

**INDIANA UNIVERSITY-PURDUE UNIVERSITY FORT WAYNE**  
**COURSE SYLLABUS (SPRING 2010)**

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| <b>COURSE:</b>                       | Economics Capstone<br>ECON-E406/E306, T&R 3:00-4:15 p.m., KT247  |
| <b>INSTRUCTOR:</b>                   | Dr. Nodir Adilov<br>Neff 340C<br>481-6497<br>adilovn@ipfw.edu  |
| <b>OFFICE HOURS:</b>                 | Tuesday and Thursday 11:50 a.m.-12:50 p.m. or by appointment.  |
| <b>TEXTBOOKS:</b>                    | <b>1.</b> Larry D. Schroeder, David L. Sjoquist and Paula E. Stephan.<br><i>Understanding Regression Analysis: An Introductory Guide</i> , Sage Publications, Inc., 1986.<br><b>2.</b> Steven A. Greenlaw. <i>Doing Economics: A Guide to Understanding and Carrying Out Economic Research</i> , Houghton Mifflin Company, 2006. |
| <b>ADDITIONAL READING MATERIALS:</b> | Additional reading materials from journal articles and instructor handouts will be assigned and posted on E-learning/Blackboard Vista.   |
| <b>PRE-REQUISITES:</b>               | E321, E322 and senior class standing.  |

**COURSE GOALS AND OBJECTIVES**

The objectives of this class are to reinforce your knowledge of advanced tools of economics and to enhance your ability to apply these tools in unfamiliar contexts. Specifically, the course emphasizes the following five proficiencies commonly used to assess economics majors:

- 1) *Access existing knowledge:***  
Ability to retrieve information (research or data) on a particular topic or economic issue;
- 2) *Display command of existing knowledge and interpret existing knowledge:***  
Ability to explain and evaluate key economic concepts, economic policy, or current economic condition of the economy;
- 3) *Interpret and manipulate existing data:***  
Ability to explain and understand economic data and ability to perform and interpret simple linear regression;
- 4) *Apply existing knowledge:***  
Ability to critically assess economic policy and analyze economic problem;
- 5) *Create new knowledge:***  
Ability to conduct independent research.

## EXPECTATIONS AND EVALUATION

I expect that you attend all classes and participate in class discussions and other class activities. If you cannot attend a class for legitimate reasons, you must notify me in advance.

Your final grade will be determined as follows:

|   |     |
|---|-----|
| Attendance, class participation, paper presentation | 20% |
| Individual meetings/discussions                     | 10% |
| Written answers to 50 questions                     | 30% |
| Book review or policy analysis paper                | 10% |
| Paper   | 30% |

The following grading scale will be applied in this course for determination of final grades:

|    |           |
|----|-----------|
| A+ | above 99% |
| A  | 94-98%    |
| A- | 90-93%    |
| B+ | 88-89%    |
| B  | 84-87%    |
| B- | 80-83%    |
| C+ | 78-79%    |
| C  | 74-77%    |
| C- | 70-73%    |
| D+ | 65-69%    |
| D  | 60-64%    |
| D- | 55-59%    |
| F  | below 55% |

### BOOK REVIEW OR POLICY ANALYSIS PAPER (10%)

You are required to submit a five-page (double-spaced) book review or policy analysis paper. If you decide to submit a book review, you may either select a book from the list provided below or choose another book related to economics or economic policy.

Here is the list of suggested economics books:

- Avinash Dixit and Barry Nalebuff, *Thinking Strategically: The Competitive Edge in Business, Politics, and Everyday Life*
- Burton Malkiel, *A Random Walk Down Wall Street: The Time-Tested Strategy for Successful Investing*
- Steven Levitt and Stephen Dubner, *SuperFreakonomics*
- Robert J. Shiller, *Irrational Exuberance*
- John Maynard Keynes, *The General Theory of Employment, Interest and Money*
- Paul Krugman, *Peddling Prosperity: Economic Sense and Nonsense in an Age of Diminished Expectations*
- Arnold Kling and Nick Schulz, *From Poverty to Prosperity: Intangible Assets, Hidden Liabilities and The Lasting Triumph over Scarcity*
- Alan Greenspan, *The Age of Turbulence: Adventures in a New World*

