

ECONOMICS

Overview and Contact Information

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 Information

James Hartley, Chair
Dawn Larder, Academic Department Coordinator

115 Skinner Hall
 413-538-2432
<https://www.mtholyoke.edu/acad/economics>

Faculty

This area of study is administered by the Department of Economics:
 Satyananda Gabriel, Professor of Economics

James Hartley, Professor of Economics, Teaching Spring Only

Eva Paus, Professor of Economics; Carol Hoffmann Collins Director of the McCulloch Center for Global Initiatives

Michael Robinson, Professor of Economics

Sarah Adelman, Associate Professor of Economics

Katherine Schmeiser, Associate Professor of Economics

Lucas Wilson, Associate Professor of Africana Studies and Economics

Margaret (Gretchen) Lay, Assistant Professor of Economics

Johannes Norling, Assistant Professor of Economics

Steven Schmeiser, Assistant Professor of Economics

Jens Christiansen, Professor Emeritus of Economics

Beatrix Dietz, Visiting Professor in Economics

Rick Feldman, Entrepreneurship Coordinator and Visiting Lecturer in Economics

Riko Rosete, Visiting Lecturer in Economics

Gunjan Sharma, Visiting Lecturer in Economics, Teaching Fall Only

Hendrik Van den Berg, Visiting Lecturer in Economics

Requirements for the Major

A minimum of 32 credits:

Economics Core Courses:

ECON-211	Macroeconomic Theory	4
ECON-212	Microeconomic Theory	4
ECON-220 or ECON-320	Introduction to Econometrics ¹ Econometrics	4

Economics Electives:

Three 300-level courses (two of these must be taken at Mount Holyoke)	12
8 additional credits at either the 200 or 300 level	8
Total Credits	32

¹ PSYCH-201, SOCI-225, STAT-140, STAT-240 or STAT-340 may be substituted but will not count toward the 32 credits of Economics courses required at minimum

Additional Specifications

- Students typically begin their study of economics with Introductory Economics (ECON-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.
- 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 corporate governance, economic development, economic history, economics of corporate finance, environmental economics, health economics, industrial organization, international economics, macroeconomic advanced game theory, Marxian economic theory, and public finance.

Requirements for the Minor

A minimum of 16 credits:

12 credits at the 200 level or above	12
4 credits at the 300 level	4
Total Credits	16

Additional Specifications

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

Course Advice

Introductory Courses

Students may begin the study of economics with Introductory Economics (ECON-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.

Course Offerings

100-Level Courses

ECON-110 Introductory Economics

Fall and Spring. Credits: 4

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

J. Norling, M. Robinson, G. Sharma, H. Van den Berg, L. Wilson

200-Level Courses

ECON-203 Environmental Economics

Fall. Credits: 4

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

ECON-205 Women in Business

Spring. Credits: 4

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: Not open to first-year students as their first course in economics.

ECON-207 Special Topics

This 200-level course investigates a particular topic in economics at some depth without presupposing prior knowledge of economics. Many students may find one or more of these courses useful complements to majors and minors other than economics.

ECON-207BF Special Topics: 'Behavioral Economics and Finance'

Spring. Credits: 4

Empirical research has located serious flaws in the concept of rational economic decision making and efficient markets. The evidence indicates that actual decision makers and markets deviate from expected rational outcomes frequently enough to require rethinking of the way decision makers think and markets behave, including unexpected market crashes and sustained market bubbles. This course is designed to examine new theoretical work that seeks to provide more accurate predictions of market behavior, improved assessments of underlying risk to portfolio holders, and better estimates of the underlying value of securities.

Applies to requirement(s): Social Sciences

S. Gabriel

Prereq: Not open to first-year students as their first course in Economics.

ECON-207FM Special Topics: 'Economics in Popular Film'

Fall. Credits: 4

An introduction to political economy using a wide range of popular films as the object of analysis. Films are analyzed as representations of real world social relationships, including market behavior. The goal of the course is for students to learn the basic concepts and logic deployed in economic theories, orthodox and heterodox, and the language of contemporary social scientific debates over income distribution, agency, class, market efficiency, externalities, economic incentives, and equity. See http://www.mtholyoke.edu/courses/sgabriel/filmcourse_2016.html

Applies to requirement(s): Social Sciences

S. Gabriel

Restrictions: Course limited to sophomores, juniors and seniors

Advisory: Not open to first-year students as their first course in economics

ECON-210 Marxian Economic Theory

Fall. Credits: 4

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

Restrictions: Course limited to sophomores, juniors and seniors

Advisory: Not open to first-year students as their first course in economics.

