

Rockhurst University  
Helzberg School of Management  
EC4550 Principles of Economics  
Fall 2006

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Instructor: Jacob Kurien, Ph.D.  
Place & Time: Conway 203, Thursday, 6:00 pm – 8:40 pm  
Office: Conway 304  
Office Hours: Tuesday and Thursday; 10:00 am – 12:00 noon  
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**Text:** “Principles of Economics” 7<sup>th</sup> Edition, 2004, Case, Karl E., and Fair, Ray C., Pearson-Prentice Hall

**Course Information:**

Credit Hours: 3  
Prerequisite: Junior standing or post-baccalaureate pre-MBA student

**Method of Instruction:** Lecture, use of instructional aid, class participation

**Course Description**

This is an introductory course focused towards economic concepts, principles and its basic applications in business.

**Learning Objectives**

After completing the course, students should be able to:

- understand basic economic concepts, principles and tools of analysis
- critically evaluate the working of a market economy
- comprehend domestic and global economic affairs

**Course Requirements**

For the better understanding of the course contents, it is strongly recommended that students read the assigned chapters and actively participate in classroom discussions.

**Attendance Policy:**

It is required that students attend classes regularly and be on time for the class. However, if a student expects to miss class for personal reasons, the permission of the instructor is required. The instructor can drop a student from the course or lower the grade for lack of attendance. Students are responsible for keeping track of their attendance. A student will be administratively withdrawn from the course after prior notices given if he/she misses class for two consecutive weeks.

### **Evaluation:**

There will be three exams: two mid-term tests and one final exam at the end of the semester.

I Test	50 points
II Test	50 points
Final Exam	50 points
Term Paper	25 points
Presentation	<u>25 points</u>
Total	200 points

The format for the midterm tests and final exams will be as follows:

- i) True/False
- ii) Multiple Choice
- iii) Problem Solving
- iv) Essay Questions

### **Make-up Exams:**

It will be given to only those students who miss an exam for valid reasons. However, the student must inform the instructor about his/her inability to take the exam on the schedule date. The make-up exams must be taken before the end of the scheduled test week.

### **Grades:**

90% or above = A (outstanding)	180-200 points
80% - 89% = B (Highly Satisfactory)	160-179 points
70% - 79% = C (Satisfactory)	140-159 points
50% - 69% = D (Pass)	100-139 points
Less than 50% = F (Fail)	below 100 points

### **Term Paper**

At the beginning of the semester a research proposal will have to be submitted for comments and suggestions. The proposal should focus on an economic issue of interest to you and within the scope of the broad area of study.

Format for the Proposal:

- a. Tentative Title
- b. Choice of the Topic: Need for the study
- c. Study Objectives
- d. Study Methodology
- e. Tool/s of Analysis/es
- f. Study References

Format to be followed for the Term Paper:

- a. Name
- b. Title of the Paper
- c. Table of Contents
- d. Brief review of the researched material, comments, observations and conclusions.
- e. List of the references, with documentary support, e.g., photocopy, original articles, information downloaded from the website.
- f. Staple the above document/s to the final term paper.
- g. The term paper must be printed; double-spaced and should not exceed 5-6 pages in length.
- h. Your proposal must also be returned along with the term paper.

**Note:** If your paper is Graded “A”, you are eligible for 5 bonus points. A paper to be graded “A” should:

- a. comply with the suggested format
- b. not be plagiarized
- c. be concise and analytical
- d. be submitted on time

### **ADA Statement**

- RU official policy: “Rockhurst University is committed to providing reasonable accommodations for students with disabilities. Please contact Sandy Waddell, Director, Access Office (Massman Hall Room 7, (816) 501-4689, [sandy.waddell@rockhurst.edu](mailto:sandy.waddell@rockhurst.edu)) to provide documentation and request accommodations. If accommodations have already been approved by the Access Office, please communicate with the instructor of this course regarding these arrangements by the second week of class in order to coordinate receipt of services.”

