

# ECONOMICS ELECTIVES Spring 2024

*Immerse yourself  
in Economics*



**Visit the Economics Department website:**

<http://academics.bentley.edu/departments/economics>

*A major corporation contemplates the introduction of a new product line. Is there a way to predict the strength of consumer demand? How are consumer decisions influenced by price changes? How does the firm decide what price to charge and how much output to produce? What is the nature of competition in the industry? What strategies do firms use to compete? To learn about these and other interesting concepts in microeconomics, enroll in EC224.*

**EC 224**  
**INTERMEDIATE PRICE THEORY**



Intermediate Price Theory develops and reinforces the theory of price determination introduced in Principles of Microeconomics. In EC 224 Intermediate Price Theory, students gain a thorough understanding of microeconomic theory, which helps explain the operation of markets, the determination of price, and the decision-making processes of firms and consumers. Economic modeling and other useful, analytical tools are developed in the course and utilized to explore microeconomic theory and to demonstrate its relevance in understanding markets and pricing decisions. Among the topics to be studied are consumer choice, market predictions, production and cost analysis, profitability, competitive strategy, tax incidence and price discrimination.

Graphical models are the primary tool of analysis supported by basic algebra and introductory calculus. This course is required for all honors Economics-Finance, Business Economics and Quantitative Economics majors.

**Business Related Elective**

***Prerequisites: EC111 & EC112***

***Professor: Ben Chartock, AAC 179, Ext. 2423***  
***Block: 1***

***Professor: Onur Altindag, AAC 181, Ext. 7111***  
***Block: 12***

*Are there ways to predict the strength of market demand? What factors are most important to determining price? Can consumer preferences and buying decisions be assessed in a systematic way? How do firms determine input usage and production levels to minimize costs? Why are some industries highly competitive while others are dominated by a single firm? What competitive strategies facilitate profitability? To learn about these and other interesting concepts in microeconomics, enroll in EC224.*

**EC 224 - HONORS**  
**INTERMEDIATE PRICE THEORY**

Intermediate Price Theory is a field of study concerned with price determination in the marketplace and the interactions among consumers, firms, and government in the market process. Consumer behavior and firm decision-making form the fundamental basis for the course of study. Economic modeling and other useful, analytical tools are utilized to explore microeconomic theory and to demonstrate its relevance to market definition, consumer choice, cost structure, pricing decisions, and competitive strategies.

Among the topics to be studied are market predictions, production technology, cost structure, profit analysis, monopoly power, price discrimination, game theory, asymmetric information, and behavioral economics.

Graphical and quantitative models using basic algebra and calculus are the primary tools of analysis in the course. Real-world applications also are used to illustrate the relevance of microeconomics to consumer and firm decisions. Readings from the economics literature will be used to complement text readings and students will attend an Economics Department seminar as well. This course is required for all honors Economics-Finance, Business Economics and Quantitative Economics majors.

**Business-related elective**

***Prerequisites:*** EC111 & EC112 (Honors Program Only)

***Professor:*** Naveen Sunder, AAC 187, Ext. 7161

***Block:*** 10

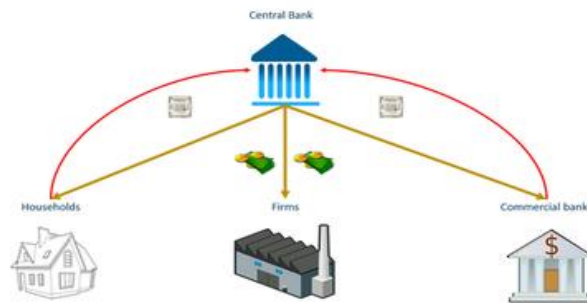
*Will you be making or communicating important business decisions? Is it a good time to hire, expand, invest, or launch a new business? Are interest rates about to rise or fall? Is this a good time to issue/buy/sell that stock or bond? Understanding the macro-economy is crucial to many decisions. Do you follow U.S. and world news, economic and financial? Do you want better insights into those developments?*

*This course explains the workings of the economy and the impact of new policies, both monetary and fiscal. Learn how Fed decisions impact the economy and your sector or business.*

*Learn about the role of taxes, fiscal budgets/deficits, and national debt in the economy. Is the economy booming or in recession? What will it do next year, in the near and long term?*

*This course will analyze the issues above and help you become a fully engaged participant in important economic/business discussions and decisions.*

## **EC 225** **INTERMEDIATE MACROECONOMICS**



This course analyzes the macroeconomic environment in which business operates. We examine reports and measures (GDP, CPI, interest rates, etc.) used to describe the performance of the macro economy. We analyze the economic behavior of households and businesses as well as the determination of GDP, inflation, unemployment, and interest rates.

