

Course Catalog - Spring 2008

Economics

101 **Introduction to Economics** credit: 4 hours.

General survey of the operation of the economic system; emphasizes the determination of the level of national income, the pricing and allocation of products, and factors of production under existing conditions in the United States. This is an honors course limited to students currently enrolled in the Chancellor's Scholar Program. Students with credit in ECON 102 or ECON 103 may receive 2 hours credit in ECON 101. Students with credit in both ECON 102 and ECON 103 may not receive credit for ECON 101.

This course satisfies the General Education Criteria for a UIUC Social Sciences course.

102 **Microeconomic Principles** credit: 3 hours.

Introduction to the functions of individual decision-makers, both consumers and producers, within the larger economic system. Primary emphasis on the nature and functions of product markets, the theory of the firm under varying conditions of competition and monopoly, and the role of government in prompting efficiency in the economy. Students receiving credit for ACE 100 may not receive credit for ECON 102.

This course satisfies the General Education Criteria for a UIUC Social Sciences course.

103 **Macroeconomic Principles** credit: 3 hours.

Introduction to the theory of determination of total or aggregate income, employment, output, price levels, and the role of money in the economy. Primary emphasis on monetary and fiscal policy, inflation, unemployment, economic growth, and international economics. Students with credit in ECON 101 may receive 1 hour of credit in ECON 103.

This course satisfies the General Education Criteria for a UIUC Social Sciences course.

110 **Current Economics Problems** credit: 1 hours.

Economic analysis of specific economic problems dealing with poverty, economic development, international economics, and other contemporary issues. Prerequisite: Credit or concurrent registration in ECON 102 or ECON 103.

199 **Undergraduate Open Seminar** credit: 1 to 5 hours.

Approved for both letter and S/U grading. May be repeated.

202 **Economic Statistics I** credit: 3 hours.

Introduction of basic concepts in statistics including the presentation of data, descriptive statistics, probability theory, discrete and continuous distributions, sampling distributions, estimation, and hypothesis testing. The approach of the class includes both learning the concepts behind basic statistics and also how to apply these concepts in "real-life" situations. Utilizes a practical project format. To complete the Business Statistics sequence, students must also complete ECON 203. Students may not receive credit for this course if they have received credit for a college-level introductory statistics course such as PSYC 235; SOC 280; or STAT 100. Prerequisite: Credit or registration in one of MATH 220, MATH 221, MATH 234.

This course satisfies the General Education Criteria for a Quant Reasoning I course.

203 **Economic Statistics II** credit: 3 hours.

Continuation of ECON 202. Builds upon point and interval estimation as well as hypothesis testing skills first introduced in ECON 202. Utilizes a practical project format to extend the student skill set to include simple and multiple linear regression and time series techniques. Prerequisite: ECON 202; one of MATH 220, MATH 221, MATH 234.

210 **Environmental Economics** credit: 3 hours.

Same as ACE 210, ENV5 210, NRES 210, and UP 210. See ACE 210.

This course satisfies the General Education Criteria for a UIUC Social Sciences course.

220 **Intl Economic Principles** credit: 3 hours.

Principles-level course in international economics for non-majors. The first half of course, international trade, covers such topics as comparative advantage, protectionism (tariff and nontariff), impact on income distribution, and

industrial policies. The second half, international finance, covers topics such as balance of payments, exchange-rate determination, currency crises, dollarization, and macroeconomic policy in an open economy. Issues relating to globalization will be covered in both halves. Prerequisite: ECON 101; or ECON 102 (or ACE 100) and ECON 103. Credit in ECON 220 is not applicable toward graduation in the Economics Major.

302 *Inter Microeconomic Theory* credit: 3 hours.

Microeconomic analysis including value and distribution theory; analysis of the pricing of the factors of production integrated in a micro-general equilibrium context which builds towards explaining the resource allocation process. Prerequisite: ECON 102 or equivalent. Recommended: MATH 125; one of MATH 220, MATH 221, MATH 234.

