# ECONOMICS (ECO)

## ECO 1305 Issues in Economics for Non-Business Majors (3)
Note: ECO 1305 does not count towards either an economics major or a business degree. This course provides an introduction to basic economic concepts, models, and tools used in economic analysis. In order to develop an appreciation for the value of economic analysis, applications are emphasized throughout the course. Students have the opportunity to apply the tools of economic analysis to a variety of issues including price controls, taxes, poverty, pollution, discrimination, competitive and monopolistic markets, economic growth, inflation and unemployment.

## ECO 1380 Introduction to Economic Analysis and Policy (3)
Pre-requisite(s): Admission in the University Scholars Program, Baylor Business Fellows Program, Hankamer Scholars, or Honors Program; or consent of department
The nature and outcomes of economic decision-making at the individual, market, and aggregate levels. Rooted in traditional neoclassical economics and augmented with insights from the literature on transactions costs and institutions. Special attention is paid to questions of morality underlying economic decision-making.

## ECO 2306 Principles of Microeconomics (3)
Pre-requisite(s): Cumulative GPA of 3.0 or higher
Microeconomic analysis including the theories and applications of demand, production, industrial organization, international trade, and Christian ethics in economic decisions.

## ECO 2307 Principles of Macroeconomics (3)
Pre-requisite(s): Cumulative GPA of 3.0 or higher
A minimum grade of C in ECO 2306. A study of basic economic concepts, business organization, economic role of government, national income analysis, national income theory, money and banking, and the business cycle.

## ECO 3305 Money and Banking (3)
Pre-requisite(s): A minimum grade of C in ECO 1380 or a minimum grade of C in ECO 2306 and 2307; and a minimum grade of C in MTH 1309 or MTH 1321
A study of the structure and functioning of American financial institutions; the functioning of financial markets and the nature of security prices and interest rates; the basic concepts of bank management; the nature of money and the role of the central bank in its creation; the basic structure of the economy and the impact of monetary actions on this structure; and the basic tenets of monetarism and modern Keynesian monetary theory.

## ECO 3306 Intermediate Microeconomic Analysis (3)
Pre-requisite(s): A minimum grade of C in ECO 1380 or a minimum grade of C in ECO 2306 and 2307; and a minimum grade of C in MTH 1309 or MTH 1321
Designed to provide an intensive study of contemporary microeconomic theory. Topics include consumer demand; market structure; production theory; the nature and behavior of costs; the pricing and allocation of productive resources; and the distribution of income. Emphasis is given to the use of these tools in business decision making.

## ECO 3307 Intermediate Macroeconomic Analysis (3)
Pre-requisite(s): A minimum grade of C in ECO 1380 or a minimum grade of C in ECO 2306 and 2307; and a minimum grade of C in MTH 1309 or MTH 1321
Theories of long-term growth and short-term fluctuations in national economies, with emphasis on the macroeconomic implications of government policy. Topics include the national income accounting, long-run economic growth, unemployment, inflation, interest rates, exchange rates, international trade and investment, alternative theories of the business cycle, monetary policy, and fiscal policy.

## ECO 3308 Engineering Economic Analysis (3)
Designed to provide an economic foundation for engineering decisions. The course stresses methods for making optimum choices among engineering alternatives. Topics include cash flow and present value analysis; break-even analysis; the impact of taxes and inflation on investment decisions; methods for assigning costs; the treatment of risk in decision making; and capital budgeting. (Will not count toward a major in economics.)

## ECO 3331 International Economics (3)
Pre-requisite(s): A minimum grade of C in ECO 1380, or a minimum grade of C in ECO 2306 and ECO 2307; and junior standing
International trade theories, trade policies and their effects, regional economic integration, international economic organizations, trade problems of less developed countries, determination of exchange rates, and functioning of the international monetary system. A student may not earn credit in both ECO 3331 and INB 3332.

## ECO 3355 Introduction to the Economics of Poverty and Discrimination (3)
Cross-listed as SOC 3355
Pre-requisite(s): Upper-level standing; not open to pre-business or business students
This course develops and applies basic economic concepts to questions of poverty, inequality, and discrimination in the United States, and to global poverty issues. Special attention will be paid to the contribution economic principles can make to understanding family structure, participation in the labor force, and gender and racial discrimination. Attention will also be paid to evaluating public policies designed to ameliorate poverty and discrimination, including social insurance, welfare programs, minimum and living wage laws, and equal opportunity policies. No previous knowledge of economics is necessary; all necessary economic principles will be developed in this class. (Will not count toward a major in economics.)

## ECO 3390 Topics in Economics (3)
Pre-requisite(s): A minimum grade of C in ECO 1380 or a minimum grade of C in ECO 2306 and 2307; and a minimum grade of C in MTH 1309 or MTH 1321
Topics in the study of economics not covered by regular course offerings. Course may be repeated once for credit when topics vary.