We examine fiscal policy (the government) and the monetary policy (Federal Reserve/Central Bank) and determine their impact on economy. We study disagreements concerning fiscal and monetary policy, using different macroeconomic approaches.

Throughout the course, we will apply key analytical concepts to real situations and current events. We will occasionally look at financial markets: stocks and bonds. The course utilizes graphs in addition to some algebra. This course is required for all Economics-Finance, Business Economics and Quantitative Economics majors.

### **Business related elective**

***Prerequisites:*** EC111 & EC112

***Professor:*** Elias Bikhazi, MOR 120, Ext. 2413

***Blocks:*** 5 & 9

***Professor:*** Ezgi Kurt, AAC 177, Ext. 2029

***Block:*** 7

*Do you read the newspaper or watch the news on television? Do you want to understand it better? This course explains the workings of the economy and the effects of actions made by policymakers. Learn the effects of Jay Powell's decisions and why he makes them. Learn the effects of the new tax cuts, spending increases and budget deficits on the economy. How does the economic situation today compare with those we have experienced in the past? We will analyze all of these issues using the major macroeconomic frameworks. Learn macroeconomics and better understand the world around you. Impress your friends, impress your boss, take macroeconomics.*

**EC 225 HONORS**  
**INTERMEDIATE MACROECONOMICS**

This course analyzes the macroeconomic environment in which businesses operate. We will begin by examining the nature of the statistics used to describe the performance of the macro economy. The economic behavior of consumers and businesses is analyzed, as is the determination of key macroeconomic indicators such as national income, inflation, unemployment, and interest rates. The fiscal policies of the government and the monetary policies of the central bank are examined to determine their impact on macroeconomic performance. Disagreements concerning fiscal and monetary policies are examined using different macroeconomic theories.

During the course, periodic data-based problem sets are used to apply key analytical concepts, as well as readings on emerging topics in macroeconomic policy and theory, which are used to keep abreast of contemporary macroeconomic developments. In addition, readings on current theory and policy issues will be required. The course utilizes graphs extensively in addition to essays, algebra, and outside readings. This course is required for all honors Economics-Finance, Business Economics and Quantitative Economics majors.

**Business related elective**

***Prerequisites: EC111 & EC112 (Honors Program Only)***

***Professor: Michael Quinn, AAC 175, Ext.2938***

***Block: 6***

**EC 282**  
**INTRODUCTION TO ECONOMETRICS**



This course aims to introduce modern econometric analysis to business students. It provides tools to infer meaningful information from data using descriptive and regression analyses. In the first half, it reviews the basic statistics used in econometrics and introduces mechanics of univariate and multivariate regressions. In the second half, we focus on causal interpretation of regression results, measures of fit, choice of functional form, multicollinearity and issues related to overfitting a prediction model and how to fix them. The course introduces students to the open-source interfaces such R, RStudio, and GitHub. Using these tools, students are expected to improve basic data manipulation skills, obtaining and interpreting sample statistics, conducting meaningful regression analysis and prediction.

**Business Related Elective**

***Prerequisites:*** EC111, EC112 & GB213, not available to students who have taken MA 252

***Professor:*** Onur Altindag, AAC 181, Ext. 7111

***Blocks:*** 4

**Business Related Elective**

**Professor:** *Naveen Sunder, AAC 187, Ext. 7161*

**Block:** 12



**EC 333**  
**THE ECONOMICS OF THE EUROPEAN UNION**



At the beginning of the century, the EU was an ever-expanding, integrating institution. But the last decade has been a turbulent one for the European Union. The EU is currently facing the fallout from Brexit, large numbers of refugees, war in Ukraine, and inflation. This is a critical time for the “European project”. The events in Europe are an important concern for businesses and are of general interest to the populace. However, few people have the background for a deep understanding of these issues. This course will provide you with a comprehensive knowledge of the EU and the ability to analyze and discuss issues in the EU. We will analyze the evolution of the Union, the monetary union and the common currency, the European economic policies towards issues that affect the whole globe, and finally we will try to examine what the future of the union is in terms of their multiple crises. The course involves a wide range of topics involving the EU such as trade, immigration, macroeconomic policies, labor markets and institutions. The course has a textbook for the economic theory which is then augmented by weekly readings from the Economist and other sources. It is important to be able to talk about the EU so there will be essays on the exams.

**Business related elective - International Focus**

***Prerequisites:***    ***EC111 & EC112***

***Professor:***        ***Michael Quinn, AAC 175, Ext. 2938***

***Block:***              ***11***



**EC 343**  
**HEALTH ECONOMICS**



The U.S. health care system comprises over 17 percent of GDP. Employment in the health care sector has continued to expand, while the rest of the private sector has stagnated or witnessed job losses. Critics argue that health care costs are too high and rising too fast, and that almost 48 million Americans remain uninsured. Some believe that the U.S. health care system should be restructured more like the systems in Europe and Canada where health care is socialized, and the government plays a dominant role. Others believe that the health care services industry should be deregulated so that the private marketplace can weave its special magic.

