

MOUNT ST. JOSEPH UNIVERSITY
ECO 655-S5 Global Economic Issues
Class Room Building 115 (5/18/2019 – 8/10/2019)

Instructor	Edward Frank
Contacts	513-289-6016 (Cell - emergencies); Edward.Frank@msj.edu
Office	Classroom
Office Hours	30 minutes after class
Credits	3 hours
Prerequisite	MSOL Graduate Student
Class Meetings	Saturday: 8:30AM – 12:30PM
Required Text	Farnham, Paul G. – <i>Economics for Managers – Third Edition</i> – Pearson Note: Additional reading materials will be assigned

Course Description: This course has two distinct parts. The first part is a comparison of the different economic systems around the globe. In this section, students examine the economic structures of different nations as well as the different roles for government. The second part of the course focuses on international trade. Students examine the theories that guide trade and the role of international economic institutions such as the World Trade Organization.

Course Approach: This course will focus on how Micro and Macro Economics impact how Managers make “economic” decision. Over five classes, we will leverage a broad range of economic theory and thought to develop a practical application of economic principles that you can use every day. We will weave in basic principles with advance concepts during the first four classes culminating in the students’ ability to present a real-life business issue that will be expertly defined, analyzed, and resolved using these very same principles and concepts.

Learning Objectives: By the end of this course students will be able to:

1. Analyze pricing strategies for firms under different market structures
2. Evaluate the role of government in a market economy
3. Describe how economic theories help managers assess external forces
4. Analyze business cycles and the macroeconomic variables influences by them
5. Identify ethical dilemmas that result from market failure

Assessment Requirements

Detailed descriptions of these assignments are below

Student performance will be based on the following:

Pre-Assignment and Class Participation	15%
Paper I ¹	20%
Paper II	20%
Paper III	20%
Presentation	25%
Total	100%

Teaching and Learning Methodologies

This course is primarily a lecture and discussion format, although at the end there will be student presentations. Students are expected to come to class prepared and ready to discuss the material assigned (i.e., read ahead and think about current events that are relevant).

Attendance Policy

Students are required to attend all class sessions, unless they make prior arrangements with the instructor (for example, business travel). If you must miss a class for a legitimate reason, any assignments will be allowed to be made up outside of class hours (see below).

Instructor's Note

Given this is a five-week class, each class is incredibly important, especially since we are going to cover a lot of material each class.

By design, this course builds each concept, approach, and methodology on top of each other that culminates in, hopefully, a comprehensive understanding and practical application of economics.

If you know in advance that you are going to miss class one of these weekends, please reach out to me as early as you can.

- If you truly have an urgent issue pop up, please text my cell at 513.289.6016 with the details.*
- I still expect any pre-assignments or assignments to be delivered to me prior to the start of each class.*
- If you miss a class, before the following class, I expect a one-page outline of key points, including insights gleaned per each chapter we cover in the class you missed².*

Finally, I would be concerned if you had to miss more than one class and particularly the last class. If this should happen, we will need to discuss what options, if any, are available for you.

¹ Each paper is a PowerPoint deck that includes speaker notes to provide additional context behind each slide. At the end you will need to include an appendix with your references. Please support any opinions with assumptions and facts. However, don't assume that an opinion stated in your reference material to be fact. I expect that your final presentation will be between 10 – 20 slides, not including references.

² I would expect you to reach out to another classmate for notes to help you. I want to see if you have a comprehensive understanding of the material you missed in class. This will count against your in-class participation score

Academic Policies:

Academic Honesty: Integrity is a necessary attribute for the person who desires to become a part of the legal environment. Unlike some other professions and disciplines, we usually do quote and paraphrase the writings of others -- such as cases that support our position. The College has a policy on Academic Honesty and related procedures, which is thoroughly explained in the Catalog. (<http://registrar.msje.edu/graduate-catalog/rights-policies1/academic-policies1/academic-honesty1/>) In general, when paraphrasing another's ideas you should always acknowledge the source, and when copying another's exact words you should also place quotation marks around the quoted language. If you are unsure of a specific situation, please ask me.

Incomplete Grades: A student must initiate a request for an "I" (incomplete) grade with an instructor by the last week of classes. The completed form must be submitted by the student to the Office of the Registrar prior to exam week. An "I" (incomplete) grade is only assigned by an instructor for a student who has made significant academic progress in the course, but for a serious reason has not fulfilled all requirements. If a student is unable to finish some required assignments or examinations, the student should petition the instructor for an "I" (incomplete) grade. The remaining specific assignments or examinations yet to be completed must be listed on the petition with an agreed upon completion date. The specified student course work must be completed and submitted to the instructor no later than the completion date agreed upon by the student and instructor. If an "I" grade is not changed by the time specified in the grade conversion schedule, the "I" grade will automatically convert to an "F" (failing) grade.

Disability Policy: Students with documented disabilities are encouraged to speak to course faculty at the beginning of the semester. In compliance with Section 504 of the Rehabilitation Act of 1973, the College of Mount St. Joseph provides academic adjustments and auxiliary aids for students with physical or mental impairments that substantially limit or restrict one or more of such major life activities as walking, seeing, hearing, or learning. Students with disabilities should contact the Director of Academic Support, to present documentation and develop individualized accommodation plans. Phone: 244-4524. Information can be found @ <http://www.msje.edu/academics/disability-services/>
Link for drop dates:
<http://registrar.msje.edu/undergraduate-catalog/advising-registration/registration/course-withdrawal-policy/>.

