

# Department of Economics

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Professor Emeritus:	Makdisi, Samir
Professor:	Neaime, Simon E.
Associate Professors:	Dagher Leila N.; Salti, Nisreen I.
Assistant Professors:	Abboud, Ali; Tuncay, Muhammed Alparslan; Yamout, Nadine
Lecturers:	Bou Nassar, Makram; Ramadan, Usamah H.
Instructors:	El Baba, Nora; Hamdan, Dana; Hamadeh, Hiba; Kanaan, Maya Z.; Makki, Ghina; Makki, Malak, Z.; Nader, Pamela; Rebeiz, Sylvia; Sabra, Raja ; Sibliini, Farah

## BA in Economics

### Mission Statement

The undergraduate program in Economics is a rigorous quantitative program which enhances students' analytical skills and critical thinking. In addition to broader economic concepts, the understanding of economic issues pertaining to the Middle East and North Africa region is given special attention. The department is committed to a liberal arts philosophy and the development of leadership skills in the field of economics. The Program develops its students' professional competencies and responsible citizenship skills, and prepares them for a variety of careers in economic research, financial economics, and banking.

### Degree Requirements

The requirements for a BA degree in Economics are 90 credits for students entering the department at the sophomore level. Students accepted in economics must attain an average of 2.3 or above in major courses during the first three terms in order to remain in the program. The distribution of these courses is as follows:

### University General Education Requirements

The General Education requirements are Understanding Communication - English (6 credits), Understanding Communication - Arabic (3 credits), Cultures and Histories (9 credits), Human Values (3 credits), Societies and Individuals (6 credits), Understanding the World and Quantitative Reasoning (9 credits with at least 3 credits from each), and Community Engaged Learning (3 credits).

At least one of the courses from Cultures and Histories or Human Values should be from the History of Ideas: CHLA. At least one course from your degree requirements (except Understanding Communication) should cover the theme of Social Inequalities (3 credits).

## Major Requirements

- Major Courses: 36 credits of Economics courses including 21 credits as required courses (ECON 211, ECON 212, ECON 213 (or STAT 230), ECON 214, ECON 215, ECON 217, ECON 227), and 15 credits as elective economics courses
- Required courses from outside the department: 12 credits including MATH 201, MATH 202, MATH 218 (or MATH 219), and ACCT 210
- Electives from outside the department: 9 credits of free electives. Students majoring in Economics are restricted from taking MATH 203 and MATH 204 as a free elective.

Transfers from other programs to a major in economics require an overall average of 3.0 or more; a minimum grade of B in each of ECON 211 and ECON 212; a minimum grade of C+ in ENGL 203; and a minimum cumulative average of 2.3 in MATH 201 and MATH 202.

Economics majors whose economics average falls below 2.3 in their first two terms in the major will be placed on departmental probation. Majors who have an average below 2.3 in their economics courses at the end of their third regular term in the major will be dropped from the major.

## Minor Requirements

The minor program in economics requires 15 credits: ECON 211, ECON 212, one of ECON 214 or ECON 239 or ECON 243, at least one of ECON 217 or ECON 227, and one elective other than ECON 213 chosen from the available offerings, provided their prerequisite (or equivalent) has been satisfied.

## Course Descriptions

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**ECON 101**      **Introduction to Microeconomics**      **3.0; 3 cr.**  
An introductory survey of the principles of microeconomics, designed primarily for freshman students. *Annually.*

**ECON 102**      **Introduction to Macroeconomics**      **3.0; 3 cr.**  
An introductory survey of the principles of macroeconomics, designed primarily for freshman students. *Annually.*

**ECON 203**      **Survey of Economics**      **3.0; 3 cr.**  
Elementary principles of microeconomics and macroeconomics and applications. *Students majoring in economics cannot receive credit for ECON 203. Students who take ECON 203 may not receive credit for either ECON 211 or ECON 212. Every term.*

**ECON 211**      **Elementary Microeconomic Theory**      **3.0; 3 cr.**  
General principles of microeconomics; includes elements of supply and demand, consumer behavior, costs, market structures, and income distribution. *Students cannot receive credit for both ECON 211 and AGSC 212; however, the courses will not be treated as equivalent. Students cannot receive credit for ECON 211, AGSC 212 and HMPD 251. Every term.*

**ECON 212 Elementary Macroeconomic Theory 3.0; 3 cr.**  
 General principles of macroeconomics; aggregate supply and demand framework is used to analyze overall movements in prices and national output, inflation and unemployment, and monetary and fiscal policies. *Students cannot receive credit for both ECON 203 and ECON 212. Every term.*