### **Student Contact Information:**

- RU official policy: “Student contact information must be kept current in order to receive important notices from Rockhurst University. Your contact information is online via your BannerWeb account. Please check your local address, local phone number, and emergency contact information on BannerWeb and revise as needed. All important University notices will be sent only to your RU email address. Please check your RU email account in addition to any other email accounts you may have. Accounts are activated at the Computer Services Help Desk (Conway 413).”

### **Academic Honesty Policy:**

- Plagiarism and cheating will not be tolerated. The Rockhurst University Catalog provides examples of academic dishonesty and outlines the procedures, penalties, and due process accorded students involved in academic dishonesty. All infractions will be immediately referred to the Dean's office. In your research paper, make sure you provide citations for all ideas and information that are not your own.

**Course Outline**  
**EC4550**  
**Principles of Economics**  
**Fall 2006**

<b>Chapter Title</b>	<b>Topics</b>
The Scope and Method Of Economics Chapter 1	Definition and use of the study of Economics; Scope of Economics; Method of Economics; Theories, models and economic policy
The Economic Problem: Scarcity and Choice Chapter 2	Scarcity, choice and opportunity cost; the production possibility Frontier; the economic problem; economic systems and markets.
Demand, Supply and Market Equilibrium Chapter 3	Firm and household; circular flow; output markets: demand and supply; shifts in demand and supply; market equilibrium; surplus and shortages
Demand and Supply Applications and Elasticity Chapter 4	Price system and allocation of resources; consumer surplus and producer surplus; elasticity of demand and measurements; calculating elasticities; elasticity and total revenue; determinants of demand elasticity; other elasticities
Short-run Costs and Output Decisions Chapter 7	Costs in the short-run; shape of cost curves; output decisions: Revenues, costs and profit maximization
Introduction to Macroeconomics Chapter 17	Scope and history of macroeconomics; macroeconomic concerns; role of the government; the circular flow macro model; the methodology of macroeconomics
Measuring National Output and National Income Chapter 18	Gross domestic product (GDP); calculating GDP: expenditure approach; nominal versus real GDP; limitations of the GDP concept.

<b>Chapter Title</b>	<b>Topics</b>
The Government and Fiscal Policy Chapter 21	Government in the economy; fiscal policy; multiplier effects; federal budget
The Money Supply and The Federal Reserve System Chapter 22	An overview of money; measuring money supply; the creation of Money and the money multiplier; the federal reserve system
Money Demand and Monetary Policy Chapter 23	The demand for money; demand determinants; money market; federal reserve and monetary policy
Globalization Chapter 34	The global circular flow; the benefits and costs; the globalization of labor markets; public policy and globalization
Economic Growth in Developing and Transitional Economies Chapter 35	Population and Poverty; Economic development; Strategies for economic development; economies in transition; transition to a market economy

EC4550  
Fall 2006  
Tentative Study Plan

<b>Week</b>	<b>Assignment/Topic</b>
I 08-24-06	Chapters 1 & 2
II 08-31-06	Chapter 3
III 09-07-06	Chapter 4
IV 09-14-06	Chapter 7
V 09-21-06	Test Review and 1 <sup>st</sup> Mid-Term Exam
VI 09-28-06	Chapters 17 & 18
VII 10-05-06	Chapter 21
VIII 10-12-06	Chapter 22
IX 10-26-06	Chapter 23
X 11-02-06	Test Review and 2 <sup>nd</sup> Mid-Term Test
XI 11-09-06	Chapter 34 Term Paper Presentation
XII 11-16-06	Chapter 35 Term Paper Presentation
XIII 11-30-06	Final Exam Review Term Paper Presentation
XIV 12-07-06	Final Exam

**Dates to Remember:**

- 08-31-06      Submit Term Paper Proposal
- 09-21-06      1<sup>st</sup> Mid-Term Exam
- 11-02-06      Submit Term Paper and 2<sup>nd</sup> Mid-Term Exam
- 12-07-06      Final Exam