With this backdrop in mind, Health Economics uses various concepts of economic analysis to better understand the workings of the health economy. Supply and demand factors relating to medical care, along with other microeconomic tools are discussed and applied to the health care sector. In addition, the course will analyze the operation and performance of the key players in the sector: consumers, insurance industry, pharmaceutical industry, hospitals, physicians, and the government. Contemporary public policy, most notably President Obama's Affordable Care Act, will also be examined through an economics lens.

Students should gain from taking this course in two essential ways. First, students may find themselves working in a health care related occupation (health care financial analyst, hospital administration, etc.) as the health economy continues to grow at a much quicker rate than most of the other sectors. Second, an enhanced understanding of the health economy will help students become better engaged in policy debates and make more informed choices in their roles as consumers and voters.

**Arts & Science Elective**

***Prerequisites: EC111 & EC112***

***Professor: Ben Chartock, AAC 179, Ext. 2423***  
***Block: 17***

**EC 351**  
**CONTEMPORARY ECONOMIC ISSUES**



Contemporary Economic Issues will cover current controversies—the state of the macro economy, fiscal policy and taxation, banking and finance, the social-welfare state, environmental protection, labor and unions, economic inequality, corporations, and the changing global economy. We will also cover in this class “Critical Thinking” in the areas of Logical Fallacies and Cognitive Biases. We shall cover issues in an up to the minute manner as they arise as well as reflect on recent issues and controversies. This is a very active class as to reading, in-class presentations and discussion.

**Arts & Science Elective**

***Prerequisites: EC111 & EC112***

***Professor: Bryan Snyder, AAC 274, Ext. 2446***

***Block: 3***

**EC 370**  
**BEHAVIORAL & EXPERIMENTAL ECONOMICS**



This course introduces the complementary fields of Experimental Economics and Behavioral Economics. Behavioral Economics adds insights from Psychology to the economic model of behavior. In so doing, it looks beyond the standard neoclassical model of how people and firms make decisions, examining ways in which behavior is not consistent with strict rational self-interested decision-making. This includes “irrational” behavior such as over-valuing losses and failing to exert the effort needed to find the exact choice that maximizes personal payoffs. It also includes social preferences, where people care about the payoffs of others and not just themselves out of concern for fairness or altruism. Frequently, we will review how standard economic theory predicts how people will behave in a given situation and compare that to how people actually behave.

**Business Related Elective**

***Prerequisites: EC111 & EC112***

***Professor: Jeffrey Livingston, AAC 171, Ext. 2538***

***Block: 11***

**EC 375**  
**THE ECONOMICS OF SPORT**



**Course Description:**

This course allows students to develop a detailed economic understanding of the professional and amateur sports industry. Relying on economic principles and well-developed economic models, the course material analyzes a variety of current-day issues facing the sporting industry. Topics include: competitive balance issues, such as, revenue sharing, salary caps, and luxury taxes; government's role in the sports industry, and; player issues, such as, racial and wage discrimination, free agency, and superstar effects.

**Course Goals:**

There are four major goals of this course. Each student should achieve the following:

- A better understanding of how the principles of economics apply to the sporting industry.
- An understanding of the overall market structure each major sport operates in.
- An ability to apply economic theory and models to analyze industrial organization, public finance, and labor market issues within the sports industry.
- A strong foundation to understand how economic tools can assist managers with their decision-making process for a variety of current-day, real world applications facing the sports industry.

**Course Learning Objectives:**

After completing this course a student should have acquired the following:

**Knowledge-Demonstration:** An ability to critically analyze and discuss from a theoretical perspective a variety of current-day economic issues facing the sports industry. These topics include: market structure issues, ticket pricing strategies, stadium financing issues, and labor market issues.

**Skills-Demonstration:** An ability to read and better comprehend a variety of published economic information about the sports industry. This includes popular press articles from the major newspapers and magazines, as well as, academic research articles from a variety of scholarly economic journals.

**Perspective-Demonstration:** An ability to look at the sports industry from a more complete perspective. Initially most students see the sports industry from only a fan's perspective. After completing this course, each student should see the sports industry for what it is- A Business!

