BUSINESS ECONOMICS

The Business Economics major gives students a solid understanding of today’s global business environment and market structure. It combines in-depth study of economic theory with business applications within an ethical framework. The program enables students to understand market forces and their interplay with government policies and business decisions. It emphasizes the application of economic concepts and the use of critical thinking to resolving economic and managerial problems. Students acquire the analytical and problem-solving skills needed to investigate and critically evaluate economic trends and business conditions. They learn to interpret current issues confronting society (e.g., deficits, inflation, unemployment, poverty) as well as individuals (e.g., wages, cost of living, taxes). The major in Business Economics requires completion of 48 major credits. The curriculum is designed to enable students to succeed in business and government careers, graduate schools, and law schools as well as to become better-informed and productive citizens.

Faculty

RUSSELL ENGEL, PH.D.
Assistant Professor

RALPH LIM, M.B.A., C.F.A.
Associate Professor

KHAWAJA A. MAMUN, PH.D
Associate Professor

LUCJAN T. ORLOWSKI, PH.D.
Professor, Chair

STEPHEN RUBB, PH.D.
Associate Professor

Business Economics Major

All Business Economics students must complete the following courses to earn their degree.

SACRED HEART UNIVERSITY CORE CURRICULUM (54–56 CREDITS)

COLLEGE OF BUSINESS CORE CURRICULUM (24 CREDITS + 9 REQUIRED SUPPORTING CREDITS)

OTHER COURSES IN MAJOR (18 CREDITS)

REQUIRED SUPPORTING COURSES

MA 133  Elementary Statistics with Business Applications
Minor in Business Economics

The minor in Business Economics requires the completion of 18 credits.

REQUIRED COURSES

EC 202  Principles-Microeconomics
EC 203  Principles-Macroeconomics
EC 302  Global Financial Markets and Institutions
EC 313  Managerial Economics
Economics Elective (EC 299 and up)
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A&S Majors may take EC101 in lieu of either EC202 or EC203. A&S Majors may take either SO254, PO320, or MA151 in lieu of one economics elective.

Course Descriptions

EC 101 Introduction to Economics (Non-Business majors only) 3 CR
Introductory course for the non-Business major. Provides a foundation in the workings of the economy. Describes and analyzes major concepts and issues of macroeconomics and microeconomics. Examines key institutions including the Federal Reserve System, corporations and labor unions.

EC 202 Principles of Microeconomics 3 CR
An introduction to basic microeconomics principles and tools. Topics include: demand, supply, market equilibrium, costs of production, and resource pricing. Examines the market structures of pure competition, oligopoly, monopolistic competition, and monopoly. Markets for labor and capital are examined. Comparative advantage, international trade, and exchange rates are also explored.
Prerequisite: MA 106 or MA 109 or MA 110 (MA 110 is encouraged for those considering graduate school)

EC 203 Principles of Macroeconomics 3 CR
Covers the determinants of economic growth and economic fluctuations within the business cycle. Topics include: inflation, unemployment, interest rates, savings and Investment, money and banking, and international finance. Fiscal policy and monetary policy are discussed using an aggregate supply/aggregate demand framework. Topics of supply and demand and exchange rates introduced in EC 202 are reviewed.
Prerequisites: MA 109 or MA 110 and EC 202 (MA 110 is encouraged for those considering graduate school)

EC 211 Economics of Social Issues 3 CR
Applies basic economic principles to analyze social issues. Topics include prices and the allocation of resources, the role of incentives, free trade, economic growth, market failure, the distribution of wealth and income, health care, crime and education.

EC 299 Special Topics in Economics 3 CR
Designates new or occasional courses that may or may not become part of the department’s permanent offerings. Courses capitalize on a timely topic, a faculty member’s particular interest, an experimental alternative to existing courses, etc.
Prerequisites established by the department as appropriate for the specific course. Course title is shown on the student’s transcript. Consult the current course schedule for available topics and current prerequisites.
EC 301 Intermediate Macroeconomic Analysis 3 CR
A course in aggregate economic analysis. Examines theories of the determination of national income and employment. Policies associated with these theories are critically examined.
Prerequisite: EC 203

