Economics

The economics major and minor are administered by the Department of Economics: Professors Christiansen, Gabriel, Hartley, Moseley, Paus (Director of Global Initiatives), Robinson (chair); Associate Professors Adelman (on leave Fall), Katherine Schmeiser, Wilson; Assistant Professor Steven Schmeiser; Visiting Professor Khan; Visiting Lecturers Blume-Kohout, Tierney, and Van den Berg.

Overview

An economics student will acquire the necessary analytical tools to understand contemporary economic issues and to take reasoned positions in debates about economic and social policy. She will be in a position to apply these tools in a multitude of areas in her future career. Many of the world’s most pressing problems—discrimination, environmental destruction, inequality, inflation, poverty, underdevelopment, unemployment—are economic in nature.

Economics is concerned with the study of the causes and the possible solutions to these and other economic and social problems. Macroeconomics deals with the economy as a whole, with the forces behind economic growth, the problems occurring in the growth process (such as business cycles, inflation, and unemployment), and government policies to address these problems. Microeconomics focuses on the efficient allocation of resources among alternative uses and addresses such questions as how individuals, firms, and societies decide what to produce, how to produce, and how to distribute the output. Economists study these important issues by combining theoretical models and data analysis. The great human interest of the subject, together with the rigor of its analysis, gives the study of economics its stimulating quality.

Contact Info

Dawn Larder, senior administrative assistant
Michael Robinson, chair

Requirements for the Major

Credits

- A minimum of 32 credits in the department beyond the 100 level

Courses

- Economics 211, Macroeconomic Theory
- Economics 212, Microeconomic Theory
- Economics 220, Introduction to Econometrics or Economics 320, Econometrics. (Psychology 201, or Sociology 225, or Statistics 140, 240, or 340 may be substituted but will not count toward the 32 credits of Economics courses required at minimum.)
- Three 300-level courses (two of these must be taken at Mount Holyoke)
- 8 additional credits at either the 200 or 300 level

Students typically begin their study of economics with Introductory Economics (110), which is the prerequisite for intermediate level courses. There are a number of 200-level courses that can be taken as a first course in economics, though these courses are not open to first-semester students without previous economics experience.

Other

- Majors are encouraged to undertake independent study and research projects under faculty supervision (394 and 395) in their senior year.

The objective of the core courses is to examine intensively the theoretical tools used in professional economic research. One or more of the core courses is required for each 300-level course in the department. At the intermediate level, a student can choose from a wide array of courses that apply economic theory to particular areas, drawing and building on the concepts and analytical tools developed in the introductory courses. Most 300-level courses are applied courses as well, but the level of analytical sophistication is higher, and students are expected to write substantial analytical research papers. The applied areas offered in the department cover a wide range of subjects, including comparative economic systems, economic development, economic history, economics of corporate finance, economics of race, environmental economics, health economics, history of economic thought, economics of cyberspace, industrial organization, international economics, labor economics, money and banking, and public finance.

Requirements for the Minor

Students are encouraged to consult a faculty member for advice in planning a coherent economics minor.

Credits

- A minimum of 16 credits at the 200 level and above with at least 4 credits at the 300 level

Course Advice

Introductory Courses

Students may begin the study of economics with Introductory Economics (110). Students should consult the department chair before selecting courses if they received a 4 or 5 on one or both of the advanced placement exams in economics, took “A-levels,” or took the International Baccalaureate in economics. The department offers placement exams for those students who have previously covered introductory micro and macroeconomics.

200-Level Courses Without Prerequisites

These courses are open to all students (excluding first-semester students). They are designed to give students from other disciplines access to specialized courses in economics without taking Introductory Economics.

Independent Research

We strongly encourage students to pursue independent research under Economics 295 or 395. These courses, which are offered for a variable number of credits, provide opportunities for many different kinds of independent projects. Both 295 and 395 typically encompass a small research project, possibly in conjunction with faculty research.

