

ECONOMICS, B.A.

Faculty Michael Ayers (emeritus), Adil Mouhammed, Baker Siddiquee, Leroy Wehrle (emeritus)

Associated Faculty Shahram Heshmat, Nancy Scannell, Robert Sipe

Adjunct Faculty Mohammed Shahidullah

Degrees offered: Bachelor of Arts, Undergraduate Minor

DEPARTMENTAL GOALS AND OBJECTIVES

The goal of the economics program is to help students build strong conceptual thinking and problem-solving skills by understanding and applying economic theory to real world problems. Specific program objectives include the development of 1) basic knowledge of micro- and macroeconomic theory and quantitative methods of analysis, 2) skills in research using the theories and methods of economic analysis, and 3) skills for communicating the theories and applications of economic theory.

ADVISING

New students must contact the department for initial advising to plan a program of study that reflects their interests and satisfies degree requirements.

Contact: Information about the economics program

is available at (217) 206-7174. Information can also be requested at eco@uis.edu.

THE BACHELOR'S DEGREE

The B.A. in economics is designed to meet the standards set by the profession. Through its curriculum and faculty resources, the department seeks to prepare its graduates with the requisite skills and knowledge to perform successfully in careers in many settings – private enterprise as well as government or not-for-profit enterprises.

ENTRANCE REQUIREMENTS

All departments in the College of Business and Management require foundation knowledge in accounting, economics, mathematics, statistics, and the behavioral sciences. UIS courses that satisfy the foundation knowledge requirement include:

ACC 211 Introduction to Financial Accounting **and**

ACC 212 Introduction to Managerial Accounting

or ACC 311 Administrative Uses of Accounting

ECO 313 Statistics for Business and Economics

MAT 113 Business Calculus (or other calculus or finite math equivalent)

ECO 201 Introduction to Microeconomics **and**

ECO 202 Introduction to Macroeconomics **or**

ECO 315 Economics for Administration

Behavioral science course (psychology, sociology, etc.)

Foundation coursework does not apply toward the 60 hours of upper-division coursework required for the degree. A minimum GPA of 2.00 (C) is required in the foundation coursework for entry to the program core courses.

DEGREE REQUIREMENTS

A student must complete 60 semester hours of upper-division coursework to earn a B.A. in economics.

College Core

18 Hrs.

(Required of all undergraduate College of Business and Management students)

BUS 302 Principles of Financial

Management

3 Hrs.

BUS 312 Principles of Marketing	3 Hrs.
BUS 322 Principles of Operations Management	3 Hrs.
MGT 310 Managing Organizational Behavior	3 Hrs.
MIS 352 Principles of Management Information Systems	3 Hrs.
MGT 488 Strategic Management and Leadership	3 Hrs.

Economics Core	20 Hrs.
ECO 301 Intermediate Microeconomics	4 Hrs.
ECO 302 Intermediate Macroeconomics	4 Hrs.
ECO 314 Quantitative Methods for Business and Economics	4 Hrs.
ECO 408 History of Economic Thought	4 Hrs.
ECO 413 Econometrics	4 Hrs.
Electives	10 Hrs.
University requirements (AST, PACs, or LSCs)	<u>12 Hrs.</u>
Total	60 Hrs.

An average GPA of 2.00 (C) or better is required for all UIS coursework to graduate. In addition, students must maintain an average GPA of 3.00 (B) or

better in the two theory courses, ECO 301 and ECO 302.

ECONOMICS MINOR

To earn a minor in economics, students must complete 16 semester hours of coursework. Prerequisite coursework includes ECO 315 Economics for Administration or two courses in principles of economics (micro and macro). Required courses (or their equivalents) include:

ECO 301 Intermediate Microeconomics	4 Hrs.
ECO 302 Intermediate Macroeconomics	4 Hrs.
Two upper-division economics courses	<u>8 Hrs.</u>
Total	16 Hrs.

COURSE DESCRIPTIONS

Service Courses

Not accepted toward satisfaction of upper-division economics degree requirements at UIS.

ECO 313 Statistics for Business and Economics (4 Hrs.)

Methods for collecting, analyzing, and interpreting numerical data for the purpose of making better decisions in business and management. Includes basic probability theory, analysis of variance, index numbers, seasonal

analysis, parametric and nonparametric tests, and regression and correlation analysis.

ECO 315 Economics for Administration (4 Hrs.)

Essential micro- and macroeconomic concepts as they apply to administrative decisions. Principal theories and analysis of efficient resource allocation are related to economic decisions of individuals, public and private organizations, and society. Primarily for students who have had no prior college-level work in economics.


Theory

ECO 201 Introduction to Microeconomics (3 Hrs.)

Provides students with fundamental issues related to the market price system, allocation of economic resources, cost and production of private firms, various market structures, prices of economic resources, and some issues related to welfare economics. Prerequisite: MAT 113, MAT 115, or finite math or equivalents.