303 *Inter Macroeconomic Theory* credit: 3 hours.

The modern theory of the determination of the level and rate of growth of income, employment, output, and the price level; discusses alternate fiscal and monetary policies to facilitate full employment and economic growth. Prerequisite: ECON 102, ECON 103. Recommended: MATH 125; one of MATH 220, MATH 221, MATH 234.

311 *Introduction to Public Finance* credit: 3 hours.

General survey of the economics of the public sector at the federal, state, and local levels, including government expenditures, public budgeting, cost-benefit analysis, principles of taxation, tax reform, and intergovernmental fiscal relations. Credit is not given for ECON 311 if the student has credit for ECON 411. Current or prospective economics majors are encouraged to take ECON 411. Prerequisite: ECON 102 or equivalent.

This course satisfies the General Education Criteria for a UIUC Social Sciences course.

331 *American Economic History* credit: 3 hours.

Traces the course of growth and development of the economy from the colonial period to World War I; emphasizes conceptualization of key issues of the American experience and analysis of significant episodes and turning points. Prerequisite: ECON 102 and ECON 103 or consent of instructor.

332 *European Economic History* credit: 3 hours.

Economic structure and development of Europe since 1000 with respect to agriculture, industry, trade, technology, finance, and government; emphasis on those forces which contribute to the economic development of Europe and on the spread of these forces throughout the world. Prerequisite: ECON 102 and ECON 103 or consent of instructor.

This course satisfies the General Education Criteria for a Hist&Philosoph Perspect course.

333 *History of Economic Thought* credit: 3 hours.

The development of economics; the examination of contributions of individual writers and schools of thought as they influenced economic thought and national policy. Prerequisite: ECON 102 and ECON 103 or equivalent.

340 *Labor Problems* credit: 3 hours.

Survey of the problems and analysis of U.S. labor markets and unions; topics include labor force participation, occupations, hours, wage determination, development and attributes of U. S. labor unions, and overview of collective bargaining and the effects of unions, unemployment, wages and inflation, and racial and sex discrimination; and selected current policy problems. Current or prospective majors are encouraged to take ECON 440. Credit is not given for ECON 340 if student has credit for or is currently enrolled in ECON 440. Prerequisite: ECON 102 or equivalent.

342 *Women in the Labor Market* credit: 3 hours.

Changing role of women in the labor market and the economy; supply and demand for women: nature, extent, and legal remedies for sex discrimination in employment; "earnings gaps" and variable employment costs, men versus women; new role of multi-earner families; and comparative use of women as a professional resource. Same as GWS 342. Prerequisite: ECON 102 or equivalent.

343 *Unions, Bargaining & Pub Pol* credit: 3 hours.

Analyzes the legal background and economic issues associated with unions and collective bargaining in the United States including theory of the labor movement; process of union wage determination; analysis of strikes; background, strategies, and principal issues in collective bargaining; and problems and policies of government intervention. Prerequisite: ECON 102 and ECON 103 or equivalent.

351 ***Economic Development in Japan*** credit: 3 hours.

Analyzes Japan's international trade, economic structure, standards of living, policy-making process, and future prospect; additional attention to U.S.-Japanese economic relations and Japan's role in Asia. Prerequisite: ECON 102 and ECON 103 or consent of instructor.

356 ***The Economy of China*** credit: 3 hours.

Discusses changes in the patterns of production, exchange, and distribution in Communist China, with emphasis on their relation to social transformation; survey of Chinese economic history over the past century, dealing with the institutional background to and the structure of economic activities in China. Prerequisite: ECON 102 and ECON 103 or consent of instructor.

397 ***Senior Research I*** credit: 2 to 4 hours.

Research and readings course for students majoring in economics; may be taken by students in the college honors program in partial fulfillment of the honors requirements. Prerequisite: Cumulative grade-point average of 3.0 or honors in the junior year, or consent of instructor; senior standing.

398 ***Senior Research II*** credit: 2 to 4 hours.