A student works individually on her thesis over a two-semester period, first by registering for Economics 394, the senior seminar, in the fall and then by finishing with 395 in the spring (4 credits in each semester) for a total of 8 credits. Each thesis is supervised by a committee of two faculty members, one of whom serves as the primary advisor.

A one-semester 395 project may not be counted toward the courses required for the major or minor at the 300 level. For a two semester 394-395 project culminating in a thesis, the second semester may count toward this requirement.

Course Offerings

100-Level Courses

ECON-110 Introductory Economics

Fall and Spring
Introduction to economic issues and the tools that economists use to study those issues: supply and demand, decision making by consumers and firms, market failures, economic output and growth, fiscal and monetary policy in relation to unemployment and inflation, and international economics. Topics include both the study of markets and the need for public policy/government action to address market failures.

Applies to requirement(s): Social Sciences
M. Blume-Kohout, J. Hartley, S. Khan, H. Van den Berg, L. Wilson
Credits: 4

**200-Level Courses Without Economics 110**

**Prerequisite**

**ECON-203 Environmental Economics**

*Spring*

Application of economic analysis to environmental issues. Topics include: relationships between growth, development, and the environment; effects of externalities on market outcomes; market and nonmarket solutions to environmental problems; cost-benefit and risk-benefit analysis; efficient and equitable use of depletable and nondepletable natural resources.

Applies to requirement(s): Social Sciences
J. Christiansen
Restrictions: Course limited to sophomores, juniors and seniors
Advisory: Not open to first-year students as their first course in economics
Credits: 4

**ECON-205 Women in Business**

*Spring*

This course explores a number of economic issues relevant to women in the economy and an introduction to the economic concepts and analytical tools necessary to understand those issues. We will pay particular attention to the issues faced by professional women and women in business. We will examine issues of gender equality and discrimination, the interaction between family roles and work, and the challenges faced by women in running large organizations.

Applies to requirement(s): Social Sciences
M. Robinson
Prereq: 4 credits in Economics.
Advisory: Not open to first-year students as their first course in economics
Credits: 4

**200-Level Courses**

**ECON-202 East Asian Economic Development**

*Fall*

This course provides an overview of economic development in East Asia. The complex interplay of public policy, global competition, and domestic economic relationships in China, Japan, and Korea will serve as the core subject matter of the course, though patterns of economic development in Indonesia, Malaysia, and Singapore will also be discussed. Special attention is given to conditions under which regional economies have successfully blended elements of import-substituting industrialization with export-oriented growth. The course will conclude with a discussion of the impact of the regional economic crisis, the current wave of reforms, and the potential for future growth and development.

Applies to requirement(s): Social Sciences; Multicultural Perspectives
S. Gabriel
Prereq: 4 credits in Economics.
Advisory: Not open to first-year students as their first course in Economics.
Credits: 4

**ECON-210 Marxian Economic Theory**

*Fall*

Introduction to the Marxian theory of capitalism, as presented in the three volumes of Capital. Marxian theory is applied to analyze the causes of contemporary economic problems, such as unemployment and inflation, and the effectiveness of government policies to solve these problems. Comparisons made between Marxian theory and mainstream macro- and microeconomics.

Applies to requirement(s): Social Sciences
L. Wilson
Prereq: 4 credits in economics.
Advisory: Not open to first-year students as their first course in economics.
Credits: 4

**ECON-211 Macroeconomic Theory**

*Fall and Spring*


Applies to requirement(s): Social Sciences
J. Hartley, H. Tierney
Prereq: Economics 103, 104, or 110.
Notes: Students who have taken the International Baccalaureate or A-Level exams in economics should consult the department before registering for the course. The department does not recommend taking this as the first course in Economics.
Credits: 4

**ECON-212 Microeconomic Theory**

*Fall and Spring*

Theoretical analysis of consumer and firm behavior, the role of prices in an economic system with various market structures, interrelationships of product and factor markets in a general equilibrium model, and the implications of the price system for resource allocation and economic welfare.