**ECON 213 Economic Statistics I 3.0; 3 cr.**  
 Display of data, properties of probability, methods of enumeration, conditional probability and independent events; univariate and bivariate distributions corresponding to both discrete and continuous variables; expectation, variance, covariance and correlation, moment generating functions, independent random samples and the central limit theorem; basics of confidence intervals and hypothesis testing. *Pre- or Corequisite: MATH 201. Equivalent course: STAT 230. Students can get credit for only one of BUSS 200, ECON 213, EDUC 227, STAT 201, STAT 210, or STAT 230. Every term.*

**ECON 214 Economic Statistics and Econometrics 3.0; 3 cr.**  
 Classical linear regression model and the multiple regression model in matrix form; the criteria for estimators; multicollinearity, serial correlation, heteroskedasticity; identification and estimation of simultaneous equation models and applications. *Prerequisites: ECON 211 or ECON 212, ECON 213 or STAT 230, and MATH 201. Every term.*

**ECON 215 Applied Econometrics 3.0; 3 cr.**  
 A comprehensive treatment of econometric techniques applied in cross-sectional and time series models. Topics include but are not limited to the estimation of bivariate and multiple regression models; validation tests; corrective methods employed when assumptions are violated; regressions with a qualitative dependent variable; logit models; VAR; and cointegration. *Prerequisite: ECON 214. Annually.*

**ECON 217 Intermediate Microeconomics 3.0; 3 cr.**  
 Theory of allocation of resources; consumers' choice and classical demand theory, exchange and welfare; theory of production and cost; price and output determination under alternative market structures; game theory and applications to oligopoly. *Prerequisites: ECON 211 and MATH 201. Every term.*

**ECON 218 Behavioral Economics 3.0; 3 cr.**  
 This course is a continuation of intermediate microeconomics I and offers an introduction to behavioral and experimental economics. It uses neo-classical economics as a benchmark from which psychologically informed models are derived. The course covers the foundations of individual behavior in economics under certainty and uncertainty, the paradoxes of choice, and the study of alternative choice models. It also examines the elements of experimental economics including auctions, bargaining, and simulated markets and the elements of behavioral game theory such as public goods games, dictator games, and ultimatum games.

**ECON 219 Economics of Financial Markets 3.0; 3 cr.**  
 A survey of capital markets and asset pricing models; determination of the link between financial markets monetary policy, and economic growth. *Prerequisite: ECON 227. Annually.*

- ECON 221 History of Economic Thought 3.0; 3 cr.**  
A survey of the history of economic thought, both theory and policy, with an emphasis on contemporary economic thought. *Prerequisite: ECON 217 or ECON 227, or consent of instructor. Annually.*
- ECON 222 Labor Economics 3.0; 3 cr.**  
A survey of the demand for and supply of labor, investment in human capital, market structure and efficiency of labor markets, collective bargaining, income distribution, and unemployment. *Prerequisite: ECON 217. Annually.*
- ECON 223 Economics of the Middle East 3.0; 3 cr.**  
A study of the resource endowment of the Arab Middle Eastern economies; their development experience, and the general outlook for growth and development. *Prerequisites: ECON 217 or ECON 227, ECON 211 and ECON 212. Occasionally.*
- ECON 226 Public Economics 3.0; 3 cr.**  
Introduction on the nature and the role of governments in the economy. This course covers market failure and government intervention, government failure and public choice, economic analysis of public policy, inequality and tax policy. *Prerequisite: ECON 217. Annually.*
- ECON 227 Intermediate Macroeconomics 3.0; 3 cr.**  
A study of the aggregate approach to economics, including the determination of output, employment, interest rates, and the price level. Inflation and stabilization policies, budget deficits and the national debt, business cycles, theories of consumption, and investment behavior. *Prerequisites: ECON 211, ECON 212, and MATH 201. Corequisite: MATH 202. Every term.*
- ECON 228 Monetary Economics 3.0; 3 cr.**  
Central banking and instruments of monetary management, alternative theories of the demand for money, the balance of payments and the processes of its adjustment. *Prerequisite: ECON 227. Annually.*
- ECON 230 Economic History 3.0; 3 cr.**  
Economic development of Europe and other areas up to 1914, with special emphasis on a number of distinct problems in different countries and historical periods. *Prerequisites: ECON 217 or ECON 227, ECON 211 and ECON 212. Occasionally.*
- ECON 232 The Economics of Institutions 3.0; 3 cr.**  
This course will examine the role played by institutions and political economy considerations in determining overall economic performance. The course aims to describe the role and evolution of institutions in economic growth, to understand basic models of politics, and to introduce the dynamic effects of fiscal and monetary policy. By the end of the course, students should be able to understand the role of institutional failure, models of governance and mis-governance, optimal fiscal policy, and the concepts of reputation, credibility, and time inconsistency. *Prerequisites: ECON 227.*
- ECON 235 International Trade 3.0; 3 cr.**  
Classical trade model, the Heckscher-Ohlin theorem and subsequent theoretical developments, tariffs, domestic distortions, customs union, trade, and economic growth. *Prerequisite: ECON 217. Annually.*

