Economics analyzes the manner in which scarce resources are utilized to satisfy the wants and needs of people and society. The Economics Department offers courses that formulate, interpret, and explore ideas concerning such topics as unemployment, inflation, production and distribution, economic growth, and international economic relations. Courses emphasize the need for accurate knowledge of business institutions and economic phenomena, for theories capable of explaining these phenomena, for estimating relationships among economic variables, and for testing explanations. This analysis then forms the foundation for policy applications and recommendations on a wide range of issues.

Students learn to analyze economic data to identify and address problems that arise in a changing national and global economy, while studying the broader historical and social context in which economic relationships occur and economic policies are applied. In addition to economic theory and quantitative methods, courses cover a range of topics such as international trade, urban economics, economic history, the role of the government in the economy, money and banking, economic development, labor markets, poverty, environmental economics, and gender.

The department prepares students for careers in business, financial institutions, government and public service, graduate work in economics, law and in other areas such as business administration.

**FACULTY**

**MARGARET A. OPPENHEIMER, PH.D.,**
Professor & Chair
Northwestern University

**ASHOK BATAVIA, M.B.A., M.S.A.,**
Instructor
DePaul University

**BALA BATAVIA, PH.D.,**
Professor
North Carolina State University

**JOHN BERDELL, PH.D.,**
Associate Professor
University of Cambridge

**PETER BERNSTEIN, M.B.A.,**
Adjunct Faculty
University of Chicago

**ELIJAH BREWER, PH.D.,**
Adjunct Faculty
Massachusetts Institute of Technology

**GABRIELLA BUCCI, PH.D.,**
Associate Professor
The Johns Hopkins University

**JIN CHOI, PH.D.,**
Associate Professor
Iowa State University

**JAMES E. CIECKA, PH.D.,**
Professor
Purdue University

**JAMES J. DIAMOND, PH.D.,**
Professor Emeritus
Northwestern University

**FLOYD R. DILL, PH.D.,**
Professor Emeritus
Cornell University

**THOMAS D. DONLEY, PH.D.,**
Associate Professor
University of Wisconsin

**SETH EPSTEIN, PH.D.,**
Associate Professor
University of Arizona

**AGUST EIRIKSSON, PH.D.**
Visiting Assistant Professor
University of Illinois

**DOUGLAS EVANOFF, PH.D.,**
Adjunct Faculty
Southern Illinois University

**ANIMESH GHOSHAL, PH.D.,**
Professor
University of Michigan

**DONALD HANSON, PH.D.,**
Adjunct Faculty
University of Illinois

**ANTHONY C. KRAUTMANN, PH.D.,**
Professor
University of Iowa
In addition to the 32 quarter hours required in the liberal studies core, students are required to complete 52 quarter hours distributed through six learning domains as part of their Bachelor of Arts degree in economics. The number and distribution of courses in each of the areas are as follows:

**Core:** 28 quarter hours required

**First Year Program:** (16 quarter hours required) Discover Chicago or Explore Chicago, Focal Point Seminar, and Composition and Rhetoric I and II.

**Sophomore Seminar:** (4 quarter hours required) Sophomore Seminar on Multiculturalism in the United States

**Junior Year Experiential Learning:** (4 quarter hours required) If your junior year experiential learning requirement also fulfills a major field requirement, you may substitute a liberal studies domain elective (from outside your major field area) or the third course in the modern language option for this requirement.

**Senior Capstone:** (4 quarter hours required) Economics requires students majoring in Economics to complete the senior capstone in Economics, unless you are a double major and/or in the Honors program. If you are a double major and/or in the Honors Program you must follow the capstone guidelines for that area if the capstone is required. If the capstone is optional in the other areas, you can elect which capstone to complete.

**Arts and Literature:** 12 quarter hours required. At most 2 courses from the same department or program.

**Philosophical Inquiry:** 8 quarter hours required.

**Religious Dimensions:** 8 quarter hours required; 4 quarter hours in patterns and problems, and 4 quarter hours in traditions in context.

