

# Economics

## College of Business and Economics

**Chair:** Adam Gifford, Jr.

**Juniper Hall (JH) 3125**

**818) 677-2462**

**www.csun.edu/~economics**

### Faculty

Kenneth Chapman, Adam Gifford Jr., Dennis A. Halcoussis, Robert Krol, Tom K. Lee, Anton E. Lowenberg, Leah Marcal, Jon Nadenichek, Kenneth Ng, William W. Roberts, Shirley V. Svorny, Nancy Virtz, D. Glen Whitman

### Emeritus Faculty

Gary Anderson, Daniel Blake, William W. Brown, Keith D. Evans, Ivan C. Johnson, Lester F. Saft, Ben T. Yu

### Programs

Undergraduate:

**B.A., Economics**

**Minor in Economics**

### B.A. Mission Statement

The Department of Economics offers courses leading to a Bachelor of Arts in Economics. The Department trains students to critically and objectively analyze issues related to the economy, business, public policy and society. To enhance the educational process and the scholarly reputation and profile of the Department, members of the Economics faculty engage in research and offer their expertise to inform community decisions and debate.

### Careers

For many, the Economics major provides a useful background for a business career while for others the major is preparation for graduate study in law, economics, or public policy. Economics is relevant for students interested in employment in politics and public policy analysis, the financial services sector (banking, insurance), as industry analysts (for example, health care, entertainment, energy), in consumer affairs, international affairs, teaching and research, law, business consulting, government work and journalism. Salaries earned by economics majors nationwide are highly competitive; employers rank economics as one of the most desirable majors.

### Academic Advisement

Contact the Department Chair for information about the Economics Program. For lower division advisement, visit the COBAE SSC/EOP in JH 2113.

### Special Grade Requirements

Transfer students should be aware that no grade lower than "C" will be accepted on transfer from another institution to satisfy Department or College of Business and Economics requirements.

### Residency Requirement

At least 50 percent of the business and economics course credit units and 50 percent of the specialized major credit units required for the Bachelor of Science degrees in Accountancy, Business Administration, Finance, Information Systems, Management, Marketing, and the Bachelor of Arts degree in Economics must be completed in residence at California State University, Northridge.

### Student Learning Outcomes of the Undergraduate Program

The analytical framework of economics promotes critical thinking skills valued by employers. Students are exposed to concepts that help them to understand consumer behavior and business decisions. Students

learn how individual industries function and gain an understanding of how the market economy functions as a whole. The field of economics emphasizes that the behavior of individual decision makers (for example, consumers, firms, government agencies) adjusts in response to changes in their incentives. With this framework, students learn to evaluate how changes in technology, government regulation, and market circumstances will impact their own lives, the industries and organizations of which they are a part, and society. The Economics program demands strong quantitative and communication skills.

The Economics Honors program: The Business Honors program is open to Economics Majors who meet all Honors Program admission criteria. Students who successfully complete the program earn a special Honors designation on their final graduation transcript. Students interested in the program may obtain more information in the Economics Department Office or on the Economics Department website.

## Requirements for the Bachelor of Arts Degree

### 1. Lower Division Required Courses (18 Units)

ACCT	220	Introduction to Financial Accounting (3)
ECON	160	Principles of Microeconomics (3)
ECON	161	Principles of Macroeconomics (3)
MATH	103 <sup>1</sup>	Mathematical Methods for Business (3)
SOM	120 <sup>2</sup>	Statistics for Business and Economics (3)
ENGL	205	Business Communication in its Rhetorical Contexts (3)
	or ENGL 305	Intermediate Expository Writing (3)
	or ENGL 306	Report Writing (3)

<sup>1</sup>MATH 103 or a higher level mathematics must be completed with a grade of "C" or higher. Math 150A or Math 255A may be substituted; Math course must be completed with a grade of "C" or higher.

<sup>2</sup>The 4-unit MATH 140 course also satisfies this requirement.

### 2. Upper Division Courses (27 Units)

#### Upper Division Required Courses (12 Units)

ECON	309	The Use and Interpretation of Economic Data (3)
ECON	310	Price Theory and Applications (3)
ECON	311	Money, Banking and the Federal Reserve (3)
ECON	401	Macroeconomic Theory (3)

**Upper Division Elective Courses (15 Units)** Five courses chosen from any Economics Department listing; excluding ECON 300 and ECON 498. At least three courses including ECON 401 must be 400-level courses.

**3. General Education (42 Units):** Of the 48 units of the General Education requirement, 3 units are satisfied by ECON 310 (Subject Explorations, Social Science), and 3 units are satisfied by Math 103 or a higher level mathematics course.

