

# Economics

College of Social Sciences

## Department of Economics

Don R. Leet, *Chair*

Sherry McCulloch, *Department  
Administrative Coordinator*

Peters Business Building, Room 393

(559) 278-3916

## B.A. in Economics

### Minor in Economics

### Minor in International

### Political Economy

*(Jointly with*

*Department of Political Science)*

### Subject Matter Preparation for Single Subject Teaching Credential in Social Science

## Economics

Economics is the social science that studies the way in which societies are organized to produce the goods and services that sustain and enhance the life processes of the community. As a fundamental scientific discipline, economics employs systematic analysis in the study of the production and distribution of income within and among nations. Since all social policy issues in modern societies have an economic dimension, the study of economics offers the student an opportunity to investigate the most important and exciting problems of political economy facing the world today.

Such topics as inflation, unemployment, business cycles, international trade and finance, and development have long been within the province of economics. More recently, the economic way of thinking has been extended to other areas. Economic theories have been used to explain crime rates, birth rates, class conflict, pollution, marriage decisions, migration, and many other topics involving human behavior.

Economics majors acquire skills in critical and analytical thinking that contribute to an individual's intellectual independence and self-confidence in the problem-solving processes. In addition, economics majors confront the necessity of developing a broad view of the options facing humankind in organizing the production and distribution of income. The literature of economics presents widely diverse systems of political economic philosophy. The



department offers a well-developed and balanced curriculum.

The program in economics is designed to give the student maximum flexibility. A typical economics major might take courses in intermediate macroeconomic theory and statistics while also learning about global corporations in the third world, or the regional economy, or pursue an independent study project on the foundations of supply-side economics. The economics major is designed to permit the student to pursue a broad liberal arts undergraduate degree, integrating the study of economics with other social sciences, humanities, natural sciences, and business administration.

## Career Outlook

Graduates of the department pursue a variety of challenging careers in industry, finance, education, government, and international affairs. The economics B.A. degree is an excellent foundation for graduate study in public administration and business. The undergraduate major in economics has also proved to be an ideal prelaw major. The faculty provides counseling on legal careers to students interested in this career option. A number of distinguished attorneys are graduates of the department.

**Careers for professional economists fall into the following patterns:**

1. **Business** — roughly one-third of all economists are employed by private firms both large and small, although big cor-

porations, banks, and insurance companies tend to employ larger staffs of economists.

2. **Government** — approximately one out of five professional economists works for a local, state, or federal government agency. The federal government recognizes the importance of an economics degree at the undergraduate level by allowing members of the economics honor society (Omicron Delta Epsilon) to enter government service at the GS-7 level rather than at the GS-5 level for general college graduates.

3. **Education** — about 45 percent of all economists are involved in teaching the discipline at the university level. There is a reawakening of interest in teaching economics in the secondary and even primary grades as more states across the nation are beginning to mandate economics in the public schools curriculum.

## Faculty

The faculty is staffed by professors whose primary professional commitment is to undergraduate education. Every member participates in the full range of teaching assignments. The program offers a wide variety of courses ranging from the traditional core of intermediate micro and macroeconomic theory to problem-oriented courses, such as the economics of ecology, population, and government regulation. The background of the faculty, like its program offerings, represents a broad spectrum of intellectual tastes and professional specialties.

Don R. Leet, *Chair*  
 James M. Cypher  
 Sasan Fayazmanesh  
 Sally R. Hays  
 Scott D. Houser

Jeanette S. Iwasa  
 Linda J. Shaffer  
 John A. Shaw Jr.

**Bachelor of Arts  
 Degree Requirements**

*Economics Major*

ECON 40 and 50 are prerequisites for most upper-division courses in economics. Any student planning graduate work is advised to take *additional mathematics* and *some foreign language*.