**Scientific Inquiry:** 12 quarter hours required; 4 quarter hours with a lab component, 4 quarter hours with a quantitative component, and 4 quarter hours scientific inquiry elective.

**Self, Society and the Modern World:** 4 quarter hours required.

**Understanding the Past:** 8 quarter hours required; 4 quarter hours of history pre-1800 and 4 quarter hours of history primarily between 1800-1945. In addition, courses must be from two different categories: 1) Asia, 2) Latin America, 3) Africa, 4) North America or Europe and 5) intercontinental or comparative.
Although study in economics contributes to a student’s liberal education, courses offered by the department of economics are not applied towards liberal studies requirements for the economics major. Exceptions to this rule are the junior experiential learning and the senior capstone requirements.

DEPARTMENTAL PROGRAM REQUIREMENTS

Economics: 105 Principles of Microeconomics; 106 Principles of Macroeconomics; 342 Statistics for Economics or its equivalent; 305 Intermediate Microeconomics; 306 Intermediate Macroeconomics; and six additional Economics courses.

Social and Behavioral Sciences: The student will take a minimum of seven courses in Geography, Political Science, Psychology, and Sociology. The specific courses will be worked out by the student and his or her counselor in the Department of Economics. The counselor must approve the program.

Mathematics: 130 College Algebra and Precalculus; 131 Trigonometry and Precalculus; and 150 Calculus I. (125 Business Calculus I, and 126 Calculus II may be substituted for Math. 130, 131, and 150.)

CAREER ORIENTATIONS

The student may be interested in taking the following Economics courses to prepare for a particular career:

Professional Economist: For the prospective student who wants to pursue a graduate degree in economics, the following courses are strongly recommended: Economics 361 International Trade; 375 Introduction to Econometrics; 380 Mathematical Economics and Mathematics 151 Calculus II; 152 Calculus III; 220 Linear Algebra with Applications I.


International: 316 European Economic History; 333 Topics in Global Economics; 359 The Theory of Economic Development; 360 Economics of Underdeveloped Countries; 361 International Trade; 362 International Monetary Economics; 375 Introduction to Econometrics; 380 Mathematical Economics.


Quantitative Economics: 375 Introduction to Econometrics; 380 Mathematical Economics.

Labor: 318 Labor Economics and Organization; 310 Economics of the Urban Environment; 317 American Economic History; 319 Economics and Gender; 375 Introduction to Econometrics.

SPECIAL PROGRAMS

ECONOMICS MINOR

The student must take Economics 105 and 106 and additional courses to bring the total credits in Economics to a minimum of 24 credit hours (6 courses). Courses taken to complete the minor in Economics must be selected in consultation with an appropriate departmental advisor.

COURSES

All courses carry 4 quarter hours credit.

ECO 105 PRINCIPLES OF MICROECONOMICS Basic theories of micro (or individual) economic units; the theory of consumer demand, the firm, and distribution; pricing and production in competitive, monopolistic and oligopolistic industries. PREREQUISITE(S): BMS 125. When listed in LA&S, prerequisite is listed as MAT 130 or equivalent.

ECO 106 PRINCIPLES OF MACROECONOMICS Fundamental theories of macro (or aggregate) economics: supply and demand, national income accounting and analysis, and international trade. Analysis of unemployment, and inflation, and policies designed to combat these and other current problems. PREREQUISITE(S): BMS 125. When listed in LA&S, prerequisite is listed as MAT 130 or equivalent.

ECO 202 QUANTITATIVE METHODS To understand basic economic relationships with regression analysis. PREREQUISITE(S): ECO 105 and 106.

ECO 301 EUROPEAN SEMINAR: COMPARATIVE BUSINESS PRACTICES II PREREQUISITE(S): Junior standing.

ECO 302 QUANTITATIVE METHODS OF BUSINESS Quantitative methods of business.

ECO 305 INTERMEDIATE MICROECONOMICS Continuation of topics treated in Economics 105, especially consumption and production theory. Marginal analysis and indifference curves are major tools used in discussion of demand for products, pricing output, wages, and distribution of output. PREREQUISITE(S): ECO 105 and a minimal grasp of the basics of differential calculus.

