

# Economics

## MAJOR, MINORS

**PROFESSORS:** Casimir Dadak

**ASSOCIATE PROFESSOR:** Pablo Hernandez (chair)

**ASSISTANT PROFESSOR:** Xiang Lucas Long

**VISITING ASSOCIATE PROFESSOR:** Rathin Basu

**ADJUNCT LECTURERS:** Brian Roberts, Jeffrey D. Strom

The economics major seeks to train its students in the analytical and dialectical skills necessary for the understanding and application of theory in the various important areas of economics, business, finance, and related disciplines, including international studies and environmental studies. To enhance student skills, courses have substantial writing, quantitative and oral-presentation components. The faculty actively pursues scholarly and professional work and offers a sequence of rigorous courses that prepares students for career paths and graduate school. The faculty mentor students and provides a rigorous and rewarding environment in their courses. Students who transfer to Hollins and major in economics must earn at least half of the credits for the major from Hollins courses. Introduction to Business (BUS 100) does not count for credit toward the major or minor.

Students pursuing a major in economics are strongly encouraged to complete at least one internship; however, such an internship (ECON 399) does not count toward the major.

### REQUIREMENTS FOR A MAJOR IN ECONOMICS

#### GENERAL TRACK:

10 courses (40 credits)

- ECON 157: Principles of Microeconomics (4)
- ECON 158: Principles of Macroeconomics (4)
- ECON 211: Research Methods in Economics and Business (4)
- ECON 321: Macroeconomic Theory and Policy (4)
- ECON 386: Managerial Economics (4)
- ECON 480: Senior Seminar (4)
- Four additional ECON electives (16)

#### APPLIED ECONOMICS TRACK:

11 Courses (44 credits)

#### REQUIRED COURSES:

- ECON 157: Principles of Microeconomics (4)
- ECON 158: Principles of Macroeconomics (4)
- ECON 211: Research Methods in Economics (4)
- ECON 321: Macroeconomic Theory and Policy (4)
- ECON 386: Managerial Economics (4)
- ECON 480: Senior Seminar in Economics (4)
- BUS 125: Principles of Financial Accounting (4)
- BUS 203: Investments (4)

#### ELECTIVE COURSES:

- Three of the following:
  - BUS 226: Principles of Managerial Accounting (4)
  - BUS 349: Corporate Finance (4)
  - BUS/ECON 266: International Finance (4)
  - ECON 272: Money, Credit, and Banking (4)
  - MATH 241: Calculus I (6)
  - STAT 251: Statistical Methods I (4)

**REQUIREMENTS FOR A MINOR IN ECONOMICS:**

5 courses (20 credits)

- ECON 157: Principles of Microeconomics (4)
- ECON 158: Principles of Macroeconomics (4)
- Two ECON courses at the 200 level or higher (8)
- At least one ECON course at the 300 level (4)

**REQUIREMENTS FOR A MINOR IN INTERNATIONAL ECONOMICS:**

5 courses (20 credits)

- ECON 157: Principles of Microeconomics (4)
- ECON 158: Principles of Macroeconomics (4)
- Two courses from the following: (8)  
ECON 259: International Political Economy (4)  
ECON 265: International Trade (4)  
ECON 266: International Finance (4)
- ECON 312: Economics of Development and Globalization **or** ECON 321: Macroeconomic Theory and Policy (4)

**COURSES IN ECONOMICS:****ECON 157: PRINCIPLES OF MICROECONOMICS (4)****Basu, Hernandez**

Microeconomics centers on alternative ways in which individual consumers and firms address scarce resources. The course also examines how prices of goods and resources are determined under different market structures and the impact that alternative market structures bear on the welfare opportunities confronting society. This course introduces students to the logic behind standard microeconomic models and helps students develop a critical assessment of these models' premises and basic conclusions. Finally, the course explores the premises and logic behind comparative advantage international trade. Open to first-year students. No prerequisite. Offered both terms. (o, GLO, MOD)