Research and readings course for students majoring in economics; may be taken by students in the college honors program in partial fulfillment of the honors requirements. Prerequisite: Cumulative grade-point average of 3.0 or honors in the junior year; senior standing.

399 ***Undergraduate Open Seminar*** credit: 0 to 9 hours.

Independent study course covering topics not treated by regular course offerings. This class does not satisfy departmental graduation requirements. Approved for both letter and S/U grading. May be repeated. Prerequisite: Junior or senior standing. ECON 101 or equivalent is recommended. ECON 102 or equivalent is recommended.

411 ***Public Sector Economics*** credit: 2 to 4 hours.

Economic analysis of government tax and expenditure policies; topics include public good and externality theory, public choice theory, income distribution, cost-benefit analysis, principles of taxation, tax incidence, economic effects and optimal structures of major taxes, and taxation in developing economies. 3 undergraduate hours. 2 or 4 graduate hours. Prerequisite: ECON 302 or consent of instructor; consent of instructor required for student with credit in ECON 311.

412 ***Economics of Poverty*** credit: 2 to 4 hours.

Analyzes the nature and causes of poverty with special emphasis on critical evaluation of programs to combat poverty in the United States. Same as LIR 412. 3 undergraduate hours. 2 or 4 graduate hours. Prerequisite: ECON 102 and ECON 103 or equivalent.

414 ***Urban Economics*** credit: 3 or 4 hours.

Analyzes the urban economy. Topics include: economic reasons for the existence of cities; the theory of urban spatial structure; the effects of taxation on housing decisions; the economics of freeway congestion; economics analysis of local public goods and services; economic analysis of rent control, slum policies and land-use controls. Same as FIN 414. 3 undergraduate hours. 3 or 4 graduate hours. May be repeated. Prerequisite: ECON 102 or equivalent; ECON 302 is strongly recommended.

415 ***Dynm Simul of Nat Res Problems*** credit: 3 or 4 hours.

Same as GEOG 467. See GEOG 467.

420 ***International Economics*** credit: 2 to 4 hours.

Introduction to the theory of international trade and finance with selected application to current problems of trade policy, balance of payments adjustment, the international monetary system, and globalization issues. 3 undergraduate hours. 2 or 4 graduate hours. Prerequisite: ECON 302 or equivalent, or consent of instructor; ECON 303 is recommended.

421 ***Cont Issues in Intl Econ*** credit: 2 to 4 hours.

In depth analysis of selected current issues and policy problems of the international economy, including (but not restricted to) the following: new approaches to the theory of international trade, reform of the international monetary system, role of the General Agreement on Tariffs and Trade and the United Nations Conference on Trade and Development in expanding trade between developed and undeveloped economies, problems of stabilizing international commodity markets, and balance of payments problems of the United States and other selected countries. 3 undergraduate hours. 2 or 4 graduate hours. Prerequisite: ECON 420 or equivalent.

422 **The European Economies** credit: 3 or 4 hours.

Analyzes the theory, history, and policy issues in the economics of the European Community, including the customs union, common agricultural policy, single market, and economic and monetary union. Discusses the economic interests and concerns of the individual nation-states of Europe. Treats current economic issues of concern to both Europe and the United States. Computer literacy is expected. 3 undergraduate hours. 4 graduate hours. Prerequisite: Credit or current registration in ECON 302 and ECON 303.

440 **Economics of Labor Markets** credit: 2 to 4 hours.

Studies the microeconomic determinants of labor demand and supply, economic effects of unions, and macroeconomic labor market problems. Same as LIR 440. 3 undergraduate hours. 2 or 4 graduate hours. Prerequisite: ECON 302 or equivalent.

441 **Economics of Human Resources** credit: 2 to 4 hours.

Education and training in economic growth; labor force characteristics; occupational structure and future human resources requirements; job information networks; economics of discrimination and underutilization; national human resources policies and programs; and private industry and union human resources planning. Same as LIR 441. 3 undergraduate hours. 2 or 4 graduate hours. Prerequisite: ECON 302 or equivalent.