ECO 306 INTERMEDIATE MACROECONOMICS The purpose of this course is to develop macroeconomic models that assist in understanding the myriad economic problems facing us today, both domestic and foreign, and in evaluating proposed solutions. These static and dynamic models are used to understand interactions in the macroeconomy, and will serve as a tool in predicting the level of GDP, inflation, unemployment and interest rates. Models included are: traditional short-run Keynesian analysis; the New Classical market-clearing approach; and the recent work in Neo-Keynesian thought. PREREQUISITE(S): ECO 105, 106, and a minimal grasp of the basics of differential calculus.

ECO 307 MANAGERIAL ECONOMICS The application of economic theory to the problems of the firm. Examples of topics are demand analysis, sales forecasting, criteria for investment, production, and cost analysis. Not to be taken by Economics majors. PREREQUISITE(S): ECO 105.

ECO 310 URBAN ECONOMICS The economic determinants of industrial location, market areas, and urban economic growth are analyzed. Attention is also given to several policy issues including poverty housing, education, pollution, transportation, crime, and zoning. PREREQUISITE(S): ECO 105.
ECO 313 SOCIAL CONTROL OF BUSINESS Relationships between government, business and society. Both the institutional and theoretical aspects of governmental intervention in economic life examined. PREREQUISITE(S): ECO 105.

ECO 315 INTRODUCTION TO MONEY AND BANKING The structure of the American banking system; role of the Federal Reserve System; private financial markets and institutions; the effectiveness of monetary policy, and international finance. PREREQUISITE(S): ECO 105, 106, and completion of Phase I.

ECO 316 EUROPEAN ECONOMIC HISTORY Major factors and institutions which have influenced the economic development of European nations. Impact of these nations on U.S. development is also discussed. PREREQUISITE(S): ECO 105 or 106.

ECO 317 AMERICAN ECONOMIC HISTORY This course addresses the major factors and institutions which have influenced the economic development of the United States, including differences in regional development, slavery, transportation improvements, western expansion, the rise of large scale business, and government policy responses. PREREQUISITE(S): ECO 105 or 106.

ECO 318 LABOR ECONOMICS AND ORGANIZATION Historical and theoretical analysis of labor groups and labor market problems (including wage determination, unemployment and discrimination), with particular reference to the dynamic economy of the United States. PREREQUISITE(S): ECO 105.

ECO 319 ECONOMICS AND GENDER This course covers economic trends concerning women in the economy and examines economic analyses of gender issues, with special emphasis on gender issues in the work place. The increase in the number of women in the work place has been a major change in labor markets, affecting workers, employers and families. Different economic perspectives are examined to give students an understanding of the range of contributions by economists to this field. The course also examines feminist economics which raises concerns about economic analysis in general and as it is applied to this field. PREREQUISITE(S): ECO 105 or 106.

ECO 320 ECONOMICS OF RELIGION This course examines selected economic and sociological aspects of religion in society. Some of the topics that are covered include marriage and divorce, fertility and population growth, schooling, church contributions and work. PREREQUISITE(S): ECO 105 or 106.

ECO 325 THE ECONOMICS OF POVERTY This class addresses society's view of poverty. It begins with an introduction to theories of economic justice for perspective. The introduction is followed by empirical issues related to the measurement of poverty and identification of its causes. An assessment of programs designed to ameliorate the effects of poverty also is covered. PREREQUISITE(S): ECO 105 and 106.

ECO 330 THE ECONOMICS OF SOCIALISM The origin of socialist economic theory and its relationship to modern economic analysis. Socialist critiques of capitalist economies and capitalist economic theory are developed and related to the theoretical basis for socialism in modern economic theory. PREREQUISITE(S): ECO 105. Strongly recommended: ECO 305 or 340.
ECO 333 TOPICS IN GLOBAL ECONOMIES This course provides an introduction to the major changes in the global economy in the twentieth century. It will devote particular attention to comparative analysis of national economic institutions and performance and business conditions, as well as prominent international institutions such as the International Monetary Fund, World Bank, and World Trade Organization. Knowledge of microeconomic and macroeconomic analysis (ECO 105 and 106) will be presumed and applied to global economic flows and national institutions. Selection of countries and case studies from advanced and developing countries will vary according to recent economic developments. PREREQUISITE(S): ECO 105 or 106.

