In EC 224 Intermediate Price Theory, students gain a thorough understanding of microeconomic theory, which helps explain the operation of markets, the determination of price, and the decision-making processes of firms and consumers. Economic modeling and other useful, analytical tools are developed in the course and utilized to explore microeconomic theory and to demonstrate its relevance in understanding markets and pricing decisions. Among the topics to be studied are consumer choice, market predictions, production and cost analysis, profitability, competitive strategy, tax incidence and price discrimination.

Graphical models are the primary tool of analysis supported by basic algebra and introductory calculus.

Business Related Elective

Prerequisites: EC111 & EC112

Professor: Naveen Sunder

Blocks: 12 and 14

Professor: Meghan Esson, AAC 179, Ext. 2423

Block: 3

Are there ways to predict the strength of market demand? What factors are most important to determining price? Can consumer preferences and buying decisions be assessed in a systematic way? How do firms determine input usage and production levels to minimize costs? Why are some industries highly competitive while others are dominated by a single firm? What competitive strategies facilitate profitability? To learn about these and other interesting concepts in microeconomics, enroll in EC224.

EC 224 - HONORS
INTERMEDIATE PRICE THEORY

Intermediate Price Theory is a field of study concerned with price determination in the marketplace and the interactions among consumers, firms, and government in the market process. Consumer behavior and firm decision-making form the fundamental basis for the course of study. Economic modeling and other useful, analytical tools are utilized to explore microeconomic theory and to demonstrate its relevance to market definition, consumer choice, cost structure, pricing decisions, and competitive strategies.

Among the topics to be studied are market predictions, production technology, cost structure, profit analysis, monopoly power, price discrimination, game theory, asymmetric information, and behavioral economics.

Graphical and quantitative models using basic algebra and calculus are the primary tools of analysis in the course. Real-world applications also are used to illustrate the relevance of microeconomics to consumer and firm decisions. Readings from the economics literature will be used to complement text readings and students will attend an Economics Department seminar as well.

Business-related elective

Prerequisites: EC111 & EC112 (Honors Program Only)

Professor: Jeffrey Livingston, AAC 171, Ext. 2538

Block: 6

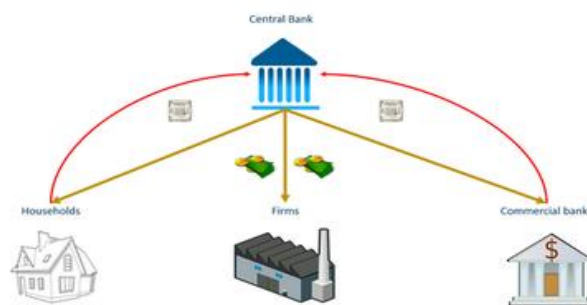
Will you be making or communicating important business decisions? Is it a good time to hire, expand, invest or launch a new business? Are interest rates likely to rise or fall, is this a good time to issue/buy/sell that stock or bond? Understanding the macro-economy is crucial to those and many other decisions. Do you follow U.S. and world news, economic, financial and otherwise? Do you want to better insights in those reports, issues and polices?

This course explains the workings of the economy at large and the impact of policy changes, both monetary and fiscal. Learn the consequences of the Fed's decisions on the economy and by extension on your sector or business.

Learn the impact of taxes, fiscal budget/deficits and national debts on the economy. Is the economy booming or in recession? What will it do next year, in the near and long term? What about the rest of the world?

This course will analyze these issues and improve your grasp of the business environment around you so you can become a fully-engaged participant in big-picture discussions and decisions.

EC 225 INTERMEDIATE MACROECONOMICS



This course analyzes the macroeconomic environment in which business operates. We start by examining reports and measures (GDP, CPI, interest rates, etc.) used to describe the performance of the macro economy. We analyze the economic behavior of households and businesses as well as the determination of key indicators such as national income/GDP, inflation, unemployment, and interest rates.

We examine fiscal policy (the government) and the monetary policy (Federal Reserve/Central Bank) and determine their impact on economy. We study disagreements concerning fiscal and monetary policy, using different macroeconomic approaches.

Throughout the course, we will apply key analytical concepts to real situations and current events. We will also occasionally look at financial markets' responses to macro developments (stock and bond markets). The course utilizes graphs extensively in addition to some algebra. This course is required for all Economics-Finance and Managerial Economics majors.