	<i>Units</i>
<b>Major requirements</b> .....	<b>39</b>
Core: ECON 40, 50, 100A, 100B, 123 .....	(15)
Areas of concentration .....	(12)
<i>Majors must complete at least 3 units from each area</i>	
A. History/History of Thought: ECON 101, 105, 107, 109, 110, 151, or 115T	
B. International: ECON 114, 161, 178, 179, 180, 181, 182	
C. Applied Microeconomics: ECON 117, 131, 150, 152, 162, 174, or 188T	
D. Applied Macroeconomics: ECON 103, 119, 135, 140, or 188T	
Approved economics electives (at least 9 units upper division) .....	(9)
Senior project: ECON 185 or 190 or 191 .....	(3)
<b>General Education requirements</b> .....	<b>51</b>
<b>Electives and remaining degree requirements</b> .....	<b>30</b>
<i>(see Degree Requirements); may be used toward a dual major or minor</i>	
<b>Total</b> .....	<b>120</b>

**Advising Notes**

1. Economics majors may not use ECON 25, 40, 50, or AGECE 1 for General Education requirements.
2. A maximum of 6 units of either ECON 185 or 190, or any combination of these courses, will be allowed as credit toward the major, or toward either minor within economics.
3. CR/NC grading is not permitted in the economics major or minor, except for courses offered only under CR/NC grading.
4. General Education and elective units may be used toward a dual major or

minor (see *Dual Major* or departmental minor). Consult the appropriate department chair, program coordinator, or faculty adviser for further information.

5. No General Education Integration or Multicultural/International course offered by the Department of Economics may be used to satisfy the General Education requirements for economics majors.

**Economics Minor**

	<i>Units</i>
ECON 40, 50 .....	<b>6</b>
Select one: ECON 100A, 100B, 101 ....	<b>3</b>
Economics electives .....	<b>9</b>
<b>Total</b> .....	<b>18</b>

**International Political  
 Economy Minor**

International political economy is the systematic inquiry into the political and economic forces generating wealth and social change on a global scale. As an interdisciplinary program it is administered from two departments: Political Science and Economics. Students who desire a greater understanding of the complex political and economic interactions of nations are encouraged to learn more about this program by consulting with a faculty adviser in either department.

	<i>Units</i>
<i>Political Science</i>	
PLSI 120 .....	<b>3</b>
Electives* .....	<b>6</b>
Select from: PLSI 121, 125, 126, 128T, 140, 141, 142T, 143T, 144T, 145T, 146T, 149T	
<i>Economics</i>	
Electives** .....	<b>9</b>
Select from: ECON 109, 114, 161, 178, 179, 180, 181, 182, 185, 190	
<b>Total</b> .....	<b>18</b>

\* PLSI 1 or 2 may be listed as a prerequisite for some of these courses.  
 \*\* ECON 40 and 50 are prerequisites for some of these courses.

**Note:** The minors also require a 2.0 GPA and 6 upper-division units in residence.

**Advising Note for Minors**

ECON 25, 40, and 50 may also meet General Education requirements. ECON 165 cannot be used as an elective for any minor in the Economics Program.

**Teaching Credential in Social Science.** See the Social Sciences credential adviser, Social Science Building, Room 118, for advising, and refer to Secondary Teaching Credential under Social Sciences Programs (see page 454).

**COURSES**

**Economics (ECON)**

**25. Introduction to Economics (3)**  
 Prerequisite: G.E. Foundation A2. Survey of the development of economic ideas and theories in the context of economic history. Analysis of major economic thinkers. Introduction to contemporary economic issues and policy controversies. Does not count toward the major in economics. G.E. Breadth D3.