- Bethany McLean and Peter Elkind, *Smartest Guys in the Room: The Amazing Rise and Scandalous Fall of Enron*
- Kurt Eichenwald, *The Informant: A True Story*
- Robert H. Frank and Philip J. Cook, *The Winner-Take-All Society: Why the Few at the Top Get So Much More Than the Rest of Us*

Alternatively, you may choose to write a five-page policy analysis paper instead of a book report. The paper can analyze any current or proposed policy in the United States or any important economic issue. In your paper, you should critically evaluate the policy (the issue) and argue why the policy will achieve or will fail to achieve some or all of its objectives. For example, you may consider a proposal to reform the health care system in the United States and analyze whether the proposed reform will be able to increase the number of insured Americans without significantly increasing health care costs. The policy analysis paper should reference at least five *primary* sources. Here is the suggested outline for the paper:

**Introduction:** Briefly explain the significance of a policy issue or proposal you are analyzing (about one pages).

**Analysis:** Critically analyze the policy proposal or the policy issue using the tools of economics (about three pages).

**Conclusion:** Summarize your analysis outlining major points and provide concluding remarks (about one page).

Book review or policy analysis paper is due on **March 16**.

### **RESEARCH PAPER (30%)**

For your research paper, you may examine any domestic or international economic issue. The length of your paper should be around 15-20 pages, double spaced. In your paper, you must use regression analysis and reference at least ten primary sources. We will go over how to perform regression analysis in class.

A two-page research paper proposal is due on **February 2**. An overview of data that you will use for your paper is due on **February 18**. A preliminary overview of regression results is due on **April 6**, and the final version of the paper is due on **April 22**. Paper presentations will take place on April 27 and 29.

Greenlaw's book provides a comprehensive step-by-step explanation on how to develop a research question, how to write a research proposal, how to organize the paper, how to perform a literature survey, how to locate economic data, how to interpret regression results, and how to present your findings. Papers will be graded according to the rubric on page 262.

### **INDIVIDUAL MEETINGS**

I will meet with each student individually every other week at a scheduled time to discuss the student's progress on various assignments. The meetings will take place in my office, and each meeting will last approximately 10-30 minutes depending on student's needs.

## **ANSWERS TO 50 PROBLEMS/QUESTIONS (30%)**

You are required to provide *typed* answers to 50 questions posted on e-learning. The questions cover variety of topics in economics. The answers are due on **May 3** (hard copy, no electronic submissions). Because it is unrealistic to assume that you can provide comprehensive answers to the questions within a week or two, I suggest that you answer about 3-5 questions per week so that the work is evenly distributed throughout the semester.

## **TENTATIVE TIMETABLE FOR ASSIGNMENTS**

- February 2:** Two-page research paper proposal is due
- February 18:** Submit the data overview section
- March 16:** 5-page book review or policy analysis paper is due
- April 6:** 3-5 page preliminary regression results overview is due
- April 22:** The final version of the paper is due
- April 27, 29:** In-class student presentations
- May 3:** Written answers to 50 problems are due

## **COVERAGE OF TOPICS**

The following topics will be covered in a greater detail in this class:

Monopolistic firm behavior, dominant firm analysis, oligopolistic firm behavior, collusion and anti-trust policies, Cournot and Bertrand models of competition, auctions, horizontal and vertical integration, price discrimination, product bundling, applied game theory, applied regression analysis, research methods in economics, monetary policy, fiscal and monetary policy under normal economics conditions, fiscal and monetary policy under liquidity trap, international implications of policy decisions, labor markets and the effects of minimum wage laws, long-run and short-run policy analysis, current economic topics of interest.

## **OTHER POLICIES**

Students are expected to be familiar with and adhere to the university policies with regard to academic dishonesty. These policies can be found on <http://www.ipfw.edu/academics/regulations/honesty.shtml>.

If you have a disability and need assistance, special arrangements can be made to accommodate most needs. Contact the Director of Services for Students with Disabilities (Walb, room 113, telephone number 481-6658), as soon as possible to work out the details. Once the Director has provided you with a letter attesting to your needs for modification, bring the letter to me. For more information, please visit the web site for SSD at <http://www.ipfw.edu/ssd/>.

NOTE: These policies, course outline and topic coverage are subject to change at the instructor's discretion.