Business related elective

Prerequisites: EC111 & EC112

Professor: Elias Bikhazi, AAC 122A, Ext. 2413
Block: 6 and 13

Professor: David Gulley, AAC 189, Ext. 2355
Tuesday evening: 6:30pm -9:10pm

Do you read the newspaper or watch the news on television? Do you want to understand it better? This course explains the workings of the economy and the effects of actions made by policymakers. Learn the effects of Jay Powell's decisions and why he makes them. Learn the effects of the new tax cuts, spending increases and budget deficits on the economy. How does the economic situation today compare with those we have experienced in the past? We will analyze all of these issues using the major macroeconomic frameworks. Learn macroeconomics and better understand the world around you. Impress your friends, impress your boss, take macroeconomics.

EC 225 HONORS
INTERMEDIATE MACROECONOMICS

This course analyzes the macroeconomic environment in which businesses operate. We will begin by examining the nature of the statistics used to describe the performance of the macro economy. The economic behavior of consumers and businesses is analyzed, as is the determination of key macroeconomic indicators such as national income, inflation, unemployment, and interest rates. The fiscal policies of the government and the monetary policies of the central bank are examined to determine their impact on macroeconomic performance. Disagreements concerning fiscal and monetary policies are examined using different macroeconomic theories.

During the course, periodic data-based problem sets are used to apply key analytical concepts, as well as readings on emerging topics in macroeconomic policy and theory, which are used to keep abreast of contemporary macroeconomic developments. In addition, readings on current theory and policy issues will be required. The course utilizes graphs extensively in addition to essays, algebra, and outside readings. This course is required for all honors Economics-Finance and Managerial Economics majors.

Business related elective

Prerequisites: EC111 & EC112 (Honors Program Only)

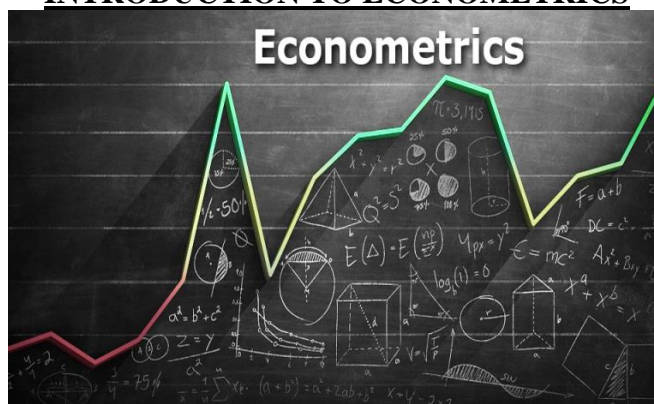
Professor: Michael Quinn, AAC 175, Ext.2938

Block: 8

What determines fluctuations in the Dollar/Euro exchange rate? Does the trade balance have an impact on the exchange rate? If so - in what direction and by how much? What other factors affect movements in the currency market? If we could identify these factors (such as interest rates in the U.S. and the E.U., inflation, GDP growth, expectations), how would we build a model that would relate them to the exchange rate? How can we use this model for constructing forecasts? How can we assess the quality of the forecast?

In the absence of controlled experiments, how can we test hypotheses and quantitatively estimate the interactions between key variables? How can we empirically estimate a demand curve or a cost function, which is integral to business planning? How can we use historical information to construct relatively accurate short-term forecasts? EC 361 develops statistical modeling techniques to answer questions such as these, which can also be applied to other areas in business and economics.

EC 282
INTRODUCTION TO ECONOMETRICS



Econometrics introduces the student to the building and estimation of statistical models in order to quantitatively test financial and economic relationships. Topics include simple and multivariate regression analysis, model diagnostics, qualitative response models, and time series analysis and forecasting. EC 361 familiarizes the student with sources of economic data and with the difficulties encountered in empirically estimating and testing these models. The course will introduce students to statistical software (SAS or STATA) for data analysis and model estimation. The methods employed and problems encountered in quantifying economic theory are also applied to other areas such as finance and marketing. The course will also explore basic model building techniques and how to apply the most appropriate statistical methodologies to particular research problems. The course is essential for students of business and economics, as well as for students considering graduate studies in these fields.

Business Related Elective

Prerequisites: *EC111, EC112 & GB213, not available to students who have taken MA 252*

Professor: *Onur Altindag, AAC 181, Ext. 7111*

Blocks: *6 and 11*

EC 311
INTERNATIONAL ECONOMICS



Today the speed and extent of changes that are taking place in the global market demand that any individual who aspires to conduct business in this increasingly global world must have a fundamental understanding of international economics. Why? Even though businesses operate within a domestic economy, when that domestic economy becomes linked with international economies in complex ways, a knowledge of these links and economic implications becomes essential.