**40. Principles of Microeconomics (3)**  
 Prerequisite: G.E. Foundation A2. Introduction to microeconomic theories of demand, production, and income distribution; price determination and resource allocation, under alternative forms of market organization; government regulation of economic activity; applied economic analysis and policy formation in selected topic areas. G.E. Breadth D3. (CAN ECON 4)

**50. Principles of Macroeconomics (3)**  
 Prerequisite: G.E. Foundation A2. Economic theories of the determination of income, output, employment, and prices in the economy as a whole; business cycles, fiscal and monetary policies; economic growth and development; international trade; and comparative economic systems. G.E. Breadth D3. (CAN ECON 2)

**100A. Economic Theory:  
 Microeconomic Analysis (3)**  
 Prerequisites: ECON 40, 50. Price mechanism and resource allocation under conditions of pure competition, monopolistic competition, oligopoly; theories of consumer's choice, cost, production, income distribution; nature of economic generalizations.

**100B. Economic Theory:  
 Macroeconomic Analysis (3)**  
 Prerequisites: ECON 40, 50. An examination of classical, Keynesian and post-Keynesian theories of the determination of the levels of income, output, and employment; the scientific and ideological implications of Keynesian thought; and the theoretical foundations of contemporary monetary and fiscal policies.

## Economics

### 101. History of Economic Thought (3)

Prerequisites: ECON 40, 50. Evolution of economics as a science; doctrines of different schools of thought — Mercantilists, Physiocrats, Historical School, Classical Economists; contributions of outstanding economists.

### 102W. Explorations in Economic Literature (3)

Prerequisites: ECON 40, 50; satisfactory completion (C or better) of the ENGL 1 graduation requirement; upper-division standing. An investigation into important economic ideas and issues through selected readings of either contemporary literature or classics in the history of economic thought or both. The class is conducted as a seminar with emphasis on student contributions. Meets the upper-division writing skills requirement for graduation.

### 103. Economics of Inflation, Unemployment, and Growth (3)

Prerequisite: ECON 50. A theoretical and empirical analysis of the various types of inflation and unemployment in the United States economy.

### 105. Marxian Economic Theory (3)

Prerequisites: ECON 40, 50. Marxian economic theory and its relevance for modern economic theory and analysis; Marx's value, production, and distribution theory; modern developments of Marxian models.

### 107. Institutional Economics (3)

Prerequisites: ECON 40, 50. Study of the literature of American institutionalism, e.g., Veblen, Commons. Systematic study of the process of institutional adjustments; interplay of ceremonial and technological aspects of economic activity; application of institutionalist theory to specific fields in economics.

### 109. Principles of Political Economy (3)

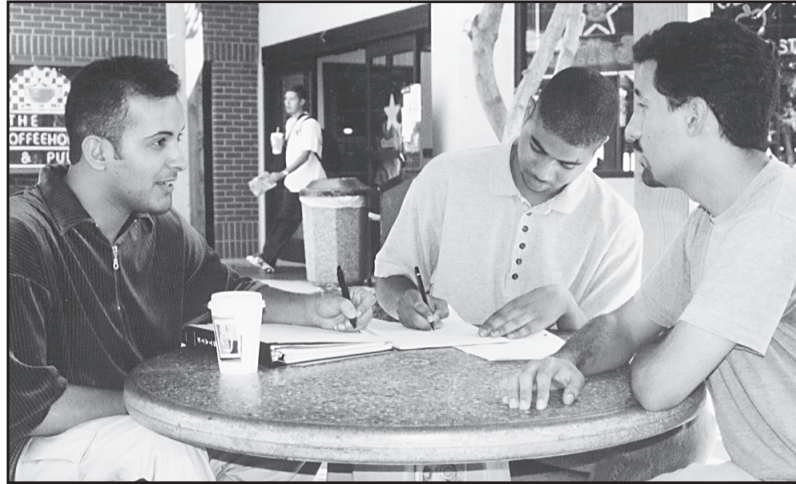
Prerequisites: ECON 40, 50 or permission of instructor. A critique of political economy; political nature of applications of economic theory.

### 110. Economic History of the United States (3)

Prerequisites: ECON 40 or 50 or 165. Exploration and colonization to the present; economic factors in development of the United States; relationships of economic forces to historical, political, and social change.