Course Specifics

Grading scale:

A – 90% to 100%

B – 80% to 89%

C – 70% to 79%

F – 0% to 69%

Tentative Schedule

Classes	Chapters	Topics	Assignment
5/18	1 – 4	Overview, Demand, Elasticities, & Consumer Behavior	Pre-Assignment
6/8	5 - 8	Supply, Production Function, and Market Structure	Paper 1
6/29	9 - 12	Market Structure, Pricing Strategy, Measuring the Economy, & Fiscal Policy	Paper 2
7/20	13 - 16	Monetary Policy, Aggregate Model, International Issues & Wrap Up	Paper 3
8/10			Final Paper / Presentation

Note: Assignment details are below

Course Preparation (Pre-assignment):

- Please see the Pre-Assignment below
- Start to think of business situations that you have at work that you believe can be assessed and resolved using economic principles
- Please review the following videos from Kahn Academy (follow the links below)
 - [Introduction to economics](#)
 - [Scarcity](#)
 - [Economic Models](#)
 - [Law of Demand](#)
 - [Law of Supply](#)
 - [Market Equilibrium](#)
 - [Normative and positive statements](#)
 - [Command and market economies](#)
- Please review the following 30-minute video by Ray Dalio: [How the Economic Machine Works](#). It's a great overview of how the economy works provides a nice foundation for parts of this course.
- Additionally, please read the following article on [What is Behavioral Economics?](#)

Pre-Assignment

Due **before** the start of Class on May 18th, 2019.

Objective: Establish a knowledgebase of economic principles and ideas that will enable you to rapidly assimilate the course material and facilitate the execution of your papers for the class

Please respond to each question with 3 to 5 bullet points, unless otherwise instructed.

Looking for awareness and basic knowledge, not in depth understanding or critiques

Finally, feel free to use any reputable source of information to respond, but please reference source information

(1) Define the following terms:

- Economics
- Market Equilibrium
- The Law of Demand
- The Law of Supply
- Utility and Marginal Utility
- Business Cycle
- Behavioral Economics

(2) Compare the following terms (up to 10 bullets, if required):

- Absolute Advantage versus Comparative Advantage
- Command Economy versus Market Economy
- Positive versus Normative economic statements

(3) What do you believe drives the stock market?

(4) Please read the following article and provide what you think are the salient points:

<https://johnhcochrane.blogspot.com/2018/03/unintended-consequences.html>

(5) What are your objectives for Econ 655?

(6) What do you want to know when you complete this course?

In-Class Participation

Please be prepared for each class so you can discuss the reading assignments and chapter topics in class or respond to a question asked to you in class.

In addition, I expect that if you are asking questions, you are working on increasing your depth of knowledge or understanding of the material.

Finally, being present and on-time are important contributing factors to your in-class participation grade.

Paper / Presentation Detail

In general, you will define a problem and build around how you would go about solving that problem using the information from the class. You have the option of working alone or with a team (maximum size to be determined in class). All work must be turned in prior to each class. I am available for consult to help you with your choices for each of the assignments.

Please email me your Paper / Presentations using the following structure: Econ655 Assignment Description Due Date (YYYYMMDD) Last-name(s). I am working with Adam Smith on Paper 3 and it is due on July 20th, 2019, I would name the PPT Econ655 Paper 3 20190720 Frank Smith.

- **Paper 1** (PPT w/Speaker Notes) – Define a problem that will become the topic for the remaining papers and in class presentation
 - Please pick a problem you are familiar with (more than likely from work)
 - Note: you may need approval from your company first if the information or issue is sensitive
 - Problem should be defined widely enough to enable you or your team to use a variety of principles, methodologies, and tools from this course
 - Problem should be defined narrowly enough for you to be able to solve it, in other words, do not pick a topic that requires an external body (like the government to help solve it) or that is too complicated to solve for
 - Problem should have plenty of accessible data associated with it
- **Paper 2** (PPT w/Speaker Notes) – Describe the economic principles, methodologies, and / or tools you (individually or as a team) will be using to resolve the problem defined above
 - If you can, please use several distinctive types, like elasticities, opportunity costs, price optimization, non-cooperative game theory, Interest rate fluctuations caused by the Fed, changes in currency exchange rates or tariffs, etc.
- **Paper 3** (PPT w/Speaker Notes) – Provide the data and assumptions used to analyze the business problem
 - Gather what ever data you can gather from specific data from your company to publicly available data
 - If you cannot find the data you need, please make reasonable assumptions
- **Final Paper / Presentation** (PPT w/Speaker Notes & In Class Presentation) – Analyze the data using economic principles, methodologies, and tools and provide a recommended solution and expected outcome of your analysis
 - Combine all you have into a clear and concise recommendation and describe what, where, when, and why of the expected outcome
 - Be prepared to defend your choices and discuss each of the topics from the previous assignments.
 - Your classmates and I will ask questions!