This course aims to provide you with analytical tools that will enable you to understand economic issues relating to international trade and policy. For example, some questions that you will be wrestling with are: Why do nations trade? What determines the pattern of trade? Is it not unfair when the U.S. trades with countries paying low wages?

Why do we not protect our honest workers with tariff walls? Should we not always want a strong dollar to show the world the 'U.S. economic might'? And is not a deterioration of terms of trade bad for a country? What is 'terms of trade' anyway? What is the role of exchange rates in affecting the flows of trade? Why do some countries China, Japan and South-East Asia continue to have undervalued currencies? Why has the U.S. had such huge balance of payment deficits? Why have we accumulated an external debt of more than \$9 trillion over the last 25 years? Can the U.S. continue to-go-into debt? These questions are just illustrative of the rich range of issues that will be tackled.

This course will be intellectually satisfying and, at the same time, prepare you for your future in an emerging global economy.

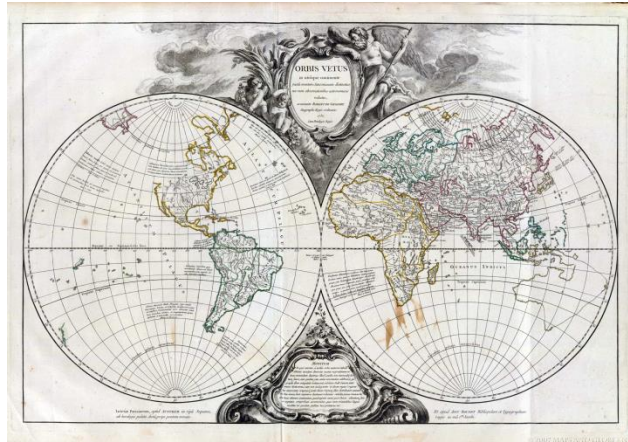
Business Related Elective

Prerequisites: ***EC111 & EC112***

Professor: ***Swati Mukerjee, AAC 183, Ext. 2956***

Block: ***9***

EC 331 MODERN ECONOMIC SYSTEMS



Modern Economic Systems examines the major economic systems of the world, in both theory and practice. The approach will generally focus on encouraging a general understanding of how economic systems work and how economic theory interacts with government policy, history, and culture to explain economic performance. We will begin our analysis by establishing a historical context, exploring the transition from Feudalism to Capitalism. From there we will look at the emergence of several forms of Socialism and Soviet style Communism. From this broader analytical context we will then address the specific economies that exist today. The economies to be examined in detail will include:

- Several advanced market capitalist countries: the United States, Japan, France, Sweden, and Germany.
- The European Union and the current crisis of the “PIGS.”
- The former-socialist economies: the former Soviet Union (Russia) and China (we will spend a great deal of time on China!)
- East Asian economies: South Korea and North Korea. (perhaps also Vietnam, Thailand, and Indonesia)
- In this hemisphere we will want to take a closer look at Brazil, the trading bloc MERCOSUR, as well as a few other countries of note.
- Iran as an example of an Islamic-based economy.
- Buddhist based economic systems.
- India as a global and regional power with a unique path to development.

This course promises to be a fascinating look into a very dynamic and differentiated mix of countries attempting to engage in the “*ordinary business of life*” at a time when the global economy is *anything but ordinary*.

Arts & Science Elective - International Focus
Prerequisites: EC111 & EC112

Professor: Bryan Snyder, AAC 274, Ext. 2446
Block: 11

EC 333
THE ECONOMICS OF THE EUROPEAN UNION



At the beginning of the century, the EU was an ever-expanding, integrating institution. But the last decade has been a turbulent one for the European Union. The EU is currently facing the fallout from Brexit, refugees, increased Russian aggression, slow growth, and the coronavirus. This is a critical time for the “European project”. The events in Europe are an important concern for businesses and are of general interest to the populace. However, few people have the background for a deep understanding of these issues. This course will provide you with a comprehensive knowledge of the EU and the ability to analyze and discuss issues in the EU. We will analyze the evolution of the Union, the monetary union and the common currency, the European economic policies towards issues that affect the whole globe, and finally we will try to examine what the future of the union is in terms of their multiple crises. The course involves a wide range of topics involving the EU such as trade, immigration, macroeconomic policies, labor markets and institutions. The course has a textbook for the economic theory which is then augmented by weekly readings from the Economist and other sources. It is important to be able to talk about the EU so there will be essays on the exams.