ECO 202 Introduction to Macroeconomics (3 Hrs.)

Provides the student with materials related to business cycles, productivity, consumer expenditure, investment expenditure, the classical macro economic system, Keynesian theory, monetarism, and supply side economics. Also covers materials related to fiscal policy and monetary policy, as well as the budget. Globalization issues



such as international trade and the factor movement will also be discussed. Prerequisite: MAT 113, MAT 115, or finite math or equivalents.

ECO 301 Intermediate Microeconomics (4 Hrs.)

Consumer behavior, production theory, pricing in different market structures, and cost and allocation of resources. Introduction to general equilibrium theory and welfare economics. Prerequisite: Principles of economics, or ECO 315.

ECO 302 Intermediate Macroeconomics (4 Hrs.)

National income determination; classical, Keynesian, and post-Keynesian theories of employment, interest, and money. Analysis of business cycles, inflation, and economic growth. Economic policy for growth, stability, and full employment in light of recent theoretical and empirical developments. Prerequisite: Principles of economics, or ECO 315.

ECO 403 Institutional Economics (4 Hrs.)

Evolution, organization, and allocation functions of modern industrial economies. Philosophical and theoretical interpretations of the economy in light of contemporary developments in philosophy, economics, and social science.

ECO 408 History of Economic Thought (4 Hrs.)

Historical study of the body of knowledge and doctrine designated as "economics." Particular attention to his-

torical and social circumstances from which various concepts evolved and "theory" creation as an art. Prerequisite: Principles of economics, or ECO 315.

ECO 499 Tutorial in Economics (1 to 4 Hrs.)

Undergraduate readings and/or research in selected topics in economics. Arranged by the student with instructor of his/her choice. May not be substituted for a regularly scheduled class, nor may a particular topic be repeated for credit.

Quantitative Methods

ECO 314 Quantitative Methods for Business and Economics (4 Hrs.)

Matrix algebra, input-output analysis, linear programming and its application to allocation of economic resources and transportation, differentiation and integration of functions of one and several variables, optimization of constrained and unconstrained functions, inventory analysis, queuing, decision under risk and uncertainty, Markov chain, and game model. Prerequisite: ECO 313, or approved equivalent.

ECO 413 Econometrics (4 Hrs.)

Research methods in economics and statistical techniques used to estimate economic relationships. Includes random variables and probability distributions, theory of estimation and hypothesis testing, simple and multiple linear regression models, introduction to forecasting, and problems of single-equation estimation. Prerequisites: ECO 313 and ECO 314, or approved equivalents.

ECO 433 Introduction to Business and Economic Forecasting (4 Hrs.)

Introduction to quantitative approaches to business and economic forecasting: regression methods, exponential smoothing, ARIMA-Box-Jenkins methods, composite forecasting methods, judgmental forecasting, and evaluation of forecasting. Case studies in finance, production, marketing, economics, management, and other related areas, both in public and private organizations. Prerequisite: ECO 313, or approved equivalent.

Economic History and Comparative Systems

ECO 418 Economic History of the United States (4 Hrs.)

History of the evolution of the economic development of the United States, from colonial beginnings to the present. Emphasizes industrial capitalism since the Civil War and the major sources and factors that have contributed to building the economy of the world's largest and most prosperous nation, along with the problems of trade deficits, internal consumerism, and unequal distribution of income. The Depression and the New Deal, the world wars, inflation and unemployment, and problems of global changes are featured subjects. See HIS 448.

ECO 421 Comparative Economic Systems (4 Hrs.)

Similarities and differences between various economic systems through examination of systems of different countries, including the eastern bloc countries, China, and Japan.

ECO 426 Political Economy (4 Hrs.)

Analysis of competing theories and models of explanation in political science and economics as they comprise the basis for contemporary policy disputes and alternatives. Emphasis on the crisis tendencies/contradictions of the political economy of the United States and impact on the rest of the international economic order. See LAR 426 and POS 426.

Labor Economics**ECO 425 Labor Economics (4 Hrs.)**

Application of economic principles to problems in American labor, including employment, unemployment, and manpower policies; wage determination and wage policy; development and organization of trade unions in private and public sectors; social legislation; and policy for the labor market as these relate to contemporary social and economic problems. Prerequisite: Principles of economics, or ECO 315. See LAR 425.

Money and Finance**ECO 335 Money, Banking, and Financial Markets (4 Hrs.)**

Concentrates on principles of banking and financial markets with emphasis on commercial banks, Federal Reserve System, and other depository institutions and regulatory agencies. Monetarist and Keynesian monetary theories and empirical evidence on the effectiveness of monetary policy is presented. Money and capital markets,

risk and term structure of interest, and other topics in the area of financial markets are discussed. Prerequisite: Principles of economics, or ECO 315.

ECO 431 Financial Economics (4 Hrs.)