Applies to requirement(s): Social Sciences
K. Schmeiser
Prereq: Economics 103, 104, or 110 and Mathematics 101.
Notes: Students who have taken the International Baccalaureate or A-Level exams in economics should consult the department before registering for the course. The department does not recommend taking this as the first course in Economics.
Credits: 4

**ECON-213 Economic Development: A Survey**

*Fall and Spring*

A study of micro-economic development topics related to how households in lower-income countries consume and produce food. Topics include the causes and consequences of hunger and malnutrition, the agricultural household model, household-level food production and demand, intra-household allocation and bargaining, human and social capital investments and their impacts on food production and consumption, land rights and land use, child labor, and risk, credit and insurance markets used by agricultural households.

Applies to requirement(s): Social Sciences; Multicultural Perspectives
S. Khan
Prereq: Economics 103, 104, or 110.
Credits: 4

**ECON-215 Economics of Corporate Finance**

*Fall*

An investigation of the economic foundations for investment, financing, and related decisions in corporations. Topics include capital markets and institutions; analysis of financial statements; sources and uses of funds; capital budgeting and risk; cost of capital; portfolio theory; the impact of corporate decisions on the economy. Some attention given to recent developments in the stock market, in the merger movement, and in international finance. See
ECON-218 International Economics
Fall and Spring
The first part of the semester investigates reasons why nations trade and factors that determine trade patterns, focusing on examples of agricultural and food trade. Using the basic tools of microeconomics, it considers the welfare and distributional impacts of free trade among countries. Further topics include barriers to trade, reasons for limiting trade, international food and agricultural policy, and current trade policy issues. The second part introduces the students to basic models in international finance and studies applications of current policy issues such as fixed exchange rates and the Euro.

ECON-220 Introduction to Econometrics
Fall and Spring
A study of statistical methods applied to economic and social data. Measures of central tendency and dispersion, point and interval estimation, hypothesis testing, simple correlation, and simple and multiple regression analysis.

ECON-249 Topics in Economics

300-Level Seminars
ECON-301 Advanced Game Theory
Spring
The course will illustrate and analyze the strategies used in making interrelated decisions. We will develop game theoretical tools and apply them to examples from economics, business, politics, and even sports. Topics include the prisoner's dilemma, signaling, coordination, voting, and competition. We analyze games in static and dynamic environments with perfect and imperfect information.

ECON-307 Seminar in Industrial Organization
Spring
Analysis of theoretical models and empirical studies on the economic performance of industries. Approaches studied include transaction cost economics, game theory, and pricing models. Topics include advertising, research and development, and relationships between government and business such as regulation and antitrust laws.

ECON-310 Public Finance Seminar
Spring
This course provides an overview of the ways in which government policies on taxation and spending affect outcomes for individuals (e.g., poverty, health, income) and for society (e.g., inequality, social mobility, economic growth). Topics will include the theory of taxation, public goods, and externalities. Students will apply these theories to current policy debates. Possible applications include healthcare, education, TANF, unemployment insurance, and Social Security.

ECON-314 Economic Development in the Age of Globalization
Fall
We analyze the challenges and opportunities of globalization for the prospects of economic development in latecomers. We study the debates among orthodox and heterodox economists about the development impact of international trade, foreign direct investment and the globalization of production chains, financial capital flows, and the structure of global governance in these areas. We explore how the rise of China impacts other developing countries. We include case studies, debates and simulations.

ECON-315 History of Economic Thought
Spring
Study of the historical development of economics by reading the original works of the 'great masters': Smith, Ricardo, Marx, Marshall, and Keynes. Also examines the influence of the social context in which these theories were developed. Provides a historical perspective on modern microeconomics and macroeconomics - how these modern theories are similar to and different from earlier theories.

ECON-316 Seminar in International Trade
Fall
Examines current events in international trade. The emphasis of this course is on current trade policy debates in the WTO agenda. It investigates topics such as the expansion of regional trade agreements, environmental and labor standards, the TRIPs agreement, agricultural protection and market access, trade in services, and electronic commerce.