ECON-211 Macroeconomic Theory

Fall and Spring. Credits: 4

Intermediate macroeconomic theory. Analysis of causes of long-run economic growth and short-run business cycles. Study of different macroeconomic models, consumption, investment, government spending, net exports, money supply, and money demand. Examination of fiscal and monetary policy and U.S. economic relations with the rest of the world.

Applies to requirement(s): Social Sciences

J. Hartley, M. Lay

Prereq: ECON-110 and MATH-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.

ECON-212 Microeconomic Theory

Fall and Spring. Credits: 4

Microeconomic theory explores the foundations of consumer and firm theory as well as their theoretical applications. We examine the assumptions of models, market structures, and explore topics such as game theory and public goods.

Applies to requirement(s): Social Sciences

K. Schmeiser

Prereq: ECON-110 and MATH-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.

ECON-213 Economic Development: A Survey

Fall and Spring. Credits: 4

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

A. Rosete, S. Gabriel

Prereq: ECON-110.

ECON-215 Economics of Corporate Finance

Fall. Credits: 4

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

Applies to requirement(s): Social Sciences

S. Gabriel

Restrictions: Course limited to sophomores, juniors and seniors

Prereq: Economics 103, 104, or 110.

ECON-218 International Economics

Fall and Spring. Credits: 4

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.

Applies to requirement(s): Social Sciences

H. Van den Berg

Prereq: ECON-110.

ECON-220 Introduction to Econometrics

Fall and Spring. Credits: 4

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.

Applies to requirement(s): Meets No Distribution Requirement

S. Adelman

Prereq: ECON-110 and MATH-101. Coreq: ECON-220L.

Notes: Not open to students who have taken college-level statistics, including IB courses with a statistics component.

ECON-225 Economics of Health Care and Health Service Organizations

Not Scheduled for This Year. Credits: 4

Economic aspects of health and health care in developing countries. Topics cover measuring health outcomes for welfare analysis, economic determinants of health and health care demand, the contribution of improved health and nutrition on economic development, and considerations in designing and evaluating health care interventions. Additionally, the course will cover micro-economic topics related to specific public health problems in developing countries.

Applies to requirement(s): Social Sciences

S. Adelman

Prereq: ECON-103 or ECON-110.

ECON-236 United States Economic History

Fall. Credits: 4

This course provides an overview of important themes in the economic history of the United States and other countries. The goals of this course are to examine reasons for economic growth over time, to use economic analysis to understand history, and to study how history shapes economic institutions today. Topics covered include resource endowments, the industrial revolution, and slavery.

Applies to requirement(s): Social Sciences

J. Norling

Prereq: ECON-103, ECON-104, or ECON-110.

ECON-249 Topics in Economics**ECON-249DV Topics in Economics: 'Introduction to Political Economy: Development Issues'**

Spring. Credits: 4

This course introduces students to key issues of political economy such as the provision of public goods, property rights, and the role of the state in economic interactions. Students will learn how economists have tackled these issues in the past, the advantages, and the limitations of their approach.

Applies to requirement(s): Social Sciences

A. Rosete

Prereq: ECON-110 and MATH-101.

300-Level Seminars**ECON-301 Advanced Game Theory**

Spring. Credits: 4

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.

Applies to requirement(s): Meets No Distribution Requirement

S. Schmeiser

Prereq: ECON-211 and ECON-212.

ECON-307 Seminar in Industrial Organization*Spring. Credits: 4*

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.

*Applies to requirement(s): Meets No Distribution Requirement**K. Schmeiser**Restrictions: This course is open to Juniors and Seniors.**Prereq: ECON-212.***ECON-308 Current Macroeconomic Policies***Spring. Credits: 4*

Advanced macroeconomic theory. Develops and uses the classical model of a closed economy to explore the roles of fiscal and monetary policy in economic growth and macroeconomic stabilization. Draws upon current empirical macroeconomic research that quantifies impact of macroeconomic policy. Focus is on using mathematical models to explain macroeconomic policy.

*Applies to requirement(s): Social Sciences**M. Lay**Restrictions: This course is open to Juniors and Seniors.**Prereq: ECON-211 and MATH-101.***ECON-310 Public Finance Seminar***Fall. Credits: 4*

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.

*Applies to requirement(s): Social Sciences**M. Lay**Prereq: ECON-212.***ECON-313 Seminar in International Finance***Fall. Credits: 4*

Advanced course in international finance and open-economy macroeconomics that covers the balance-of-payments accounts, foreign exchange markets, open-economy macroeconomic models, alternative exchange rate regimes, financial crises, financial reform, the problems with the single currency in Europe, and a complete history of the international financial system.