EC 302 Global Financial Markets and Institutions 3 CR
This course overviews the global financial markets and institutions. It examines the regulatory framework and asset/liability management at commercial banks and other financial institutions. It analyzes the significance of money, credit, and interest rates, as well as the impact of monetary policy on the economy. Students learn about assessment and management of various types of risks faced by global financial institutions.
Prerequisite: EC 203

EC 303 Seminar on U.S. Economy and Monetary Policy 1 CR
This is a one credit course to learn about U.S. Macroeconomics aspects and monetary policy implementation by the Federal Reserve Bank. Selected students will participate in the Fed Challenge competition held in November by the Eastern Economic Association with partnership of New York Federal Reserve Bank. Students learn to work in a team environment, conduct research in macroeconomics, write short papers on economic topics, and conduct data analysis to make graphs and tables. In addition, they also learn how to make PowerPoint presentation and give presentation in front of audience. The course is open to Business Economics and/or Finance majors only.
Prerequisite: EC 203

EC 313 Managerial Economics 3 CR
Analyzes the structure of industry, business firms and the application of analytical tools of economics to decision making. Topics include: the determination of relevant costs for decisions within the business firm, pricing and capital budgeting problems, risk and uncertainty, and cases involving actual managerial situations that require the use of economic analysis.
Prerequisite: EC 203

EC 315 Game Theory 3 CR
Game theory is a collection of tools used to study and model strategic decision making. These methods can be used to study optimal decision making in contexts ranging from those normally viewed as “games” such as poker to situations that economists are more concerned with that can include how to place a bid in an auction, how to set prices to draw business from a competitor etc. This class will begin by developing the formal tools of game theory and then alternate between showing interesting applications of that theory and developing additional theoretical tools. The types of applications that will be discussed will include a study of optimal auctions, pricing games, and models of election games. The goal for this class is that by the end of it, students should be able to engage in complex strategic analysis of real world situations.

EC 321 Labor Economics 3 CR
Applies the fundamentals of microeconomic and macroeconomic analysis to important decisions that people make in labor markets. Topics include the understanding of the wage and employment determination in the labor market, the wage differential, investing in human capital (i.e. education and training), labor mobility (including immigration), discrimination, unions and unemployment. The course will cover both theoretical and
empirical aspects of these issues.
Prerequisite: EC 203

**EC 322 International Economics 3 CR**
This course examines basic theories of international trade, modern trade policies and international finance. It overviews the changing global business patterns, with a special focus on new economics and regulatory policies challenges in the aftermath of the first global recession of the 21st century. Students who master the course material will gain knowledge and skills for succeeding both in the public sector institutions and in international business organizations.
Prerequisite: EC 203 Principles of Macroeconomics

**EC 342 European Economic Development**
This course provides students with a comprehensive examination of the European economic development and integration process. Historical, political, legal, and institutional aspects of the economic development and integration are analyzed. In addition, the course material overviews the main macroeconomic and regulatory policies of the European Union.

**EC 373 Public Finance 3 CR**
Examines the role of the public sector in the economy. Provides an understanding of the reasons for government intervention in the economy, the extent of that intervention, and the response of private agents to the government's actions. Analyzes both the taxation and the expenditure sides of the government budget. Discusses the impact of taxes on income distribution and explores the expenditure programs, their nature, importance, purposes and economic effects.
Prerequisite: EC 203

**FN/EC 390 Internship 3-9 CR**
Students are directly involved in various practical applications of economics and finance knowledge to a specific industry or organization. The emphasis is on acquiring hands-on skills. An on-site professional supervises students.

**EC 391 Quantitative Methods in Economics and Finance 3 CR**
Aimed at developing advanced quantitative skills needed for modern economic and financial analyses. Time-series multivariate regression is examined as well as cointegration tests, ARMA procedures, causality tests and recursive stability tests. Computer applications of econometric programs are required.
Prerequisite: MA 133 or equivalent

**EC 392 Economic and Financial Forecasting 3 CR**
Survey and applications of core time-series techniques of economic and financial analysis. Incorporates standard and advanced models of trend, seasonality and cycles as well as recursive techniques, volatility measures, simulation methods, and stochastic trends. Extensive use of the EViews software program for both modeling and forecasting purposes.
Prerequisite: EC/FN 391

**EC 399 Current Issues in Economics 3 CR**
Examines major contemporary economic issues. Demonstrates how economists deal with the difficult problems of the day. Open to both prospective majors and non-majors.
Prerequisite: EC 203