### 114. Economic Development of Poor Nations (3)

Prerequisites: ECON 25 or 40 or 50. Intensive study of the causes and consequences of underdevelopment that affects two-thirds



of the world's people. Topics include theories of development, historical roots of underdevelopment, evaluation of aid programs, New International Economic Order, Asian export economies, managing external debt.

### 115T. Topics in U.S. Economic History (1-3; max total 6)

Detailed investigation of developments in the United States economy. Topics vary with the needs and interests of students and faculty.

### 117. Environmental Economics (3)

Prerequisite: ECON 40. Investigation into the economics of resource use. Development and creation of resources through the application of technology and the destruction of resources through misuse and pollution of the environment.

### 119. San Joaquin Valley Economic Problems and Promise (3)

Examination of San Joaquin Valley economy from a policy-oriented perspective. Application of regional economic models to the local economy. Empirical analysis of issues including immigration, unemployment, and local economic development. (Formerly ECON 104T)

### 123. Introduction to Econometrics (3)

Prerequisites: ECON 40, 50; MATH 11 or permission of instructor. Statistical data analysis in economics. Use of multiple regression analysis, time series analysis, index numbers. Basic theory; computer applications using major economic data sources; interpretation of results. (2 lecture, 2 lab hours)

### 125. Introduction to Mathematical Economics (3)

Prerequisites: ECON 40, 50; MATH 75. Introduction to uses of mathematics (primarily calculus and matrix algebra) in theoreti-

cal economic analysis. Knowledge of basic economics assumed; math is taught. Strongly recommended for students considering graduate work in economics or business.

### 131. Public Finance (3)

Prerequisite: ECON 40. Impact of government expenditures and taxes on the allocation of resources and the distribution of income. Evaluation of government expenditure programs and tax policies. Analysis of existing government policies and proposed reforms.

### 135. Money and Banking (3)

Prerequisites: ECON 40, 50. Survey of the monetary and banking system of the United States and analysis of its role in economic growth and stabilization.

### 140. The Political Economy of the Military-Industrial Complex (3)

Prerequisite: ECON 50. Economic effects of military expenditures in historical perspective. Economic effects of World War II, Korea, and Vietnam. The Military-Industrial Complex, war profiteering, and the economic effects of disarmament.

### 146. Economics of Crime (3)

Prerequisites: G.E. Foundation and Breadth Area D. Economic theory of choice and rationality applied to analysis of crime, focusing on white-collar and corporate crime. Examines costs and benefits of crime control policies. Economics of participation in crime, law enforcement, prosecution, and punishment. G.E. Integration ID.

### 150. Labor Economics (3)

Prerequisites: ECON 40, 50. Alternative theories of wages, employment, and structure of labor market; impact of collective bargaining on level of wages, employment, and labor's share of national income; history and philosophies of labor movement; structure and functioning of labor unions.

**151. History of Labor in the United States (3)**

Prerequisites: ECON 40, 50. Analytical topics from historical viewpoint; evolution of unions and labor legislation interpreted in terms of economic theory.

**152. Economics of Human Resources (3)**

Prerequisites: ECON 40, 50 or 165. Economic theory of investments in education and job training; economic theories of discrimination; analysis of earnings differentials for women and ethnic minorities. Issues discussed include educational choices, affirmative action, comparable worth, and human resource planning policies.

**161. Population Economics (3)**

Prerequisites: ECON 40 or 50 or 165. Development of an economic framework for studying components of population growth: fertility, mortality, and migration. Analysis of relationship between population change and modern economic growth in both developed and lesser developed nations.

**162. Health Economics (3)**

Prerequisite: ECON 40. Economic issues associated with the provision of health care in the U.S. Role of competitive market forces, non-profits, and government. Separate consideration of physicians, hospitals, insurance, and drug companies. Comparison to other countries.

**165. The Modern American Economy (3)**

No prerequisites. Not open to economics majors. Provides an overview of the major economic forces that shape our everyday experiences by introducing fundamental economic principles and applying them to the American economy. Audio-visual materials and computer simulations are presented.