450 **Development Economics** credit: 2 to 4 hours.

Analyzes the economic problems associated with newly developing nations; emphasizes their economic structures, their factor scarcities, and their programs for development. Not open for graduate credit to graduate candidates in economics. 3 undergraduate hours. 2 or 4 graduate hours. Graduate credit is not given for both ECON 450 and ECON 550 or ECON 551. Prerequisite: ECON 102 and ECON 103 or equivalent. ECON 302 strongly recommended.

451 **Transition Economies** credit: 2 to 4 hours.

Analytical survey of the development, structure and performance of central planning economies; problems in central planning and control; comparative evaluation of strategies and problems of transition to a market economy. 3 undergraduate hours. 2 or 4 graduate hours. Prerequisite: ECON 102 and ECON 103 or consent of instructor. ECON 302 strongly recommended.

452 **The Latin American Economies** credit: 2 to 4 hours.

Focuses on the economic history of the region, the recent industrialization process and its impact, the role of the state and foreign capital, the impact of the recent privatization processes, inflation and stabilization policies, and issues surrounding the distribution of income. Same as ACE 452. 3 undergraduate hours. 2 or 4 graduate hours. Prerequisite: ECON 102 or ECON 103. ECON 302 or ECON 303 strongly recommended.

462 **Macroeconomic Policy** credit: 2 or 3 hours.

Analyzes current macroeconomic policy issues, problems, and techniques; discusses various policy techniques including monetary, fiscal, incomes, and exchange rate policies, and their effectiveness for treating inflation, unemployment, productivity, resource and exchange rate problems. May emphasize current issues in developed economies or in emerging market economies. 3 undergraduate hours. 2 or 3 graduate hours. Prerequisite: ECON 303 or equivalent.

465 **Mathematical Economics** credit: 2 to 4 hours.

Introduction to game theory with applications to economics; emphasizes the analysis of static and dynamic games with or without complete information. 3 undergraduate hours. 2 or 4 graduate hours. Prerequisite: One of MATH 125, MATH 225, MATH 415; MATH 241 or equivalent; ECON 302.

471 **Intro to Applied Econometrics** credit: 2 to 4 hours.

Introduction to specification, estimation, prediction and evaluation of econometric models, emphasizing the interplay between statistical theory and economic applications. 3 undergraduate hours. 2 or 4 graduate hours. Prerequisite: ECON 203 or equivalent; ECON 302 or ECON 303.

480 **Industrial Comp and Monopoly** credit: 2 to 4 hours.

Analyzes the ways firms and markets are organized, how they interact, outcomes of various types of firm behavior and performance of markets, and causes and types of market failure. Particular emphasis on the contribution of game theory as the equilibrium concept in oligopoly settings. 3 undergraduate hours. 2 or 4 graduate hours. Prerequisite: ECON 302.

481 **Govt Reg of Economic Activity** credit: 2 to 4 hours.

Analysis of economic bases, policies, and consequences of government regulation of economic activity. Reasons for government intervention in market behavior, methods of government intervention, and outcomes are studied. 3 undergraduate hours. 2 or 4 graduate hours. Prerequisite: ECON 302 or consent of instructor.

482 **Health Economics** credit: 3 or 4 hours.

Economic analysis of the health care industry to explain the demand for and supply of medical care. Includes analysis of behavior of consumers, producers, and insurers; and public policies to regulate the industry and to provide services for the poor and elderly. 3 undergraduate hours. 4 graduate hours. Prerequisite: ECON 302 is recommended.

483 **Econ of Innovation and Tech** credit: 2 to 4 hours.

Examines the economic factors shaping innovation and technical change since the industrial revolution with emphasis on the economic relationship between science and technology and the role of government in technical change. 3 undergraduate hours. 2 or 4 graduate hours. Prerequisite: ECON 102 or equivalent; ECON 302 or consent of instructor.

484 **Law and Economics** credit: 2 to 4 hours.