ECON-317 Theory of International Trade
Spring
This course provides an overview of the ways in which government policies on taxation and spending affect outcomes for individuals (e.g., poverty, health, income) and for society (e.g., inequality, social mobility, economic growth). Topics will include the theory of taxation, public goods, and externalities. Students will apply these theories to current policy debates. Possible applications include healthcare, education, TANF, unemployment insurance, and Social Security.

ECON-320 Seminar in Public Finance
Fall
This course provides an overview of the ways in which government policies on taxation and spending affect outcomes for individuals (e.g., poverty, health, income) and for society (e.g., inequality, social mobility, economic growth). Topics will include the theory of taxation, public goods, and externalities. Students will apply these theories to current policy debates. Possible applications include healthcare, education, TANF, unemployment insurance, and Social Security.

ECON-321 Seminar in International Trade
Spring
Examines current events in international trade. The emphasis of this course is on current trade policy debates in the WTO agenda. It investigates topics such as the expansion of regional trade agreements, environmental and labor standards, the TRIPs agreement, agricultural protection and market access, trade in services, and electronic commerce.

ECON-327 Honors Seminar in Industrial Organization
Spring
Analysis of theoretical models and empirical studies on the economic performance of industries. Approaches studied include transaction cost economics, game theory, and pricing models. Topics include advertising, research and development, and relationships between government and business such as regulation and antitrust laws.

ECON-331 Seminar in Economic Development
Fall
We analyze the challenges and opportunities of globalization for the prospects of economic development in latecomers. We study the debates among orthodox and heterodox economists about the development impact of international trade, foreign direct investment and the globalization of production chains, financial capital flows, and the structure of global governance in these areas. We explore how the rise of China impacts other developing countries. We include case studies, debates and simulations.

ECON-332 Seminar in International Trade
Fall
Examines current events in international trade. The emphasis of this course is on current trade policy debates in the WTO agenda. It investigates topics such as the expansion of regional trade agreements, environmental and labor standards, the TRIPs agreement, agricultural protection and market access, trade in services, and electronic commerce.

ECON-335 Seminar in Public Finance
Fall
This course provides an overview of the ways in which government policies on taxation and spending affect outcomes for individuals (e.g., poverty, health, income) and for society (e.g., inequality, social mobility, economic growth). Topics will include the theory of taxation, public goods, and externalities. Students will apply these theories to current policy debates. Possible applications include healthcare, education, TANF, unemployment insurance, and Social Security.

ECON-336 Seminar in International Trade
Fall
Examines current events in international trade. The emphasis of this course is on current trade policy debates in the WTO agenda. It investigates topics such as the expansion of regional trade agreements, environmental and labor standards, the TRIPs agreement, agricultural protection and market access, trade in services, and electronic commerce.

ECON-337 Seminar in Economic Development
Fall
We analyze the challenges and opportunities of globalization for the prospects of economic development in latecomers. We study the debates among orthodox and heterodox economists about the development impact of international trade, foreign direct investment and the globalization of production chains, financial capital flows, and the structure of global governance in these areas. We explore how the rise of China impacts other developing countries. We include case studies, debates and simulations.

ECON-339 Seminar in International Trade
Fall
Examines current events in international trade. The emphasis of this course is on current trade policy debates in the WTO agenda. It investigates topics such as the expansion of regional trade agreements, environmental and labor standards, the TRIPs agreement, agricultural protection and market access, trade in services, and electronic commerce.

ECON-340 Seminar in Public Finance
Fall
This course provides an overview of the ways in which government policies on taxation and spending affect outcomes for individuals (e.g., poverty, health, income) and for society (e.g., inequality, social mobility, economic growth). Topics will include the theory of taxation, public goods, and externalities. Students will apply these theories to current policy debates. Possible applications include healthcare, education, TANF, unemployment insurance, and Social Security.