Business related elective - International Focus

Prerequisites: EC111 & EC112

Professor: Michael Quinn, AAC 175, Ext. 2938

Block: 13

EC 343
HEALTH ECONOMICS



The U.S. health care system comprises over 17 percent of GDP. Employment in the health care sector has continued to expand, while the rest of the private sector has stagnated or witnessed job losses. Critics argue that health care costs are too high and rising too fast, and that almost 48 million Americans remain uninsured. Some believe that the U.S. health care system should be restructured more like the systems in Europe and Canada where health care is socialized and the government plays a dominant role. Others believe that the health care services industry should be deregulated so that the private marketplace can weave its special magic.

With this backdrop in mind, Health Economics uses various concepts of economic analysis to better understand the workings of the health economy. Supply and demand factors relating to medical care, along with other microeconomic tools are discussed and applied to the health care sector. In addition, the course will analyze the operation and performance of the key players in the sector: consumers, insurance industry, pharmaceutical industry, hospitals, physicians, and the government. Contemporary public policy, most notably President Obama's Affordable Care Act, will also be examined through an economics lens.

Students should gain from taking this course in two essential ways. First, students may find themselves working in a health care related occupation (health care financial analyst, hospital administration, etc.) as the health economy continues to grow at a much quicker rate than most of the other sectors. Second, an enhanced understanding of the health economy will help students become better engaged in policy debates and make more informed choices in their roles as consumers and voters.

Arts & Science Elective

Prerequisites: EC111 & EC112

Professor: Meghan Esson, AAC 179, Ext. 2423

Block: 15

EC 370
EXPERIMENTAL & BEHAVIORAL ECONOMICS



This course introduces the complementary fields of Experimental Economics and Behavioral Economics. Behavioral Economics adds insights from Psychology to the economic model of behavior. In so doing, it looks beyond the standard neoclassical model of how people and firms make decisions, examining ways in which behavior is not consistent with strict rational self-interested decision-making. This includes “irrational” behavior such as over-valuing losses and failing to exert the effort needed to find the exact choice that maximizes personal payoffs. It also includes social preferences, where people care about the payoffs of others and not just themselves out of concern for fairness or altruism. Frequently, we will review how standard economic theory predicts how people will behave in a given situation, and compare that to how people actually behave.

Business Related Elective

Prerequisites: EC111 & EC112 & GB213

Professor: Jeffrey Livingston, AAC 171, Ext. 2538

Block: 8

EC 373

TECHNOLOGY, INNOVATION & ECONOMIC PERFORMANCE



Innovation and ‘high tech’ are becoming necessities for competitive strength and survival. In terms of firms and industries, this course covers topics including types of innovation, the role of R&D, and characteristics of ‘high tech.’ How does technological innovation affect the way industries evolve? Case studies of innovative companies (e.g., Google, Netflix, BMW) and industries (e.g., biotech, pharmaceuticals, IT) are used to demonstrate business applications of the economic concepts.

We also look at regions and countries, exploring why Silicon Valley has been so successful in attracting innovative people and technology-based firms, and what factors underlie the success of the Massachusetts Innovation Economy. We will address why Sweden ranks #1 as the innovation leader in Europe, as well as how technology and innovation are affecting growth and economic development in countries such as India and China.

Guest speakers from the business community will come to class to discuss their experiences with technology and innovation at the workplace. In addition, the class will take a field trip to a company in which innovation is a critical factor in its competitive advantage.

Business-Related Elective

Prerequisites: **EC111 & EC112**

Professor: **Patricia M. Flynn, MOR 316, Ext. 2991**

Thursday evening: **6:30pm-9:10pm**

EC 375
THE ECONOMICS OF SPORT



Course Description:

This course allows students to develop a detailed economic understanding of the professional and amateur sports industry. Relying on economic principles and well-developed economic models, the course material analyzes a variety of current-day issues facing the sporting industry. Topics include: competitive balance issues, such as, revenue sharing, salary caps, and luxury taxes; government's role in the sports industry, and; player issues, such as, racial and wage discrimination, free agency, and superstar effects.

Course Goals:

There are four major goals of this course. Each student should achieve the following:

- A better understanding of how the principles of economics apply to the sporting industry.
- An understanding of the overall market structure each major sport operates in.
- An ability to apply economic theory and models to analyze industrial organization, public finance, and labor market issues within the sports industry.
- A strong foundation to understand how economic tools can assist managers with their decision-making process for a variety of current-day, real world applications facing the sports industry.

Course Learning Objectives:

After completing this course a student should have acquired the following:

Knowledge-Demonstration: An ability to critically analyze and discuss from a theoretical perspective a variety of current-day economic issues facing the sports industry. These topics include: market structure issues, ticket pricing strategies, stadium financing issues, and labor market issues.

Skills-Demonstration: An ability to read and better comprehend a variety of published economic information about the sports industry. This includes popular press articles from the major newspapers and magazines, as well as, academic research articles from a variety of scholarly economic journals.