Applications of economic theory to problems and issues in both civil and criminal law and the effect of legal rules on the allocation of resources; includes property rights, liability and negligence assignment, the use of administrative and common law to mitigate market failure, and the logic of private versus public law enforcement. 3 undergraduate hours. 2 or 4 graduate hours. Prerequisite: ECON 302 or equivalent.

500 **General Microeconomic Theory** credit: 4 hours.

Emphasizes microeconomic theory; principal topics include a review of value and distribution theory, the theory of choice by households and firms, general microeconomic theory, and theoretical developments of current interest. Students may not receive credit for both ECON 500 and ECON 567. Graduate credit for both ECON 302 and ECON 500 is given only upon recommendation of the student's adviser and approval by the Department of Economics. Prerequisite: ECON 102 or equivalent.

501 **Quantitative Analysis for Econ** credit: 4 hours.

Studies topics in optimization: implicit function theorem, multipliers and Kuhn-Tucker conditions; topics in matrix algebra including characteristic roots and vectors, partitioned matrices, quadratic forms, special matrices; topics on difference and differential equations common in economic theory.

502 **Microeconomic Theory I** credit: 4 hours.

Introduction to the models and methods of modern microeconomic theory, concentrating on individual and firm decision making and on industry equilibrium; brief treatment of general equilibrium theory and welfare analysis. Topics include: consumer utility and demand theory; production and cost functions; firm supply, input demand, and price behavior; competitive, monopolistic, and oligopolistic industry analysis; and distribution theory. Prerequisite: ECON 302 and ECON 303, or equivalent; calculus.

503 **Macroeconomic Theory I** credit: 4 hours.

Introduces students to a variety of dynamic general equilibrium models that currently dominate the study of growth and economic fluctuations. These models include: neoclassical growth models, overlapping generations models, CAPM models, search models, and endogenous growth models. In covering these models, the course also seeks to develop a set of techniques for students to use. These techniques include discrete time optimization, continuous

time optimization, dynamic programming and model calibration. Prerequisite: ECON 302 and ECON 303, or equivalent; calculus.

504 **Microeconomic Theory II** credit: 4 hours.

General market equilibrium theory and welfare economics; discusses the problems of existence, stability, efficiency, and equity of economic equilibrium; and introduces social choice and the special problems created by public goods, externalities, and uncertainty. Prerequisite: ECON 502.

505 **Macroeconomic Theory II** credit: 4 hours.

Development of modern macroeconomic theory, including disequilibrium theory, optimal short-term stabilization measures, and monetary, fiscal, incomes, and exchange rate policies; large-scale econometric models; linear and neoclassical growth models; aggregate distribution theory; money, capital movements, trade, and growth; optimal growth models; and exhaustible resources and growth. Prerequisite: ECON 503.

506 **Economic Statistics** credit: 4 hours.

Classical statistics and regression analysis; descriptive statistics, probability and point and interval estimation; decision theory; variance analysis; and linear regression and least-squares estimates. Prerequisite: A course in statistics or consent of instructor.

507 **Econometric Analysis** credit: 4 hours.

Part 1: The construction of econometric models; characteristics of models and choice of estimating methods; and estimates of parameters by various methods. Part 2: Bayesian statistics and decision theory. Prerequisite: ECON 506 or equivalent.

508 **Applied Econometrics** credit: 4 hours.

Develops a general methodological basis for searching for quantitative economic knowledge; integrates and gives operational content to the topics of economic, statistical, and econometric theory. Prerequisite: ECON 507 or ECON 574, or equivalent.

509 **General Macroeconomic Theory** credit: 4 hours.

Emphasis on macroeconomic theory; principal topics include a review of Keynesian macroeconomic theory, formal growth theory, and selected business cycle theory. Credit is not given for both ECON 509 and ECON 568. Graduate credit for both ECON 303 and ECON 509 is given only upon recommendation of the student's adviser and approval by the Department of Economics. Prerequisite: ECON 102 and ECON 103 or equivalent.

