

MBAD 5110: FOUNDATIONS OF ECONOMICS

Fall 2008

Syllabus

Davis

Course: MBAD 5110: Foundations of Economics (3) Overview of microeconomic and macroeconomic concepts. Microeconomics: scarcity, opportunity costs, marginal analysis, demand, supply, and market structures. Macroeconomics: present values, national income accounting, interest rates, real values versus nominal values, monetary and fiscal policy, balance of payments, and economic growth. (Economics preparation to enter MBA program. Cannot be taken for credit toward any undergraduate degree within the Belk College of Business Administration or used as equivalent credit for ECON 2101 or ECON 2102. Credit will not be given for MBAD 5110 where credit has been given for ECON 2101 or ECON 2102.) (Fall, Spring)

Course Objectives: Foundations of Economics is a course for pre-MBA students without previous coursework in economics. It combines the material from ECON 2101: Principles of Economics – Macro (3 hrs.) and the material from ECON 2102: Principles of Economics – Micro (3 hrs.) Consequently, students must learn the equivalent of 6 hours of economics in a single 3-hour course. The resulting pace of instruction is approximately double that of a typical 3-hour course. Unless a student is prepared to exert the additional time and energy required in this accelerated course, they should enroll in the two separate 3-hour principles courses. Students with unusually heavy work schedules are not encouraged to take MBAD 5110.

: Foundations of Economics has two main objectives. First, it is designed to acquaint students with the body of knowledge in micro and macro economics. Second, it is designed to teach students to apply this knowledge. Students are expected to understand basic economic theories, and be able to apply them to “real world” issues and problems.

Numerous examples of the application of economic concepts will be examined. The outline presents a detailed breakdown of the concepts and applications that will be covered.

Methodology: All important concepts will be covered in class. Class will be a combination of lecture and discussion. Students should visit the web site for the Gwartney text: academic.cengage.com/economics/gwartney for on-line quizzing. In addition, students can study and work problems in the *optional workbooks* entitled *Coursebook(s) (Microeconomics and Macroeconomics)*, by James D. Gwartney, sold separately.

Instructor: Young Davis

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Office Hours: M, 11:00 a.m.–12:30 p.m. (On Campus), and M, 5:15 p.m.–5:30 p.m. (Uptown Center); and by appointment

Required Text: *Economics: Private and Public Choice, 12th Ed.*, by James D. Gwartney, Richard L. Stroup, Russell S. Sobel, and David A. Macpherson; Thomson/Southwestern press, 2009.

Attendance: Not required, but strongly recommended.

Attendance for Tests: Attendance for all tests is mandatory. Any unexcused test absence will result in an F for that particular test. Excused absences must be approved PRIOR to the test. In all cases, there are no makeup tests. The grade on the comprehensive final exam will substitute for any **excused** test absence.

Grading Policy: The final grade will be determined by the following formula and grading scale:

GRADING SCALE		FINAL GRADE	
90 – 100	A	Test I	25%
80 - 89	B		
70 - 79	C	Test II	25%
60 - 69	D		
Below 60	F	Test III	25%
		Final Exam	25%

Academic Integrity:

Students have the responsibility to know and observe the requirements of The UNC Charlotte Code of Student Academic Integrity (Catalog, page 375). This code forbids cheating, fabrication or falsification of information, multiple submission of academic work, plagiarism, abuse of academic materials, and complicity in academic dishonesty. Any special requirements or permission regarding academic integrity in this course will be stated by the instructor and are binding on the students. Academic evaluations in this course include a judgement that the student's work is free from academic dishonesty of any type; and grades in this course therefore should be and will be adversely affected by academic dishonesty. Students who violate the code can be expelled from UNC Charlotte. The normal penalty for a first offense is zero credit on the work involving dishonesty and further substantial reduction of the course grade. In almost all cases, the course grade is reduced to F. Copies of the code can be obtained from the Dean of Students Office. Standards of academic integrity will be enforced in this course. Students are expected to report cases of academic dishonesty to the course instructor.

ASSIGNMENTS

August 25, 2008

Purchase text

Class Lecture: Introduction to Economics

September 1, 2008

Labor Day, No Class

September 8, 2008

Gwartney, Chapter 1:
Chapter 2:
Chapter 3:

The Economic Approach
Some Tools of the Economist
Supply, Demand, and the Market Process

September 15, 2008

Gwartney, Chapter 4:
Gwartney, Chapter 19:

Supply and Demand: Applications and Extensions
Consumer Choice and Elasticity

September 22, 2008

Gwartney, Chapter 5:

TEST I, Chapters 1–4, 19

Difficult Cases for the Market, and the Role of Government

September 29, 2008

Gwartney, Chapter 20:

Costs and Supply of Goods
Sunk Cost Lecture

October 6, 2008

Gwartney, Chapter 21:
Chapter 22:

Price Takers and the Competitive Process
Price Searcher Markets with Low Entry Barriers

October 13, 2008

Fall Break, No Class

October 20, 2008

Gwartney, Chapter 22:
Chapter 23:

Continued
Price Searcher Markets with High Entry Barriers

October 27, 2008

Gwartney, Chapter 24:
Chapter 25:
Chapter 26:

The Supply and Demand for Productive Services
Earnings, Productivity, and the Job Market
Investment, the Capital Market, and the Wealth of Nations

November 3, 2008

Gwartney, Chapter 15:
Chapter 16:

TEST II, Chapters 5, 20 – 26; Sunk Cost Lecture

Creating an Environment for Growth and Prosperity
Institutions, Policies, and Cross--Country Differences in Income and Growth

November 10, 2008

Gwartney, Chapter 6:

Chapter 7:
Chapter 8:

The Economics of Collective Decision Making
Film on the Great Depression
Taking the Nation's Economic Pulse
Economic Fluctuations, Unemployment, and Inflation

November 17, 2008

Gwartney, Chapter 9:
Chapter 10:

An Introduction to Basic Macroeconomic Markets
Economic Instability

November 24, 2008

Gwartney, Chapter 11:
Chapter 4:

TEST III, Chapters 15-16, 6-10
Fiscal Policy
Pages 98–101

December 1, 2008

Gwartney, Chapter 12:
Chapter 13:
Chapter 14:

Money and the Banking System
Modern Macroeconomics and Monetary Policy
Stabilization Policy, Output, and Employment

December 8, 2008

Gwartney, Chapter 17:
Chapter 18:

Gaining from International Trade
International Finance and the Foreign Exchange Markets

December 15, 2008

FINAL EXAM at 5:30 p.m. Please be on time! Covers all material to date, with emphasis on material since Test III.

The Belk College of Business strives to create an inclusive academic climate in which the dignity of all individuals is respected and maintained. Therefore, we celebrate diversity that includes, but is not limited to ability/disability, age, culture, ethnicity, gender, language, race, religion, sexual orientation, and socio-economic status.