**ECON 158: PRINCIPLES OF MACROECONOMICS (4)****Basu**

This course covers the basic principles of macroeconomics and their applications. Among the topics covered are national income, unemployment, inflation, the workings and effectiveness of fiscal and monetary policy, and international economics. Open to first-year students. No prerequisite. Offered both terms. (MOD)

**ECON 211: RESEARCH METHODS IN ECONOMICS (4)****Basu**

An overview of the elementary statistical methodology used in economic analysis. It covers descriptive statistics and introduces probability and probability distributions, sampling theory, hypotheses testing, correlation, and regression analysis. The focus will be on applying statistical methods to economic research. Open to first-year students. Prerequisite: ECON 157 or ECON 158. Offered Term 2. (o, r, MOD)

**ECON 230: ECONOMICS AND THE ENVIRONMENT (4)****Hernandez**

This course introduces students to conventional and unconventional views behind the interplay between the economizing problem and nature's household. Emphasis is placed on the management of natural resources from an economic standpoint. The course explores general and most urgent natural resources and environmental problems facing humanity, including: energy sources, water, agriculture, fisheries, and industrial pollution. The course addresses these environmental problems from the standard economic approach to environmental distress and the more avant-garde ecological economic approach to nature's household. Also listed as ES 230. Open to first-year students. Prerequisite: ECON 157. Offered Term 2. (o, r, GLO, MOD)

**ECON 241: THE ECONOMICS OF SOCIAL ISSUES (4)****Department**

This course looks at a broad range of social issues, including education, health care, the environment, poverty, discrimination, inflation, unemployment, the budget deficit or surplus, and the trade deficit. Current economic trends and the political debate surrounding these issues will be analyzed. Prerequisites: q, ECON 157 and ECON 158. Not offered in 2021-22. (o, Q, MOD)

**ECON 254: THE ECONOMICS OF HEALTH CARE (4)****Basu**

This course evaluates the health care industry and looks at public policies that are designed to achieve efficiency and equity. Topics include medical cost inflation, Medicare, Medicaid, HMOs, PPOs, proposals for a national health

insurance, and the social implication of the AIDS epidemic and of advances in medical technology. Open to first-year students. Prerequisites: *q* and ECON 157. Not offered in 2021-22. (*r, Q, MOD*)

**ECON 259: INTERNATIONAL POLITICAL ECONOMY (4)**

**Hernandez**

This course addresses modern international economic relations by paying special attention to the ideological and philosophical foundations of classical political economy. Students will be introduced to the history of economic thought as they survey the ideas of Adam Smith, John Stuart Mill, Thomas R. Malthus, and David Ricardo through the legacy of Karl Marx on the instability of capitalism. Students will examine the nature of the private and common goods, the role reserved for the Nation state in providing the latter, and the idyllic, yet problematic notion of how the pursuit of self-interest may be guided objectively towards satisfactory social outcomes. Also listed as INTL 259. Prerequisites: *q* and ECON 157 or ECON 158. Not offered in 2021-22. (*o, r, Q, GLO, MOD*)

**ECON 261: PUBLIC FINANCE (4)**

**Department**

An examination of the government's role in the economy and how public policies (taxation, expenditures, and transfer programs) affect the allocation of resources, relative prices, and welfare. Social Security, unemployment insurance, food stamps, medical care finance, tax reform, and intergovernmental relations are among the covered topics. Open to first-year students. Prerequisites: *q* and ECON 157. Not offered in 2021-22. (*r, Q, MOD*)

**ECON 265: INTERNATIONAL TRADE (4)**

**Basu**

This course addresses critical issues such as the pure theory of trade, protectionism, resource mobility, the foreign exchange market, and balance of payments disequilibria, as well as the roles played by major multilateral organizations, including the International Monetary Fund, the World Bank, and the World Trade Organization, in crafting policies aimed at promoting unrestrained trade in goods and international financial flows. These policies, however, produced mixed results in improving national welfare and students are exposed to views challenging these policies. Prerequisite: ECON 157. Offered Term 1. (*o, r, GLO, MOD*)