511 **Public Goods Theory** credit: 4 hours.

In-depth analysis of the theory of public goods; includes public goods and externality theory, public choice, theory of cost-benefit analysis, optimal income redistribution, and fiscal federalism. Prerequisite: ECON 302 or equivalent.

512 **Economics of Taxation** credit: 4 hours.

Theoretical and empirical analysis of the impact of taxation on the economic system; topics include tax equity and excess burden, incentive effects of taxation, tax incidence, structure of major types of taxes (income, consumption, and wealth), normative tax analysis, and taxation in developing economies. Prerequisite: ECON 302 or equivalent.

513 **Demand/Supply/Firms/Households** credit: 4 hours.

Same as ACE 502. See ACE 502.

514 **Urban Economics** credit: 4 hours.

Examines the microeconomic theory of urban land-use and spatial structure (static and dynamic models); analyzes externalities caused by traffic congestion; normative and positive analysis of the provision of local public goods; and public policy issues (i.e., slums and urban decline, pollution). Prerequisite: ECON 502.

515 **Adv Natural Resource Economics** credit: 4 hours.

Same as ACE 510, ENV5 510, and NRES 510. See ACE 510.

516 **Environmental Economics** credit: 4 hours.

Examines both theory and policy applications in the environmental area; selectively reviews the literature to provide a framework for understanding the relevant economic relationships and the criteria appropriate for policy assessment; emphasizes the characteristics of major environmental problems and policy choices; and considers the valuation of environmental amenities and the conflict between environmental quality and growth. Same as ACE 516 and ENV 511. Prerequisite: ECON 302 or consent of instructor.

517 **Political Economy** credit: 4 hours.

Microeconomic analysis of political decision making processes. Includes social choice, models of political competition, game-theoretic analysis of political institutions and lobbying. Same as PS 548. Prerequisite: ECON 500 or equivalent, or instructor's consent.

520 **International Trade Theory** credit: 4 hours.

The pure theory of international trade, general equilibrium income and welfare, tariffs, the theory of policy ranking, strategic trade policy, customs unions, international trade law and the WTO. Prerequisite: ECON 302 and ECON 303, or equivalent.

521 **Topics in International Econ** credit: 4 hours.

Frontier advanced topics in international economics; subject matter varies. May not be repeated for credit. Prerequisite: ECON 520 and ECON 522, or consent of instructor.

522 **International Financial Econ** credit: 4 hours.

Examines the balance of payments, exchange rate, capital flows and international monetary system; fiscal and monetary policy in open economies. Prerequisite: ECON 302 and ECON 303, or equivalent.

523 **Business International Econ** credit: 4 hours.

Provides the business student with a working knowledge of the principles of international economics, issues in the current international business environment, U. S. and international trade law, and current policy issues and debates. Considers the basic causes and consequences of international trade, the foreign exchange market and theory of exchange rate determination, the U. S. trade deficit, the international monetary system, and antidumping and countervailing duty law, copyright and patent infringement law, the General Agreement on Tariffs and Trade, the rudiments of strategic trade theory, and selected policy issues varying by year. Prerequisite: Familiarity with intermediate microeconomics at the level of ECON 302.

530 **General Economic History** credit: 4 hours.

Treatment of selected topics in the economic history of industrialized economics by applying economic theory and quantitative methods of analysis to historical problems; exploration of the implications for contemporary work in economics. Prerequisite: Graduate standing in economics or consent of instructor.

531 **American Economic History** credit: 4 hours.

Emphasizes, but is not limited to, the reading and criticism of current literature in American economic history; attempts to facilitate understanding of the use of economic analysis in interpreting events framed in historical context; includes British colonial policy, trade and tariffs, industrialization, technology, slavery and the southern economy, land policy, agriculture, transportation and internal improvements, capital mobilization and financial organization, and the measurement of economic growth. Prerequisite: Graduate standing in economics or consent of instructor.

532 **Economic History of Europe** credit: 4 hours.