- ECON 236 International Finance 3.0; 3 cr.**  
A study of macroeconomic equilibrium in an open economy. Topics covered include the interpretation of the national accounts, exchange rate determination, monetary policy in an open economy under fixed and floating exchange rates, balance of payments crises and contagion, and a historical perspective of the international monetary systems. *Prerequisites: ECON 217 and ECON 227. Annually.*
- ECON 237 Economic Development I 3.0; 3 cr.**  
An introduction to development economics that covers the theory and empirics of development, quality of life, poverty, inequality, and knowledge-based policy making in the context of the challenges faced by developing countries including market-oriented reforms, impact of globalization, urbanization, agricultural development, and gender equality. *Prerequisite: ECON 217 or ECON 227. Annually.*
- ECON 239 Introduction to Mathematical Economics 3.0; 3 cr.**  
Linear algebra, single variable optimization, multi-variable optimization, and constrained optimization- basic theoretical concepts and practical applications- with an emphasis on the use of general functional forms and on comparative statics and with several examples drawn from the economics of uncertainty. *Prerequisite: ECON 217. Annually.*
- ECON 240 Economic Development II 3.0; 3 cr.**  
Models of economic development and growth; macroeconomic planning; policy formulation and implementation in developing countries. *Prerequisite: ECON 227. Annually.*
- ECON 241 Industrial Organization 3.0; 3 cr.**  
Application of microeconomics; analysis of factors affecting market structure, conduct and firm behavior in imperfectly competitive industries; survey of theories relating to intensity of competition and maintenance of market dominance; rationale for antitrust laws. *Prerequisite: ECON 217. Annually.*
- ECON 242 Energy Economics 3.0; 3 cr.**  
This course introduces key aspects of major energy markets including oil, natural gas, coal, electricity, nuclear power, and renewable energy. It focuses on building economic models to analyze the various energy markets and uses these models to explore taxes and social welfare, government regulation and deregulation, public policy, and externalities. *Prerequisite: ECON 217. Occasionally.*
- ECON 243 Introduction to Game Theory and Economic Behavior 3.0; 3 cr.**  
Basic concepts and methods of game theory with applications to economic problems, Nash equilibrium, mixed strategies, zero sum games, repeated games. *Prerequisite: ECON 217. Annually.*
- ECON 290 Special Topics in Economics 3.0; 3 cr.**  
**(A,B,C...)**  
*May be repeated for credit on different topics. Prerequisite: Junior or senior standing. Annually.*
- ECON 295 Senior Seminars in Economics 3.0; 3 cr.**

## 36 Credits in Economics (21 + 15)

Modes of Analysis	Understanding Communication - English and Arabic (9)	Cultures and Histories (9), Human Values (3)	Economics and Societies and Individuals (21+15+3+3)	Understanding the World (6), Quantitative Reasoning (9)	Community-Engaged Learning (3)
Lecture courses (9+12+42+6+12)	<ul style="list-style-type: none"> <li>Required Arabic-course (3)</li> <li>Required English courses: ENGL 203(3), 204(3)</li> </ul>	<ul style="list-style-type: none"> <li>Required credits in the Cultures and Histories: 9 credits including History of Ideas and 3 credits Human Values</li> </ul>	<ul style="list-style-type: none"> <li>Required economics courses (18): ECON 211(3), 212(3), 213(3), 214(3) [P213], 215, [P214], 217(3) [P211, 212], 227(3) [P211, 212]</li> <li>Five elective economics courses from the following and/or seminar courses (15): ECON [P214], 218(3) [P217], 219(3) [P214, P227], 221(3) [P217, P227], 222(3) [P217, 223(3) [P211, P212], 226(3) [P217], 228(3) [P227], 230(3) [P211, P212], 232(3) [P227], 235(3) [P217], 236(3) [P217, P227], 237(3) [P217], 239(3) [P217], 240(3) [P227], 241(3) [P217], 242(3) [P217], 243(3) [P217], 290(3) and 295(3).</li> <li>Required business course (3): ACCT 210(3)</li> <li>One Societies and Individuals course must be an approved General Education course from outside the major</li> </ul>	<ul style="list-style-type: none"> <li>Understanding the World electives (6)</li> <li>Required mathematics courses: MATH 201(3), 202(3) [P201], 218(3) or 219(3) and CMPS 209 or CMPS 201 (3) or CMPS 203</li> </ul>	<ul style="list-style-type: none"> <li>Required (3)</li> </ul>
Laboratory (0)					
Research project (0)					