Total Units in the Major	45
General Education Units	42
Additional Units	33
<b>Total Units Required for the Degree</b>	<b>120</b>

## Minor in Economics

### 1. Required Courses (9 Units)

ECON	160 <sup>1</sup>	Principles of Microeconomics (3)
ECON	161 <sup>1</sup>	Principles of Macroeconomics (3)
ECON	310 <sup>1</sup>	Price Theory and Applications (3)

### 2. Electives (9 Units)

Students must select 9 units from any 300- or 400-level Economics course except ECON 300 and ECON 498.

<sup>1</sup>Courses that are also GE, Social Sciences.

## Course List

### ECON 156. Introduction to Economic Analysis and Policy (3)

*Prerequisites:* Qualifying scores on ELM and EPT, or exemption, or satisfactory completion of appropriate developmental courses. Uses economics to analyze public policy options in the areas of healthcare, urban and regional development, international trade, education, housing, financial market regulation, job creation, and other topical areas. (Available for General Education, Social Sciences)

### ECON 160. Principles of Microeconomics (3)

*Prerequisite:* Qualifying scores on ELM and EPT, or exemption, or satisfactory completion of appropriate developmental courses. Introduction to economics as it applies to the functioning of markets, businesses and households. The class examines how individuals make decisions about how to use scarce resources efficiently and how these decisions affect markets and the overall economy. Effect of government policies on the functioning of markets is also examined. (Available for General Education, Social Sciences)

### ECON 161. Principles of Macroeconomics (3)

*Prerequisites:* ECON 160 and qualifying scores on ELM and EPT, or exemption, or satisfactory completion of appropriate developmental courses. Introduction to economics as it applies to the national and international economy. Topics that the course covers include differences in standards of living across countries, the monetary system and the determinants of inflation and the factors causing growth and recessions. Examines the ability of the Federal Reserve and other government policy makers to influence the course of the economy. (Available for General Education, Social Sciences)

### ECON 175. Introduction to U.S. Economic History (3)

This course covers events in the United States from the middle of the 17th century to the present. The class uses economic analysis to examine social, political and economic events from the Colonial Period to the present. Students who earn credit for this course may not earn credit for ECON 375. (Fulfills Title 5 requirement in American History and Government.)

## Upper Division

### ECON 300. Economic Principles and Problems (3)

*Prerequisite:* Completion of the lower division writing requirement. Not open to Business and Economics majors or to students who have taken ECON 160 or 161. Survey of the basic economic principles governing the allocation and utilization of resources. Topics include: markets and prices, production, employment, national income, inflation, international trade, and economic growth. (Available for General Education, Social Sciences)

### ECON 307. Economics for Marketing Professionals (3)

*Prerequisite:* ECON 160 or 300. Economic theory and applications relevant to marketing professionals. Topics include analysis of business location decisions, identifying relevant markets, product pricing strategies and the role of advertising in product differentiation. (Marketing majors may substitute this course for ECON 310.)

### ECON 308. Economics for Managers (3)

*Prerequisite:* ECON 160 and 161, or 300. Connects economic theory to practical issues faced by firm managers. Focuses on the way economic theory affects the firm's behavior both internally and externally. Internal issues include organizational structure and contract design, especially as these issues relate to opportunism, rent-seeking and asymmetric information. External issues include discussions of corporate strategy, advertising and the market for corporate control. For students majoring in Management, this course earns credit for Upper Division

General Education in the Subject Explorations Social Sciences category.

### ECON 309. The Use and Interpretation of Economic Data (3)

*Prerequisites:* ECON 160 and 161, or 300; SOM 120 or equivalent. Understanding the use and interpretation of economic statistics in the mainstream media and economic literature. Topics covered include identifying and understanding the misuse of economic statistics, as well as performing some statistical analysis using economic data. Emphasis is placed on how students can use written and verbal communication to convey the meaning and relevance of economic statistics to those outside the profession.

### ECON 310. Price Theory and Applications (3)

*Prerequisites:* ECON 160 or 300. MATH 103, or a higher level mathematics course with the grade of "C" or better. The operation of the price system in market-oriented economies. Special emphasis is placed on consumer behavior, business behavior, market organization, the theory of production and cost, economic welfare, and applications to international trade. Substantial written work will be required of all students. (Available for General Education, Social Sciences)(Marketing majors may substitute with ECON 307.)

### ECON 311. Money, Banking and the Federal Reserve (3)

*Prerequisites:* ECON 160 and 161, or 300. Examination of money markets, the Federal Reserve system, foreign exchange markets, the international financial system, and their relationship to macroeconomic policy. Topics of special interest include the determination of income, interest rates, exchange rates, and international lending. Substantial written work will be required of all students. (Available for General Education, Social Sciences)

### ECON 320. Labor Economics (3)

*Prerequisites:* ECON 160 and 161, or 300. Analyses of the determinants of hours worked, labor productivity, labor demand, variation in wages, human capital investment and labor mobility. Examines the effect of alternative pay schemes, the impact of discrimination on wages and employment, and the impact of labor unions on employment, wages and working conditions. (Available for General Education, Social Sciences if required by major.)