Major lines of development since 1450; comparative study of forces and institutions inimical or favorable to growth; and selected readings on organization of economic activity, role of governments and the entrepreneur, commercial policy, monetary systems, land tenure, process of capital formation, industrialization, etc. Prerequisite: Consent of instructor.

540 **Labor Economics I** credit: 4 hours.

Survey of recent trends in the labor force, of real and money earnings, and of the distribution of national income used as the basis for a critical economic analysis of contemporary English and American wage theory. Same as LIR 540. Prerequisite: ECON 302 and ECON 303.

541 **Labor Economics II** credit: 4 hours.

Economic issues and implications involved in hours of work, employment and unemployment, and trade union institutionalism (the impact of the trade union upon the basic institution of a free enterprise economy); emphasis in all cases on the development of appropriate public policy. Same as LIR 541. Prerequisite: ECON 302 and ECON 303.

542 **Collective Bargaining** credit: 4 hours.

Same as LIR 542. See LIR 542.

543 **Workplace Dispute Resolution** credit: 3 or 4 hours.

Same as LAW 665 and LIR 543. See LIR 543.

545 **Econ of Ed, Hlth & Hum Capital** credit: 4 hours.

Same as EOL 518. See EOL 518.

550 **Econ of Development and Growth** credit: 4 hours.

Review and analysis of the theories and patterns of growth in developed and underdeveloped economies; the process and impact of import substitution industrialization; trade and economic development; the role of the state and privatization in the development process; agricultural stagnation and modernization. Prerequisite: ECON 302 and ECON 303, or equivalent.

551 **Topics in Development Econ** credit: 4 hours.

Analyzes the newly developing economies, with emphasis on institutional factors affecting development and economic policy relating to development. Prerequisite: ECON 550.

552 **Computable G E Modeling** credit: 4 hours.

Discusses problems and methods of building social accounting matrices and computable general equilibrium (CGE) models; provides hands-on experience with CGE models with a series of PC-based exercises. The exercises demonstrate a number of techniques for constructing CGE models and show applications of these models to a variety of economic policy problems in developing countries such as food subsidies, international trade restrictions, foreign debt, and sectoral investment priorities. Prerequisite: ECON 500 and ECON 509 or equivalent; MATH 220 or MATH 221, or equivalent.

555 **Economics of Transition** credit: 4 hours.

Examines the processes of changes taking place in transition economies, with a focus on organizational and institutional issues. Focus on developing an understanding of mechanisms and constraints of economic transition and demonstrating how economic tools can be used for developing such an understanding. Students may not receive credit for both this course and ECON 451. Prerequisite: ECON 302.

561 **Adv Topics in Econ Theory I** credit: 4 hours.

Study at an advanced level of one or more of the following possible topics: economics of externalities, advanced aggregate economic theory, theory of central planning, investment theory, consumer behavior theory, capital theory, welfare economics, inflation theory, income distribution theory, or other topics. May be repeated. Prerequisite: ECON 502 and ECON 503, or consent of instructor.

562 **Adv Topics in Econ Theory II** credit: 4 hours.

Study at an advanced level of one or more of the following possible topics: economics of externalities, advanced aggregate economic theory, theory of central planning, investment theory, consumer behavior theory, capital theory, welfare economics, inflation theory, income distribution theory, or other topics. May be repeated. Prerequisite: ECON 502 and ECON 503, or consent of instructor.

563 **Monetary Theory** credit: 4 hours.

Micro- and macroeconomic theories of the supply of and demand for money; money substitutes and their significance; review of current empirical research; money in closed economy, macroeconomic, and static general equilibrium models; and analysis of inflation and unemployment. Prerequisite: Consent of instructor.

564 ***The Theory of Monetary Policy*** credit: 4 hours.

Theories of money; money in dynamic models; money in open economy macroeconomic models; stabilization policy; and international aspects of monetary theory. Prerequisite: Consent of instructor.

565 ***Math Econ I*** credit: 4 hours.