ECON-341 Seminar in International Trade
Fall
Examines current events in international trade. The emphasis of this course is on current trade policy debates in the WTO agenda. It investigates topics such as the expansion of regional trade agreements, environmental and labor standards, the TRIPs agreement, agricultural protection and market access, trade in services, and electronic commerce.

ECON-342 Seminar in Public Finance
Fall
This course provides an overview of the ways in which government policies on taxation and spending affect outcomes for individuals (e.g., poverty, health, income) and for society (e.g., inequality, social mobility, economic growth). Topics will include the theory of taxation, public goods, and externalities. Students will apply these theories to current policy debates. Possible applications include healthcare, education, TANF, unemployment insurance, and Social Security.

ECON-343 Seminar in International Trade
Fall
Examines current events in international trade. The emphasis of this course is on current trade policy debates in the WTO agenda. It investigates topics such as the expansion of regional trade agreements, environmental and labor standards, the TRIPs agreement, agricultural protection and market access, trade in services, and electronic commerce.

ECON-347 Seminar in Economic Development
Fall
We analyze the challenges and opportunities of globalization for the prospects of economic development in latecomers. We study the debates among orthodox and heterodox economists about the development impact of international trade, foreign direct investment and the globalization of production chains, financial capital flows, and the structure of global governance in these areas. We explore how the rise of China impacts other developing countries. We include case studies, debates and simulations.

ECON-348 Seminar in International Trade
Fall
Examines current events in international trade. The emphasis of this course is on current trade policy debates in the WTO agenda. It investigates topics such as the expansion of regional trade agreements, environmental and labor standards, the TRIPs agreement, agricultural protection and market access, trade in services, and electronic commerce.

ECON-349 Seminar in Public Finance
Fall
This course provides an overview of the ways in which government policies on taxation and spending affect outcomes for individuals (e.g., poverty, health, income) and for society (e.g., inequality, social mobility, economic growth). Topics will include the theory of taxation, public goods, and externalities. Students will apply these theories to current policy debates. Possible applications include healthcare, education, TANF, unemployment insurance, and Social Security.

ECON-350 Seminar in International Trade
Fall
Examines current events in international trade. The emphasis of this course is on current trade policy debates in the WTO agenda. It investigates topics such as the expansion of regional trade agreements, environmental and labor standards, the TRIPs agreement, agricultural protection and market access, trade in services, and electronic commerce.

ECON-351 Seminar in Public Finance
Fall
This course provides an overview of the ways in which government policies on taxation and spending affect outcomes for individuals (e.g., poverty, health, income) and for society (e.g., inequality, social mobility, economic growth). Topics will include the theory of taxation, public goods, and externalities. Students will apply these theories to current policy debates. Possible applications include healthcare, education, TANF, unemployment insurance, and Social Security.

ECON-352 Seminar in International Trade
Fall
Examines current events in international trade. The emphasis of this course is on current trade policy debates in the WTO agenda. It investigates topics such as the expansion of regional trade agreements, environmental and labor standards, the TRIPs agreement, agricultural protection and market access, trade in services, and electronic commerce.

ECON-353 Seminar in Public Finance
Fall
This course provides an overview of the ways in which government policies on taxation and spending affect outcomes for individuals (e.g., poverty, health, income) and for society (e.g., inequality, social mobility, economic growth). Topics will include the theory of taxation, public goods, and externalities. Students will apply these theories to current policy debates. Possible applications include healthcare, education, TANF, unemployment insurance, and Social Security.