**ECON 266: INTERNATIONAL FINANCE (4)**

**Dadak**

Globalized economy offers tremendous profit opportunities, but also exposes firms to various types of risk. The course explains how to benefit from the former and how to avoid and limit the latter. Students learn how monetary and fiscal policies adopted by different nations influence the outcomes. Students also explore how different legal, tax, and accounting standards and principles create problems and present opportunities to improve financial performance of multinational corporations. Also listed and described as BUS 266. Prerequisites: *q* and ECON 158. Offered Term 1. (*w, x, o, Q, GLO*)

**ECON 272: MONEY, CREDIT, AND BANKING (4)**

**Basu**

An investigation of U.S. financial markets and the factors that determine credit conditions. The conduct of the Federal Reserve in implementing various monetary policies and the effect of those policies on the U.S. economy will be assessed. Prerequisites: *q* and ECON 158. Offered Term 2. (*r, Q*)

**ECON 290: INDEPENDENT STUDY (2 or 4)**

**Department**

Independent study below the advanced level that counts toward the economics major or minor only if the student receives prior approval from the department. The independent study must be approved by the department prior to registration. Offered any term.

**ECON 312: ECONOMICS OF DEVELOPMENT AND GLOBALIZATION (4)**

**Basu**

Development economics is concerned with increasing the material prosperity of middle- and low-income countries and of expanding the capabilities of people in the global South. Globalization is a multidimensional process characterized by the rise of information technologies that have made possible the emergence of social relations that transcend national boundaries and are increasingly independent of geographical distance. This course will explore the ways in which globalization has affected economic and political conceptions of development. Prerequisites: BUS/ECON 266 and ECON/INTL 259. Not offered in 2021-22. (*o, GLO, MOD*)

**ECON 321: MACROECONOMIC THEORY AND POLICY (4)**

**Basu**

Different theories of the determination of macroeconomic variables such as national income, unemployment, inflation, and interest rates. Special focus on major current policy issues including the government budget, the national debt, the relationship between unemployment and inflation, and the effectiveness of monetary and fiscal policy, particularly in the international context. Prerequisites: *q* and ECON 158. Not offered in 2021-22. (*Q*)

**ECON 386: MANAGERIAL ECONOMICS (4)**

**Hernandez**

The objective of this course is to familiarize students with basic and intermediate techniques used in the standard (neoclassical) economic approach to the study of human behavior and to introduce various analytical problems to

help make more informed decisions in and beyond college. Topics covered in this course include the theory of consumer behavior, decisions under risk and uncertainty, theories of the firm, the structure of markets, and an introduction to general equilibrium theory. This course also examines the major limitations and criticisms to some of the standard theories, particularly, rational choice theory and general equilibrium analysis. Prerequisite: ECON 157. Offered Term 1. (o, MOD)

**ECON 390: INDEPENDENT STUDY (2 or 4)**

**Department**

An advanced level independent study that counts toward the economics major or minor only if the student receives prior approval from the department. The independent study must be approved by the department prior to registration. Offered any term.

**ECON 399: INTERNSHIP (4)**

**Hernandez**

Does not count toward economics major or minor and is graded on a pass/fail basis only. Application must be made with faculty prior to registration. The department must certify that the internship is business related and the faculty sponsor for the internship must be a member of the department. The faculty member will specify the academic component to the internship. May be proposed in any term.

**ECON 480: SENIOR SEMINAR (4)**

**Hernandez**

The first part of this seminar deals with learning methodology in economics. Throughout the second part of the course, students will develop an individual research project that underscores both methodology and theory in economic analysis. Limited to senior economics majors. Prerequisites: senior standing and department permission. Offered Term 1.

**ECON 490: SENIOR HONORS SEMINAR (4, 4)**

**Department**

Students who have completed and earned an appropriate grade in Senior Seminar in Economics may be allowed to take the Senior Honors Seminar in Economics, which must be completed during the spring term. The Senior Honors Seminar in Economics should be viewed as a more rigorous extension of the project undertaken to fulfill Senior Seminar in Economics. Prerequisites: ECON 480 and department permission.