Studies quantitative techniques useful in economic analysis and decision making; mathematical programming; input-output analysis; point-set theory and game theory; existence, optimality, and stability conditions for static general equilibrium; and activity analysis, including welfare economics. Prerequisite: MATH 415; ECON 502 and ECON 503, or equivalent.

566 ***Math Econ II*** credit: 4 hours.

Studies quantitative techniques useful in economic analysis and decision making; single and systems of difference and differential equations; dynamic programming; Pontryagin maximum principle; interaction of multiplier and accelerator; von Neumann model; Turnpike theorem; growth models; and control systems. Prerequisite: MATH 415; ECON 502 and ECON 503, or equivalent.

567 ***Microeconomics for Business*** credit: 4 hours.

Microeconomics for professional business students. Shows relevance of value and distribution theories for business managers. Includes demand and supply theory, consumer choice, production and cost theory, industrial structure, and wage and capital theory. Intended for students in the Master of Business Administration program. Students may not receive credit for both ECON 567 and ECON 302 or ECON 500. Prerequisite: Enrollment is often restricted to students in specialized programs.

568 ***Macroeconomics for Business*** credit: 4 hours.

Development of short run macroeconomic models. Analysis of private sector behavior functions, and government policy alternatives. Extensions for open economy models and growth models. Intended for students in the Master of Business Administration program. Students may not receive credit for both ECON 568 and ECON 303 or ECON 509. Prerequisite: Enrollment is often restricted to students in specialized programs.

574 ***Econometrics I*** credit: 4 hours.

Estimation of parameters for single-equation models; tests of hypotheses and confidence regions for regression models; large-sample theory in single-equation models; and Bayesian statistics in regression models. Prerequisite: MATH 415 and STAT 400.

575 ***Econometrics II*** credit: 4 hours.

Considers the specification of models with systems of simultaneous equations; identification problem, distributed lag models, K-class estimators, maximum likelihood estimators, three-stage least-squares, and effects of specification errors. Prerequisite: ECON 574.

576 ***Time Series Analysis in Econ*** credit: 4 hours.

Modern time series analysis techniques for handling economic data which arises in a happenstance fashion through time and their application to specific economic problems. Prerequisite: ECON 507 or STAT 578, or equivalent.

577 ***Topics in Econometrics*** credit: 4 hours.

Examines some standard econometric problems from the Bayesian perspective and compares Bayesian and classical inference. Prerequisite: ECON 574.

580 ***Industrial Organization*** credit: 4 hours.

Theory of the organization of markets and firms, behavior of firms, functioning of competitive systems, and performance of markets.

581 ***Govt Regulation of Industry*** credit: 4 hours.

Microeconomic and econometric analyses of market failure and government response in selected industries; topics include economic effect of regulation, bureaucratic behavior, optimal policy, and strategies for regulatory reform. Prerequisite: ECON 502; ECON 580; or consent of Instructor.

582 ***Empirical Ind Organization*** credit: 4 hours.

Empirical Methods in Industrial Organization. Topics include: detection of anticompetitive behavior; estimation techniques that allow for product differentiation, endogenous entry and intertemporal decision-making; estimation and testing of auctions and other asymmetric information models.

590 ***Individual Study and Research*** credit: 0 to 4 hours.

Directed reading and research. Approved for both letter and S/U grading.

598 ***Workshop and Research Seminar*** credit: 2 hours.

Workshops are offered in all areas of specialization in which graduate students are writing Ph.D. dissertations. The specific format varies, but in general workshop sessions include presentations by graduate students of thesis research, by faculty members of their current research, and by occasional outside speakers. A minimum of 4 hours of ECON 598 is required of all students in the Ph.D. program. Approved for S/U grading only. Prerequisite: Admission to the Department of Economics Ph.D. program.

599 ***Thesis Research*** credit: 0 to 16 hours.

Preparation of thesis required of all students writing master's or doctoral theses in economics. Approved for S/U grading only. May be repeated.