## ECO 4306 Welfare Economics (3)
Pre-requisite(s): A minimum grade of C in ECO 3306
ECO 4312 Business Cycles and Forecasting (3)
Pre-requisite(s): A minimum grade of C in ECO 1380 or a minimum grade of C in ECO 2306 and 2307; BBA students must be admitted to the Business School in order to take this course
Examines basic causes of fluctuation in business activity. Topics include an examination of exogenous and endogenous influences on Gross National Product and other measures of economic activity, and the relationship between cycles in Gross National Product and cycles in particular industries and companies. The course emphasizes methods and techniques currently in use by business forecasters.

ECO 4314 Behavioral and Experimental Economics (3)
Pre-requisite(s): A minimum grade of C in ECO 1380, or a minimum grade of C in ECO 2306; BBA students must be admitted to the Business School in order to take this course
Application of the scientific method to economics using laboratory experimentation to test economic theories about individual and group behavior. Introduction of insights to economic modeling from psychology and other social sciences. Emphasis on the frontiers of research through study of journal articles.

ECO 4316 Economics of Firms, Industries, and Markets (3)
Pre-requisite(s): ECO 3306; BBA students must be admitted to the Business School in order to take this course
Examines the economic organization of industry; a survey of major theoretical and applied issues in the field of industrial organization. Topics include theory of the firm, the welfare consequences of competition and market power, goals of the firm and market effects, collusion, mergers, price discrimination, product differentiation, predation, and public policy.

ECO 4317 The Economics of Regulation (3)
Pre-requisite(s): A minimum grade of C in ECO 3306
The impact of government on market outcomes and business decision-making. Topics covered include the historical development of business and public policy, the current state of antitrust enforcement, issues involving multinational corporations, the basis for regulated markets and forces favoring deregulation, the impact of consumer protection laws, environmental protection policies, occupational and safety enforcement, and affirmative action policies on business; and the outlook for government and business relations in the future.

ECO 4318 Law and Economics (3)
Pre-requisite(s): A minimum grade of C in ECO 3306
Interrelationship of microeconomic theory and the law. The course looks at both the effects of law on economic activity and the effects of economic forces on the development of the law. Particular areas of law that will be discussed include property, contracts, torts, and procedure.

ECO 4319 Game Theory (3)
Pre-requisite(s): A minimum grade of C in ECO 1380, or a minimum grade of C in ECO 2306; BBA students must be admitted to the Business School in order to take this course
An elementary examination of the theory of games and strategic behavior with an emphasis on applications. Topics discussed include strategic form games, extensive form games, and games of asymmetric and incomplete information. Various equilibrium concepts will be discussed. Applies game theoretic concepts to strategic behavior in the social sciences, particularly economics and political science, with applications ranging from cartel behavior to international diplomacy.

ECO 4320 The Economics of Government (3)
Pre-requisite(s): A minimum grade of C in ECO 3306 Sources of public revenues, problems of the revenue system, public expenditures and budgeting, and public borrowing

ECO 4321 Energy Economics (3)
Cross-listed as AVS 4321
Analysis of energy markets, with a focus on static and dynamic efficiency. Oil, natural gas, coal, nuclear, and renewables (including wind, solar, hydro, geothermal, and biofuels). Regulation and deregulation in electricity and natural gas markets. Energy derivatives. Policy issues related to market externalities, including pollution and climate change.

ECO 4323 The Environment and Economic Analysis (3)
Cross-listed as AVS 4323, ENV 4323
See ENV 4323 for course information.

ECO 4325 Urban and Regional Economic Analysis (3)
Pre-requisite(s): A minimum grade of C in ECO 1380 or a minimum grade of C in ECO 2306 and ECO 2307; junior standing; BBA students must be admitted to the Business School in order to take this course
Focuses on the use of economic tools to analyze the key intraregional markets—land and housing, transportation, labor and public services and examines their public policy implications. Also examines interregional relationships, the growth and decline of cities, and the economics of urbanization.

ECO 4333 Foreign Exchange Markets (3)
Cross-listed as INB 4333
Pre-requisite(s): A minimum grade of C in ECO 1380, or a minimum grade of C in ECO 2306 and 2307; junior standing; BBA students must be admitted to the Business School in order to take this course
Description and analysis of currency markets, emphasizing their roles in the business environment. Topics include spot forward, futures, and options markets, currency, and interest rate swaps, models of exchange rate determination, the operation and relative merits of fixed and flexible exchange rate systems, and the management of exchange rate risk by business.

ECO 4334 Economic Development (3)
Cross-listed as INB 4334
Pre-requisite(s): A minimum grade of C in ECO 1380, or a minimum grade of C in ECO 2306 and 2307; junior standing; BBA students must be admitted to the Business School in order to take this course
Critical analysis of current explanations of economic growth and development, involving historical aspects, policies for achieving development in emerging countries, and conditions necessary for continued growth in advanced countries.