### ECON 348. History of Economic Institutions (3)

*Prerequisites:* ECON 160 and 161, or 300. Examines the development of economic institutions and their effect on economic growth from an international perspective. Compares the development of economic institutions in Europe, Asia, and the Middle East.

### ECON 350. Urban Economics (3)

*Prerequisite:* ECON 160 or 300. Analysis of the formation and location of cities, the distribution of activities, and the variation of land prices within urban areas. Economic analysis of urban housing and blight, poverty, pollution, congestion, law enforcement, optimal city size, urban finances, and services.

### ECON 355. Health Economics (3)

*Prerequisites:* ECON 160 and 161, or 300. This class uses economic theory to analyze problems created by the complexities of health care markets. These problems include the widespread use of insurance, the important role of asymmetric information, the extent of government involvement, the role of non-profit hospitals as sellers of health care, and the nature of restrictions placed on competition. Additionally, the course provides background on hospital costs, labor shortages, public health concerns, and international comparisons of health insurance systems.

### ECON 360. Environmental Economics (3)

*Prerequisite:* ECON 160 or 300. Focuses on environmental issues and policies. Areas include air, water, noise, and toxic waste pollution, qual-

ity of life concerns, and open space and recreational area availability. Benefits and costs of current and alternative environmental policies are analyzed. Specific attention is given to the relation between energy resource development and usage and the environment. (Available for General Education, Social Sciences)

**ECON 365. Law and Economics (3)**

*Prerequisites:* ECON 160 and 161, or 300. Examination of the effects of the legal system on the allocation of resources. Selected topics include the economic implications of property rights, contract law, product liability and the criminal justice system.

**ECON 370. Economic Development (3)**

*Prerequisites:* ECON 160 and 161 or 300. Class examines why standards of living differ across countries. Economic growth models are used to explain cross-country differences in economic performance. Emphasis is placed on the role of institutions, such as private property rights, in the economic development process. Impact of international trade, exchange rate systems, and international debt on developing countries is carefully examined. Effects of government taxation, spending, and monetary policies on economic growth and inflation are analyzed. Other issues covered are the impact of financial market development, population growth, and agriculture on developing economies.

**ECON 375. Economic History of the United States (3)**

*Prerequisites:* ECON 160 and 161, or 300. History of U.S. economic development, including economic analyses of major historical issues.

**ECON 401. Macroeconomic Theory (3)**

*Prerequisites:* ECON 309, 310, and 311; *Upper Division Writing Proficiency Exam (UDWPE) Score of 8 or higher.* Neoclassical, Keynesian and modern theories of the determination of aggregate output, employment, and the general price level. Monetary and fiscal policy.

**ECON 405. International Economics (3)**

*Prerequisites:* ECON 309 and 310. *Upper Division Writing Proficiency Exam (UDWPE) Score of 8 or higher.* Examines world trade in goods, services, and assets. Explains why nations trade, the distribution effects of trade, and the consequences of trade policy. Other topics include exchange rates, the balance of payments, interest rate and purchasing power parity, and macroeconomic policies in an open economy.

**ECON 409. Introduction to Econometrics (3)**

*Prerequisites:* ECON 309 and 310. *Upper Division Writing Proficiency Exam (UDWPE) Score of 8 or higher.* How to estimate relationships between economic variables using actual data. Techniques taught are used to test economic theory and hypotheses from business. Each class member completes a term project involving the construction and estimation of an econometric model.

**ECON 410. Industrial Organization (3)**

*Prerequisites:* ECON 310. *Upper Division Writing Proficiency Exam (UDWPE) Score of 8 or higher.* Examination of the structure, conduct, and performance of American industries in both a theoretical and empirical framework. Selected topics include effects of concentration, barriers to entry, empirical cost curves, economics of scale, oligopoly behavior models, product differentiation, and alternative performance measures.

**ECON 411. The Economics of Antitrust and Regulation (3)**

*Prerequisites:* ECON 310. *Upper Division Writing Proficiency Exam (UDWPE) Score of 8 or higher.* Economic analysis of government policies to alter or maintain market structures and the economic implications of these policies. Selected topics include the problem of antitrust, regulation and public ownership of industry, mergers, price discrimination, capital intensity of regulated firms, and utility price structure.

**ECON 412. Seminar in Economic Thought (3)**

*Prerequisites:* ECON 310. *Upper Division Writing Proficiency Exam (UDWPE) Score of 8 or higher.* Seminar in the evolution of economic theory with emphasis on mercantilism, physiocracy, classical economics, and socialism.