Perspective-Demonstration: An ability to look at the sports industry from a more complete perspective. Initially most students see the sports industry from only a fan's perspective. After completing this course, each student should see the sports industry for what it is- A Business!

Business Related Elective

Prerequisites: EC111, EC112 & (GB210 or GB213)

Professor: Scott Callan, MOR 389, Ext. 2024

Blocks: 4

EC 431
RESEARCH IN MANAGERIAL ECONOMICS



This capstone course is designed to introduce you to the fundamentals of managerial economic research. Through a series of examples of economic research, you will learn how to apply economic reasoning to public policy evaluation and business decisions in a variety of microeconomic settings. The course will teach you a variety of statistical models that economists use.

Specific course topics include: demand analysis and elasticity measurement; evaluation of the impact of public policies; strategic product pricing initiatives; cost, production and profit measurement and analysis; and the impact of incentives on behavior in a variety of interesting contexts.

As the capstone course, students are required to prepare an independent, comprehensive research project. This project will introduce students to the entire economics research process: identifying an interesting, focused research question that can feasibly be answered, reviewing theory that is closely related to the question and identifying testable implications of the theory, finding data needed to answer the question, and employing the proper econometric techniques needed to confront any challenges the nature of the data may present.

Business Related Elective - **COMMUNICATION INTENSIVE**

Prerequisites: **EC224 & (ME or EF major or IP) & (CC7 or WP)**

Professor: **Dhaval Dave, AAC 195, Ext. 2268**

Block: **10**

Have you ever wondered:

Why do financial markets pay so much attention to the Fed? How low can interest rates go? How will the euro affect the economies of Western Europe? What does Monetary Policy do? Find the answer to these and many other questions in EC391.

EC 441
MONETARY ECONOMICS



An understanding of monetary policy is essential for anyone working in the financial markets because monetary policy has an important impact on inflation, interest rates, unemployment, and output. This has become even more evident with the recent financial and credit market crises.

This course will take an especially close look at how monetary policy impacts the major financial markets, particularly the bond market. After reviewing the link between monetary policy and the macro-economy we will consider monetary policy in some detail. The course will focus on some of the major issues faced by U.S. monetary policymakers as we discuss the tools, targets, and goals of Federal Reserve policy and consider the current debates over the direction of U.S. monetary policy.

In the final section of the course we will shift our analysis to the international arena. This will include an evaluation of the impact of monetary policy on both spot and forward exchange rates. We will also examine the relative merits of fixed and flexible exchange rate systems. This analysis will then be applied to various real world cases such as the EMU, currency boards, and exchange rate crises.

Business Related Elective - COMMUNICATION INTENSIVE

Prerequisites: FI305 & (FI 306, or FI 320) & EC225 & (CC7 or WP)

Note: May not be taken by students who have completed EC211

Professor: Sacha Gelfer, AAC 167, Ext. 2737

Blocks: 4 and 12

Professor: David Gulley, AAC 189, Ext. 2355

Block: 13

EC 454
College Fed Challenge



Do you have an interest in monetary policy? Do you wonder how and why the Federal Reserve implements the policies it does? The recent and rapid deterioration in economic conditions has placed a renewed and sometimes critical perspective on the role of the Federal Reserve. By taking this course, you too can be a “participant” in the monetary policy process!

EC454 will expose selected students to a rigorous exploration of advanced macroeconomic and monetary economics concepts with a special emphasis on the conduct of monetary policy by the Federal Reserve. During the semester, students will read chosen articles, write policy briefings and make policy oriented presentations. All aspects of the course will emphasize teamwork. The culminating experience of the course will be participation in the 2017 College Fed Challenge (CFC) in November. The CFC is a prestigious monetary policy debate competition sponsored by the Federal Reserve System. Teams from area colleges make monetary policy presentations to a panel of judges made up of economists from the Boston Fed. The winner of the competition at the Boston Fed goes on to compete at the national championships at the Federal Reserve headquarters in Washington, DC.

Approximately 8 to 10 students will be accepted to enroll in EC454 and participate in the College Fed Challenge through a competitive application process prior to registration. The course is three credits, and can be used as an *EC elective*, *business related elective* or *unrestricted elective* towards degree requirements.

Business Related elective - COMMUNICATION INTENSIVE

Prerequisites: EC111 & EC112 & Instructor’s permission required

Professor: Laura Jackson Young, AAC 173, Ext. 2871

Professor: Dave Gulley, AAC 189, Ext. 2355

Monday and Thursday evening: 5:00pm - 7:20 pm