GOVERNORS STATE UNIVERSITY
College of Business and Public Administration

Course Title: FOUNDATIONS OF ECONOMICS
Course No.: ECON 501
Credit Hours: Three
Instructor: Dr. Donald Miller
Trimester: Fall 1997

Description: Study of concepts of macro and micro-economics at an advanced level. Satisfies the economics prerequisites in the MBA Program. This course does not apply as a graduate level course toward an MBA degree.

Prerequisite: MATH 325
Restrictions: Graduate Students Only

Rationale: A knowledge of economics is essential for a proper understanding and appreciation of the society in which we live. Economic events permeate our social, political and cultural environment. Unfortunately, relatively few recognize the importance of understanding our economic system and economic ignorance is the rule. Without economic education, how is it possible for the citizen to make those decisions at election time regarding stands on such issues as inflation, unemployment, wage and price controls, "excess" profits, tax level changes and government spending level changes, and the effects of the national debt?

More generally, a knowledge of economics can contribute to an understanding of the causes of the otherwise mysterious happenings just mentioned and thereby to a greater security of mind.

Economics may also be studied for its practical value in the business world. It can aid the business person to better understand the internal and external factors affecting business operations involving supply and demand, choice of inputs, the level of production, prices, wages, profits, competition, labor relations, and the impact of government regulations and expenditures.

Why study economics? Check daily headlines, broadcasts, political statements, supermarkets, gas stations, editorials, and TV "specials". Can you make your own decisions regarding economic issues? Do you ignore them? Do you have your beliefs and on what are they based.
Expected Student Outcomes:
Upon completion of this course, the student should be able to:

(1) Describe, explain and apply the basic concepts of Macroeconomics such as aggregate demand and supply

(2) Demonstrate understanding of inflation and unemployment and how to control them using fiscal and monetary policy

(3) Describe, explain and apply supply and demand analysis

(4) Explain and apply the analysis of production and costs involving the basic concepts and their relationships

(5) Describe, explain and analyze the firm’s price and output behavior under alternative market structures.

Institutional Modalities/ Activities
The course will consist of lecture/discussion with some laboratory work including a written assignment and video viewing.


Note: Syllabus Statement for Persons with Disabilities:
It is the intention of the institution to support full participation of all students, regardless of physical ability level. Therefore, if any student needs consideration of his/her physical abilities in order to complete the course, please notify the instructor as soon as possible.
Topical-Chapter Outline:

Text Chapter: Peterson

3. Rudiments of Demand and Supply
4. Unemployment
5. The Consumer Price Index
6. Inflation
7. Gross Domestic Product
8. The Classical Economists
9. The Quantity Theory of Money
10. The Keynesian Model
11. Aggregate Demand and Supply
12. The New Classical Economics
13. Fiscal Policy
14. Problems of Fiscal Policy
15. Taxes
16. The National Debt
17. Money
18. Banking
19. Monetary Policy
23. International Trade

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4. Demand and Supply
5. Demand Analysis and Estimation
7. Production Analysis and Estimation
8. Cost Analysis and Estimation
10. Perfect Competition and Monopoly
11. Monopolistic Competition and Oligopoly

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