ECO 335 ENERGY AND ENVIRONMENTAL ECONOMICS The fundamental problems of resource depletion and environmental deterioration. Alternative methods to achieve an optimal ecological system. Methods of economic analysis include cost-benefit techniques, the role of effluent fees, government subsidies, and legislative action. PREREQUISITE(S): ECO 105.

ECO 340 DEVELOPMENT OF ECONOMIC THOUGHT A study of the most influential contributions to our understanding of political economy broadly understood. An historical examination of the development of economic theories with special emphasis placed upon their relevance to present economic and political issues. PREREQUISITE(S): ECO 105 or 106.

ECO 342 STATISTICS FOR ECONOMICS Fundamental knowledge of applied statistics. Descriptive statistics, statistical inference, analysis of variance and regression analysis are applied to economic problems. PREREQUISITE(S): ECO 105 and junior standing, BMS 125, 126.

ECO 360 ECONOMICS OF LOW-INCOME COUNTRIES This course analyzes economic development issues in low-income countries. Attention is given to several key issues including agricultural and rural development, population growth, human capital, international trade, foreign resource flows, the role of the public sector, and environmental quality. PREREQUISITE(S): ECO 105.

ECO 361 INTERNATIONAL TRADE This course deals primarily with the trade side of international economic relations, the gains from trade and barriers to trade. The main objective is the development of analytical tools required for an understanding of the gains from trade and barriers to trade. Particular emphasis is placed on currently pressing issues including the impact of trade on domestic employment and income, international trade tensions, and the rise of regional trade blocks. PREREQUISITE(S): ECO 105.

ECO 362 INTERNATIONAL MONETARY ECONOMICS How do fiscal and monetary policy choices change as a country's economy opens more and more to international trade and capital flows? This question and others of international importance will be analyzed with an open-economy, macroeconomic framework. Topics to be explored will include: the foreign exchange market under both fixed and floating exchange rate regimes; the balance of payments, output, prices, and income in an open economy; the international monetary system; and the macro issues of economic development and transition. PREREQUISITE(S): ECO 106.
ECO 375 INTRODUCTION TO ECONOMETRICS Techniques of estimation and testing of economic relationships. Probability theory, probability distributions, least squares estimation and correlation. PREREQUISITE(S): ECO 105, BMS 125, 126, 142 or ECO 342 and junior standing. When listed in LA&S prerequisite is listed as ECO 105, 106, and 342 or its equivalent.

ECO 380 MATHEMATICAL ECONOMICS Review of various mathematical functions useful in formulating economic theories followed by elements of Matrix algebra and its application to concepts of micro and macro economic equilibrium. Particular emphasis will be placed on differential calculus, including the use of partial derivatives. These mathematical tools will be applied to optimization problems in micro and macro economic theory. PREREQUISITE(S): ECO 105 and BMS 125 and 126 or equivalent.

ECO 393 INTERNSHIP IN APPLIED ECONOMICS An opportunity to apply knowledge acquired in the classroom to a real world situation under supervision of a carefully selected private or public enterprise. By arrangement. PREREQUISITE(S): Permission of the department chair.

ECO 395 SEMINAR IN SELECTED ECONOMIC TOPICS An in-depth seminar examining current problems in economics. This course often serves as the Urban Studies Seminar in the College of Liberal Arts and Sciences. PREREQUISITE(S): ECO 105 and 106 or consent of instructor.

ECO 398 SPECIAL TOPICS Content and format of this course are variable. An in-depth study of current issues in Economics. Subject matter will be indicated in class schedule. PREREQUISITE(S): Junior standing or as listed in class schedule.

ECO 399 INDEPENDENT STUDY Available to students of demonstrated capability for intensive independent work in economics. PREREQUISITE(S): Written permission of supervising faculty member, chair, and director of undergraduate programs is required prior to registration.