*Applies to requirement(s): Meets No Distribution Requirement**H. Van Den Berg**Restrictions: This course is open to Juniors and Seniors.**Prereq: ECON-211.**Advisory: Mathematics 101 recommended.***ECON-314 Economic Development in the Age of Contested Globalization***Spring. Credits: 4*

Why have only few developing countries closed the income gap with industrialized countries? How does globalization affect the prospects for economic transformation and human well-being? How does the rise of China impact the development prospects for other latecomers? We study and discuss how orthodox and heterodox approaches answer these and other questions, and we assess proposed policies and their appropriateness in different contexts. Students have many opportunities to apply the knowledge acquired in class: in debates, simulations, quantitative and qualitative research, and discussions of authentic cases with embedded practitioners from international organizations and the private sector.

*Applies to requirement(s): Social Sciences; Multicultural Perspectives**Other Attribute(s): Speaking-Intensive, Writing-Intensive**E. Paus**Restrictions: This course is open to Juniors and Seniors.**Prereq: ECON-213 and either ECON-211 or ECON-218.***ECON-320 Econometrics***Fall. Credits: 4*

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. Robinson**Restrictions: This course is open to Juniors and Seniors.**Prereq: ECON-211, ECON-212 and ECON-220.***ECON-345 Corporate Governance***Fall. Credits: 4*

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: ECON-211 and ECON-212.***ECON-346 Economic Demography***Spring. Credits: 4*

Demography is the scientific study of human populations, primarily with respect to their size, structure, and development. This course studies a variety demographic topics, including fertility, mortality, population age structure, poverty, and inequality. The course also covers empirical econometric techniques that are helpful for answering demographic questions.

*Applies to requirement(s): Social Sciences**J. Norling**Prereq: ECON-220.*

ECON-349 Advanced Topics in Economics**ECON-349EM Advanced Topics in Economics: 'Economics of Immigration: Theory, Policy, and History'***Spring. Credits: 4*

This course covers the economic theory, policies, and history of immigration. The theory component covers neoclassical models, models from other schools of thought, and contributions from other disciplines. Immigration policy is analyzed through economic models and a political economy perspective. Contemporary arguments for and against open immigration are studied. The course covers the history of ancient migrations, early European migrations to the Western Hemisphere and other colonies, the slave trade, current Hispanic migration, and refugee flows.

*Applies to requirement(s): Social Sciences; Multicultural Perspectives**H. Van den Berg**Prereq: ECON-211 and ECON-212.***ECON-349FM Advanced Topics in Economics: 'Institutional Formation and Development'***Fall. Credits: 4*

Economists have long recognized the role of institutions in the development process. Institutions are formal and informal arrangements that govern social interactions. This class is an exploration of how institutions form, how they are sustained, and their consequences for the development process. In the first part of the course, we develop an understanding of simple games used to analyze various social interactions. We then explore how this theoretical apparatus is used in understanding formal and informal institutions governing a variety of social and economic relationships. These relationships will include land ownership, labor, gender relations, and bribery.

*Applies to requirement(s): Social Sciences**A. Rosete**Prereq: ECON-211 and ECON-212.***ECON-349SC Advanced Topics in Economics: 'Social Choice and Welfare'***Spring. Credits: 4*

This class introduces students to the theory of social choice – a branch of economic theory that tackles questions of "oughts." How should society choose among several alternatives? What rules constitute a fair method of collective decision-making? Among the topics we will cover are Arrow's and Sen's seminal impossibility theorems, concepts of freedom, individual rights, and opportunities. Throughout, we will make extensive use of examples, prioritizing intuition over mathematical formulation.

*Applies to requirement(s): Social Sciences**A. Rosete**Prereq: ECON-211 and ECON-212.***ECON-394 Senior Seminar for Thesis Students***Fall. Credits: 4*

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**K. Schmeiser**Restrictions: This course is limited to seniors.**Prereq: ECON-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.***Independent Research**

We strongly encourage students to pursue independent research under ECON-295 or ECON-395. These courses, which are offered for a variable number of credits, provide opportunities for many different kinds of independent projects. Both ECON-295 and ECON-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 ECON-394, the senior seminar, in the fall and then by finishing with ECON-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 ECON-395 project may not be counted toward the courses required for the major or minor at the 300 level. For a two semester ECON-395 project culminating in a thesis, the second semester may count toward this requirement.

ECON-295 Independent Study*Fall and Spring. Credits: 1 - 4**The department**Instructor permission required.***ECON-395 Independent Study***Fall and Spring. Credits: 1 - 8**The department**Instructor permission required.*