ECON-354 Seminar in International Trade
Fall
Examines current events in international trade. The emphasis of this course is on current trade policy debates in the WTO agenda. It investigates topics such as the expansion of regional trade agreements, environmental and labor standards, the TRIPs agreement, agricultural protection and market access, trade in services, and electronic commerce.
ECON-320  Econometrics  Fall  A study of advanced statistical methods in quantifying economic theory. Emphasis on the practical application of regression analysis to test economic theory, especially where the assumptions underlying ordinary least squares analysis are violated. Examines several different subjects that illustrate empirical economic research.  Applies to requirement(s): Meets No Distribution Requirement  M. Blume-Kohout  Restrictions: This course is open to Juniors and Seniors.  Prereq: Jr, Sr with Economics 211, 212 and 220.  Credits: 4

ECON-338  Money and Banking  Fall  Monetary theory and policy. Overview of financial markets and institutions. Explores the nature of money and the effects of changing money supply on the economy, theories of money demand, the various methods by which monetary policy can be conducted and the advantages and disadvantages of each, methods of banking regulation and the attendant problems that arise, and important episodes in monetary history (e.g., the Great Depression).  Applies to requirement(s): Social Sciences  H. Tierney  Restrictions: This course is open to Juniors and Seniors.  Prereq: Economics 211 with Math 101 recommended.  Credits: 4

ECON-345  Corporate Governance  Fall  This seminar course studies the theory and practice of corporate governance. Topics include the legal and regulatory environment in which corporations operate, agency theory, executive compensation, the board of directors, debt covenants, corporate control, and stakeholder rights. We will analyze and evaluate current events in corporate governance using the tools discussed in class.  Applies to requirement(s): Meets No Distribution Requirement  S. Schmeiser  Restrictions: This course is open to Juniors and Seniors.  Prereq: Economics 211 and 212.  Credits: 4

ECON-347  Political Economy of G20  Fall  This seminar looks at both recent and potential future economic and political developments in the G-20, comprising nineteen of the world’s most important economies plus the European Union. Together these countries represent roughly two-thirds of the world’s population, eighty percent of international trade, and ninety percent of global GDP. This international body has taken on a new prominence that will shape the debates over the direction the global economy should take in the coming decades. We shall focus on these debates, on the comparative economic performance of the countries involved, and on the challenges that increasing financial instability, socioeconomic inequality, and ecological degradation present for global governance.  Applies to requirement(s): Social Sciences  J. Christiansen  Prereq: Economics 211.  Advisory: Economics 211  Credits: 4

ECON-349  Advanced Topics in Economics

ECON-349MM  Advanced Topics in Economics: 'Economics of Immigration'  Spring  Applies to requirement(s): Social Sciences  Other Attribute(s): Writing-Intensive; Topics Course  H. Van den Berg  Prereq: Economics 211 and 212.  Credits: 4

ECON-351  History of Development Economic Thought  Fall  A topical coverage of development economics used in conventional textbooks does not do justice to the evolution of integrated thinking in the field. A topical organization also does not do justice to the topic linkages or to the important debates in the field. This course adopts a history of macro development economics thought approach with an emphasis on alternative approaches right up to the current debates. While the field started in the 1940s, the influence of classical economists including Marx on the pioneering development economists and the field will also be traced.  Applies to requirement(s): Social Sciences  S. Khan  Prereq: Economics 211 and 212.  Credits: 4

ECON-394  Senior Seminar for Thesis Students  Fall  This course guides thesis students through the thesis process. We will discuss how to do economic research, how to do a research proposal, and how to write a literature review. Students will then complete a proposal and write their own review. Over the course of the semester, they will be matched with advisors in the department and will complete their theses in a section of Economics 395 with their advisor in the spring.  Applies to requirement(s): Meets No Distribution Requirement  M. Robinson  Restrictions: This course is limited to seniors.  Prereq: Economics 211, 212, and 220 and one 300-level Economics course.  Notes: Thesis students are expected to enroll in this course to begin their thesis. However, we will continue to allow two semesters of 395 to constitute a thesis if appropriate.  Credits: 4

Independent Research

ECON-295  Independent Study  Fall and Spring  The department  Instructor permission required.  Credits: 1-4
Course can be repeated for credit.

ECON-395  Independent Study  Fall and Spring  The department  Instructor permission required.  Credits: 1-8
Course can be repeated for credit.