ECO 4335 Asian Economic Development (3)
Cross-listed as AST 4335, INB 4335
Pre-requisite(s): ECO 1305 or a minimum grade of C in ECO 2306 and 2307; junior standing; BBA students must be admitted to the Business School in order to take this course
A survey of the evolution of selected economies of Asia, with the aim of identifying in each case those conditions and policies which have aided or hindered economic progress.

ECO 4336 Economics of Labor (3)
Pre-requisite(s): ECO 3306; BBA students must be admitted to the Business School in order to take this course
Neoclassical approach to labor market analysis. Special attention is paid to the study of labor market phenomena from a microeconomic perspective, including the theory of wage rate determination, the concept of investment in human capital, the problems of race and sex discrimination, unemployment, and the impact of unionization on the structure of wages. Upon completion of this course a student will have a general working knowledge of the state of the art in labor market analysis and research.
ECO 4338 Economic Systems of the World (3)
Cross-listed as AST 4338, INB 4338
Pre-requisite(s): Junior standing; BBA students must be admitted to the Business School in order to take this course
An examination of the institutional structures and relative performance of representative capitalist and socialist economies of the world. Countries surveyed include the United States, Britain, France, Germany, Japan, the former Soviet Union, Hungary, China and Yugoslavia.

ECO 4343 History of Economic Thought (3)
Pre-requisite(s): A minimum grade of C in ECO 1380, or a minimum grade of C in ECO 2306 and 2307; junior standing; BBA students must be admitted to the Business School in order to take this course
Development of economic thought in relation to its economic and institutional background from the ancient philosophers to Alfred Marshall and neoclassical economists. Emphasis is placed on the contributions to economic thought of the founders.

ECO 4345 Mathematical Analysis in Economics (3)
Pre-requisite(s): A minimum grade of C in ECO 3306
Designed to acquaint the student with rudimentary mathematical techniques and their application to economic analysis.

ECO 4347 Econometrics (3)
Pre-requisite(s): A minimum grade of C in ECO 1380, or a minimum grade of C in ECO 2306 and 2307; a minimum grade of C in QBA 3305, STA 2381, or STA 3381; BBA students must be admitted to the Business School in order to take this course
Elementary and advanced topics in the application of statistical methods to economic inquiry. Multiple regression, forecasting, advanced estimation processes and simultaneous equation techniques are emphasized. The detection and treatment of problem areas are also examined.

ECO 4349 Causal Inference and Research Design (3)
Pre-requisite(s): A minimum grade of C or better in ECO 4347
Introduction to modern tools for determining the existence of causal relationships among variables. Emphasizes both the design of the research process and the use of advanced econometric techniques.

ECO 4350 Economics of Health and Medical Care (3)
Pre-requisite(s): A minimum grade of C in ECO 1380, or a minimum grade of C in ECO 2306; BBA students must be admitted to the Business School in order to take this course
Economic aspects of health and medical care: theory, empirical evidence, history, institutions, and public policy.

ECO 4351 Data Science I (3)
Pre-requisite(s): A minimum grade of B in ECO 4347
Best practices in data collection, cleaning, manipulation, and data and code management. Methods and principles of data exploration and visualization. Unsupervised statistical learning techniques, supervised statistical learning techniques, and false discovery principles.

ECO 4352 Data Science II (3)
Pre-requisite(s): A minimum grade of B in ECO 4347 and 4351

ECO 4355 Economic Poverty and Discrimination (3)
Cross-listed as SOC 4355
Pre-requisite(s): Minimum grade of C in ECO 2306; BBA students must be admitted to the Business School in order to take this course
Market and non-market issues in income determination. Emphasis on the supply and demand model and its application to the analysis of poverty and the poverty population. The effects of labor incomes and demographic and institutional factors of living standards, achievements, and shortcoming of income maintenance (welfare), equal opportunity and employment programs will be analyzed.

ECO 4380 Economic Reasoning and Policy Analysis (3)
Pre-requisite(s): ECO 3306, 3307, and 4347 recommended; BBA students must be admitted to the Business School in order to take this course
An integrative capstone course for economics majors in which the technique of economic analysis are applied to a wide range of issues. Emphasis on the application of basic and advanced economic theoretical and empirical techniques to the analysis of issues relevant to the student’s undergraduate degree program and career goals. Basic concepts emphasized throughout the course includes the effect of incentives on behavior, the role of markets as resource allocation mechanisms, and the use of optimization analysis as a standard for comparing outcomes.

ECO 4390 Advanced Topics in Economics (3)
Pre-requisite(s): Minimum grade of C in ECO 3306
Advanced topics in the study of economics not covered by regular course offerings. Course may be repeated once for credit when topics vary.

ECO 4V98 Special Studies in Economics (1-6)
Pre-requisite(s): Not open to pre-business students
With the consent of the chair of the Department of Economics, this course may be taken for one to six semester hours of credit.