**ECON 433. Public Economics (3)**

*Prerequisites:* ECON 309 and 310. *Upper Division Writing Proficiency Exam (UDWPE) Score of 8 or higher.* The class examines interaction that takes place between the government and private sectors of the economy. Effects of taxation and public expenditure decisions on the allocation of resources. Specific topics include public goods, public choice, externalities, property rights and taxation.

**ECON 496A-Z. Experimental Topics Courses - Economics (3)**

*Prerequisite:* *Upper Division Writing Proficiency Exam (UDWPE) Score of 8 or higher.* Course content to be determined. (See subtitles in appropriate schedule of classes.)

**ECON 497. Senior Seminar (3)**

*Prerequisites:* Senior economics major and nomination by economics faculty member. *Upper Division Writing Proficiency Exam (UDWPE) Score of 8 or higher.* Seminar dealing with advanced topics in economics. Economics faculty present current research. Students write papers to be presented and defended in the seminar.

**ECON 498A-C. Field Assignments and Reports (1-3)**

*Prerequisite:* *Upper Division Writing Proficiency Exam (UDWPE) Score of 8 or higher.* Individual study pertaining to present or future career. Student must have active, approved employment. Consultation with employer and instructor determines program. Academic Internship course. (Credit/No Credit Only)

**ECON 499ABC. Independent Study (1-3)**

*Prerequisites:* Consent of department chair and consent of an instructor to act as sponsor. *Upper Division Writing Proficiency Exam (UDWPE) Score of 8 or higher.* In order to do an Independent Study assignment in the College of Business and Economics, a student must have at least a 3.0 overall grade point average, a 2.0 grade point average in all major courses, and a 2.0 grade point average in his option courses. A student who does not meet these grade point requirements will not receive credit for any ECON 499 that he/she may take. Admission is based on evidence of ability to pursue Independent Study in depth and approval of a project submitted at the time of registration. Regular progress meetings and reports are required throughout the semester. Completion of the project is required before credit may be received. Enrollment in Independent Study is not allowed for the purpose of substitution for an existing course. Not more than six units of Independent Study in the College of Business and Economics may be taken without prior approval of the Dean of the College.

## Graduate

**ECON 500. MBA Survey of Economics (3)**

Survey course of the basic principles governing the allocation and utilization of resources. Microeconomic topics include wage and price determination, market mechanisms, efficiency, and related issues concerning industry structure. Macroeconomic topics include financial markets and the determination of national income, employment, and inflation.

**ECON 600. Economics of Strategy (3)**

*Prerequisite:* ECON 500 or equivalent. An economic analysis of the modern business organization including its horizontal and vertical boundaries, industry-level competition and structure, competitive ad-

vantage and its short-term and long-term sustainability, and sources of productivity, especially human resources. Macroeconomic and international influences on business decisions are also covered.

**ECON 606. Seminar in International Trade (3)**

*Prerequisite:* ECON 310 or 600. Covers classical and modern theories of international trade, including the theory of comparative advantage as developed by Ricardo, Mill and Marshall, and the “Heckscher-Ohlin” factor endowments explanation of the basis for trade. Topics in the welfare effects of commercial policies such as tariffs, quotas, and subsidies are covered.

**ECON 609. Seminar in Applied Econometrics (3)**

*Prerequisites:* ECON 600 and SOM 591. Theory and applications of econometric analysis, estimation of relationships suggested by economic analysis. Topics include: estimating criteria, testing of economic hypotheses, single equation models, and simultaneous equation models. Class members participate in a term project involving the construction and estimation of an econometric model.

**ECON 615. Seminar in Industrial Organization (3)**

*Prerequisite:* ECON 310 or 600. Critical examination of topics in industrial organization, such as concentration, mergers, the profit motive, and multi-national firms.

**ECON 616. Seminar in Antitrust and Regulation (3)**

*Prerequisite:* ECON 310 or 600. Investigation into the impact of existing public policies toward business with primary emphasis upon antitrust legislation and enforcement, regulation, and government ownership.

**ECON 617. Seminar in International Finance (3)**

*Prerequisite:* ECON 310 or 600. Course covers the theory of exchange rates, the relation between transactions on current and national income, and the causes and effects of international capital movements. The theory of balance of payments adjustments and policy will be examined in detail and some problems in contemporary international monetary arrangements will be discussed.

**ECON 633. Seminar in Public Economics (3)**

*Prerequisite:* ECON 310 or 600. Advanced analysis of the effects of governmental taxing and expenditure decisions on the economy in light of both positive and welfare economic theories; fiscal and monetary policies; analysis of “public debt” decision-making in governmental bodies.

**ECON 699. Independent Study (3)**

*Prerequisite:* Permission of graduate advisor. Only those graduate students who have a current 3.0 grade point-average may register in a 600-level Independent Study course.