**Business Related Elective**

***Prerequisites: EC111, EC112 & (GB210 or GB213)***

**Professor:** Scott Callan, MOR 389, Ext. 2024  
**Block:** 10

*Are you tasked with making critical business decisions? Are you interested in forecasting demand for a specific product or service? Wondering about the factors influencing housing prices? This course explains the workings of predictive modeling, statistics and forecasting in the economy. Learning time series is crucial to many decisions and provides key insights into the data science underpinning macroeconomics. Enroll in this course and gain proficiency in tools of time-series statistical modeling and forecasting.*

**EC 382 (Formerly EC 245)**  
**TIME SERIES ANALYSIS**



Time-series are data following one unit of observation (a firm, a sector, a country) over a period of time EC382 is a course in the use of time-series analysis in Economics, Finance and Business. Students will develop and apply a range of methods that can describe time-series patterns and generate useful forecasts, including time series decomposition, autocorrelation, and partial autocorrelation functions, moving average, and smoothing of time series, linear regression, moving average and autoregressive models, vector auto-regression models, and vector error-correction models. We will make extensive use of statistical software. Applications of these techniques will include managing business operations, financial analysis, and economic forecasting, earnings projections, recessions, and inflation.

**Business Related Elective**

***Prerequisites:***     ***EC111, EC112 & (GB210 or GB213)***

***Professor:***         ***Ezgi Kurt, AAC 177, Ext. 2029***

***Block:***                ***9***

**EC 431**  
**RESEARCH IN BUSINESS ECONOMICS**



This capstone course is designed to introduce you to the fundamentals of business economic research. Through a series of examples of economic research, you will learn how to apply economic reasoning to public policy evaluation and business decisions in a variety of microeconomic settings. The course will teach you a variety of statistical models that economists use.

Specific course topics include: demand analysis and elasticity measurement; evaluation of the impact of public policies; strategic product pricing initiatives; cost, production and profit measurement and analysis; and the impact of incentives on behavior in a variety of interesting contexts.

As the capstone course, students are required to prepare an independent, comprehensive research project. This project will introduce students to the entire economics research process: identifying an interesting, focused research question that can feasibly be answered, reviewing theory that is closely related to the question and identifying testable implications of the theory, finding data needed to answer the question, and employing the proper econometric techniques needed to confront any challenges the nature of the data may present.

**Business Related Elective** - **COMMUNICATION INTENSIVE**

***Prerequisites:*** **EC224 & (ME or EF major or IP) & (CC7 or WP)**

***Professor:*** **Dhaval Dave, AAC 197, Ext. 2268**

***Block:*** **10**

*Have you ever wondered:*

*Why do financial markets pay so much attention to the Fed? How low can interest rates go? How will the euro affect the economies of Western Europe? What does Monetary Policy do? Find the answer to these and many other questions in EC391.*

**EC 441**  
**MONETARY ECONOMICS**



An understanding of monetary policy is essential for anyone working in the financial markets because monetary policy has an important impact on inflation, interest rates, unemployment, and output. This has become even more evident with the recent financial and credit market crises.

This course will take an especially close look at how monetary policy impacts the major financial markets, particularly the bond market. After reviewing the link between monetary policy and the macro-economy we will consider monetary policy in some detail. The course will focus on some of the major issues faced by U.S. monetary policymakers as we discuss the tools, targets, and goals of Federal Reserve policy and consider the current debates over the direction of U.S. monetary policy.

In the final section of the course, we will shift our analysis to the international arena. This will include an evaluation of the impact of monetary policy on both spot and forward exchange rates. We will also examine the relative merits of fixed and flexible exchange rate systems. This analysis will then be applied to various real-world cases such as the EMU, currency boards, and exchange rate crises.

**Business Related Elective - COMMUNICATION INTENSIVE**

***Prerequisites:*** FI305 & (FI 306, or FI 320) & EC225 & (CC7 or WP)

***Note:*** May not be taken by students who have completed EC211

***Professor:*** Sacha Gelfer, AAC 167, Ext. 2737

***Blocks:*** 8 & 11



**EC 483**  
**Applied Econometrics**



A key challenge facing decision-makers is the interpretation of vast amounts of data generated within an economic system and the business framework. Econometrics plays an important role in data analytics – it is an essential tool in the assessment of business strategy and practice, in policy evaluation, in empirically testing theory-based predictions, and in understanding causal effects in the social sciences. Introduction to Econometrics (EC282) was the first course in this sequence designed to teach students some of the essentials of econometric modeling.

This capstone course is designed to extend students' knowledge of econometric methodology and applications. It will specifically cover micro-econometric tools applied to complex data series, including methods used to analyze panel and longitudinal data (pooling of cross-sectional and time-series data), methods used to model discrete outcome variables, methods used to estimate causal relationships in real-world settings, and prediction methods with “big data”.

This is a “hands-on” course in which students will not only learn the essentials of econometric methodology but will also learn to read and interpret existing studies in economics and business, and conduct empirical analyses of their own using real-world data and applications. This capstone course will thus also introduce students to the fundamentals of conducting empirical economic research.

**Arts & Science Elective**

***Prerequisites:*** EC 282 or MA 252

***Note:*** This course is not open to those who take or have taken EC 431

***Professor:*** Dhaval Dave, AAC 197, Ext. 2268

***Block:*** 12