**167. Contemporary Socioeconomic Challenges (3)**

Prerequisites: G.E. Foundation and Breadth Area D. In-depth analysis and discussion of major socio-economic challenges currently facing the U.S. Emphasis on understanding basic economic underpinnings of contemporary policy issues. Analysis of conflicting economic, social, political, and historical forces which condition and constrain policy implementation. G.E. Integration ID.

**174. Government Regulation of Economic Activity (3)**

Prerequisites: ECON 40, 50. Justification for regulation, constitutional limitations, public utility regulation, regulation of

monopoly; competitive practices; government policy in other areas of economic activity.

**176. Economics Themes in Film (3)**

Prerequisites: G.E. Foundation and Breadth Area D. Emphasizes economic concepts, issues, and institutions through an integrated series of classic films, lectures, and discussions. Students will apply the economic way of thinking to social problems involving such topics as economic growth, unemployment, income distribution, discrimination, and the global economy. G.E. Integration ID. (2 lecture, 2 lab hours)

**178. International Economics (3)**

Prerequisites: ECON 40, 50. International economic relations; problems and policies in the light of fundamental economic theory.

**179. International Political Economy (3)**

Analysis of greater internationalization of national economies. Policies of states and transnational corporations in the context of globalization. Trade, finance, and production in the international context. Regional economic integration. Global assembly and labor issues. Evolution of multilateral institutions. (3 lecture/recitation hours)

**180. Comparative Economic Systems (3)**

Prerequisites: ECON 40, 50. Comparative study of economic systems of the modern world; capitalism, socialism, communism, fascism, and the problems which arise within each.

**181. Political Economy of Latin America (3)**

Prerequisites: G.E. Foundation and Breadth Area D. Latin America's principal economic problems examined within a historical and contemporary context. Topics may include Colonialism, Neo-Colonialism, foreign corporations, debt crises, problems of industrialization, women and labor, agricultural backwardness, and free trade agreements. Intensive examination of major nations (particularly Mexico) and of dominant theoretical interpretations. Theories of development (structuralism, dependency, dualism, modernization) are integrated into case studies. G.E. Multicultural/International MI.

**182. The Political Economy of China (3)**

Prerequisites: upper-division standing and/or permission of instructor. A survey and analysis of economic development in China

and its linkages with politics, history, society, and foreign policy.

**183. Political Economy of the Middle East (3)**

Prerequisites: G.E. Foundation and Breadth Area D. A survey of historical, social, cultural, political, and economic development, economic development in the Middle East. An examination of Western colonial policies, the creation of modern states and their political and economic policies, the role of religion, and cultural heritage. G.E. Integration ID.

**185. Directed Readings (1-3; max total 6)**

Prerequisites: ECON 40, 50, and permission of instructor. Directed readings in the literature of economics. Intensive reading of economic literature on special topics under faculty supervision.

**188T. Special Topics (1-3; max total 6)**

Prerequisites: ECON 40, 50. Consideration of in-depth, special topics in political economy; systematic, detailed study into issues not possible in survey courses. Topics vary with the needs and interest of students and faculty.

**189T. Topics in Public Policy (1-3; max total 6)**

Prerequisites: ECON 40, 50. Detailed analysis of questions of economic policy. Areas of investigation include social welfare policy, farm policy, environmental quality policy, and others. Topics to be varied with the interests and needs of students and faculty.

**190. Independent Study (1-3; max total 6)**

See *Academic Placement — Independent Study*. Approved for *RP* grading.

**191. Internship in Applied Economics (1-3; max total 3)**

Prerequisite: senior standing, economics major. Supervised experience in either the private or public sector to provide students an opportunity to professionally apply economic theory and analysis. *CR/NC* grading only.

**IN-SERVICE COURSE**

(See *Course Numbering System*.)

**Economics (ECON)**

**365T. Economics for Teachers (1-6; max total 12)**