Economic analysis of the basic workings of financial markets, particularly measurement and pricing of risk and the intertemporal allocation of funds; theory of firm; time value of money; asset pricing; working capital policy and management of cash, receivables, and inventory positions; capital budgeting; risk return analysis; and introduction to options and futures. Prerequisite: ECO 335, or approved equivalent.

ECO 435 Theory of Finance and Applications (4 Hrs.)

Elements of finance theory and its application to real world problems. Covers investment decision under certainty and uncertainty, the theory of choice, utility theory given uncertainty, state preference theory, mean-variance theory, market equilibrium, CAPM and APT, option pricing theory, theory of efficient capital market, theory of capital structure and cost, theory of dividend policy, economics of leasing, and economic theory of mergers and tender offers. Prerequisite: ECO 313, ECO 314, and ECO 335, or approved equivalent, or permission of instructor.

ECO 437 Securities Markets (2 Hrs.)

Examination of the functional contributions of securities markets to economic activity. Particular reference to the

institutions and instruments that facilitate capital formation and economic activity at the national and international level. Prerequisite: ECO 335, BUS 302, or approved equivalent.

ECO 438 Futures and Options (2 Hrs.)


Primary examination of the futures and options markets and their contributions to economic activity. Discusses mechanics and use of the markets with particular emphasis on the financial instrument components. Prerequisite: ECO 437, or approved equivalent.

ECO 448 International Finance (4 Hrs.)

Provides basic understanding of the literature in international finance and reviews basic literature in multinational finance. Topics include foreign exchange markets, parity conditions in international finance, international investment, balance of payments, international monetary arrangements, Eurocurrencies and international money markets, multinational finance, foreign exchange risk management, multinational working capital, and foreign investment and financing. Prerequisite: Principles of economics or ECO 315 and ECO 313, or approved equivalent.

ECO 585 Business Cycles (4 Hrs.)

Characteristics of business cycles; measuring business cycles; classical and modern theories of business cycles; non-orthodox theories of business cycles (such as those of Veblen, Mitchell, and Kalecki); real business cycle; political business cycle; impacts of business cycles; and the role



of monetary and fiscal policy in business cycles analysis. Prerequisites: Principles of economics or ECO 315.

International and Development Economics

ECO 445 Economic Development (4 Hrs.)

Overview of principal economic problems of the Third World. Some major theories of causes of low income, various applications of economic analysis to specific policy issues and social and political considerations. Prerequisite: Principles of economics, or ECO 315.

ECO 447 International Trade and Finance (4 Hrs.)

Survey of pure theory of trade: classical trade theory, Heckscher-Ohlin-Samuelson theorem, and related topics; international trade and growth; theory of tariffs, protection, and customs union; and movement of factors of production. Survey of theory and policy of international finance: exchange rate theories, balance of payments, international financial markets, macroeconomic policy mix for external and internal equilibrium, LDC debt problem, and international cooperation. Prerequisite: Principles of economics, or ECO 315.

ECO 449 International Business (4 Hrs.)

Designed for graduate and undergraduate students of

economics interested in the field of international economics as well as the MBA who wants a specialty in the field of global business. Covers different approaches to international business; theory of direct foreign investment; multinational enterprises; and their strategies in marketing, production, management, and finance. Also covers the cultural aspect of global business and business-government interactions. Prerequisite: Principles of economics, or ECO 315.

Public Economics

ECO 456 Public Finance (4 Hrs.)

Microeconomic analysis of public finance and the role of government in a mixed economy, with attention to public goods theory, cost-benefit analysis, and taxation. Examines the economic basis of government and its functions; analyzes alternative government expenditures, regulations, and finances, including the Social Security and food stamp programs. Prerequisite: ECO 301 for majors, ECO 315 for non-majors.

Industrial Organization/Public Policy

ECO 461 Industrial Organization (4 Hrs.)

Structure, conduct, and performance of American industry: historical evolution, alternative industrial systems,

anti-trust policies and their alternatives. Technological change and its impact on both industrial performance and conventional economic theory.

ECO 462 Public Policy Toward Business (4 Hrs.)

Through the tools of economics, examination of how and why the government involves itself in the U.S. capitalist system and an assessment of the possible impacts or implications of that involvement to business enterprise within a global marketplace. Prerequisite: ECO 315, or equivalent.

ECO 474 Environmental Economics (4 Hrs.)

Basic theoretical tools necessary to examine current environmental problems from an economic standpoint. Covers externalities, cost assignment, and environmental problems associated with economic growth. Prerequisite: ECO 301, or approved equivalent. See ENS 421.

ECO 487 Health Policy (4 Hrs.)

Analytic and descriptive study of national health policy in America in terms of philosophy, history, politics, economics, sociology, and administration of health care. Emphasis on social setting in which health policy is made and complex workings of system by which health care is provided. Prerequisite: Principles of economics, or ECO 315.