Please note that all references to the names and current employers of two potential UDM full-time faculty members have been removed due to these faculty members still being under contract to their current employer as of the date of approval of this degree program. Names have been replaced by “....” and faculty vitae removed.

The Master of Arts in Financial Economics was approved with the following stipulations:
1. That attention be paid to the clear differentiation between undergraduate and graduate program learning objectives with a documented assessment plan.
2. Cross-listed courses clearly demonstrate differentiation in undergraduate and graduate student learning objectives, evaluation methods, and outcomes. The courses numbered 300 should be revised and renumbered at the 400 level if these are to be cross-listed with graduate courses.
3. A recruitment plan and benchmarks be determined to assess program success and potential impact for further program development at the Macomb University Center.
4. That attention be paid to concerns that two new full-time faculty members without terminal degrees will be hired outside of a search process and will be hired for two years on a non-tenure-track basis.

A. Program Summary

The Department of Economics is proposing three programs: B.A. in Financial Economics, M.A. in Financial Economics, and M.A. in Economics that is comprised of a Theory Track and an Applied Track. A number of required courses at the graduate level are cross-listed with courses in the B.A. in Financial Economics. Several courses are required in both graduate courses and required courses in one graduate program are electives in the other program and vice-versa. This results in extremely efficient scheduling.

This is the M.A. in Financial Economics program proposed by the Department of Economics, College of Liberal Arts and Education. This program would be available at the Macomb Community College’s University Center (UC) and through on-line offerings. Of the 1,000 students at Macomb Community College (MCC) surveyed in 2005, 73% of 788 respondents expressed an interest in economic or finance related fields. Of those, 300 state that they would go to Walsh College for finance or economics-related studies after their two years at MCC (MCC Academic Advising Survey, 2005).

Walsh College, for instance, currently has approximately 500 graduate and undergraduate students in Economics and Finance. The primary reasons for the large numbers of students majoring in Economics and Finance are: (1) students prefer taking on-site or on-line classes either in Macomb or Oakland counties where they live and/work; (2) Walsh’s competitive tuition; (3) the large market demand in these areas of study; and (4) the popularity of a liberal arts based degree which emphasizes students taking communications, critical thinking and reasoning courses as electives rather than additional methods, econometrics, and statistical courses.

In addition, graduates with this background have had great success in finding employment at banks, credit unions, and in financial planning positions.

A UDM M.A. in Financial Economics to be offered through Macomb’s University Center (UC) will be both attractive and competitive. Neither Walsh nor any other
college offers an M.A. in Financial Economics at MCC. It is a niche that UDM can successfully fill through offering an M.A. in Financial Economics at the UC with certain courses on-line, when coupled with competitive off-campus tuition rate proposed by Michael Joseph. Projected revenues/expenses for the next five academic years are included in this proposal.

An M.A. in Financial Economics from UDM offers students the ability to learn and apply economic and financial principles to the U.S. and international financial systems, as well as provides a deep knowledge of history, institutions and world economy. Finally, UDM’s enhanced presence at UC and the surrounding counties can correspondingly augment our Catholic-based educational services to a hitherto available but untapped market. We can offer a liberal arts based degree in Financial Economics imbued with UDM’s values and beliefs of Jesuit Mercy education.

B. Master of Arts in Financial Economics Program Description

1. The purpose of introducing the Master of Arts in Financial Economics major is to access a growing number of students who want to pursue careers in the rapidly expanding financial economic area that is increasingly becoming more sophisticated in the private sector as well as government. These careers include possibilities in nonprofit institutions, the private sector - both industry and financial - and various levels of government. As the needs of business become more sophisticated, the knowledge and abilities of those who fill those jobs must also become more sophisticated. A more specialized degree in Financial Economics empowers the student to pursue a promising career and to make a meaningful contribution to society and to the financial institutions.

The student will also be prepared for career advancement in the rapidly emerging international financial sector of the global economy. The reason for such a degree is that there is the growing sophistication of the financial services industry and the market system itself.

To complete the Master of Arts in Financial Economics a minimum of 30 credit hours are required to be completed. ECN 510 and ECN 512 are foundational courses for this curriculum. In certain cases, additional prerequisites may be required.

**Master of Arts in Financial Economics course requirements**

<table>
<thead>
<tr>
<th>Course Number/Title**</th>
<th>Credits</th>
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<tbody>
<tr>
<td>ECN 510/315 Economic Analysis of Enterprises</td>
<td>3</td>
</tr>
<tr>
<td>ECN 512/316 Analysis of Economics Conditions</td>
<td>3</td>
</tr>
<tr>
<td>ECN 530 Economic Ideas in Perspective</td>
<td>3</td>
</tr>
<tr>
<td>ECN 540/305 Financial Economics</td>
<td>3</td>
</tr>
<tr>
<td>ECN 545 Economics of the Public Sector</td>
<td>3</td>
</tr>
<tr>
<td>ECN 546/385 Money and the Capital Markets</td>
<td>3</td>
</tr>
<tr>
<td>ECN 566/465 International Monetary Analysis</td>
<td>3</td>
</tr>
<tr>
<td>ECN 585/376* Seminar in Monetary and Fiscal Policy</td>
<td>3</td>
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**Plus two additional Economics electives (6 hrs.)**

<table>
<thead>
<tr>
<th>Course Number/Title**</th>
<th>Credits</th>
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<tbody>
<tr>
<td>Ec. 535 Contemporary Economic Systems</td>
<td>3</td>
</tr>
<tr>
<td>Ec. 564/464+ Practical Issues in Financial Economics</td>
<td>3</td>
</tr>
<tr>
<td>Ec. 565 Theory of International Trade</td>
<td>3</td>
</tr>
<tr>
<td>Ec. 570/347* Economic Development</td>
<td>3</td>
</tr>
</tbody>
</table>
Ecn. 575  Resource Economics  3
Ecn. 595  Directed Studies/Special Topics  3  Total: 30 hours

+New Course
*Reintroduced Courses (listed in the past two graduate catalogs)
**The majority of the courses listed, though not listed in UDM’s current graduate catalog (due to the fact that Economics at UDM does not now but did previously offer a graduate degree), are existing courses that have been and continue to be offered on a rotation basis to serve other graduate programs. Earlier graduate catalogs and class schedules for recent semesters and years contain the courses with the exception of the one new course.

With the permission of the department chair, the student can take two courses in another discipline (e.g. from our Finance Department) for career enhancement.

Existing departmental faculty augmented by the two proposed faculty members are competent to teach all the courses included in the program. Course delivery for the Master of Arts in Financial Economics will be done in both face-to-face and on-line formats.

2. The following is a schedule of when required courses will be offered by UDM. All courses will be available to full and part-time students:

<table>
<thead>
<tr>
<th>Course Number/Title*</th>
<th>Credits</th>
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<tbody>
<tr>
<td>Winter Session 2006-07</td>
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<tr>
<td>ECN 510/315 Economic Analysis of Enterprises 3</td>
<td></td>
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<tr>
<td>ECN 546/358 Money and the Capital Markets 3</td>
<td></td>
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<tr>
<td>Summer I Session 2006-07</td>
<td></td>
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<tr>
<td>ECN 512/316 Analysis of Economic Conditions 3</td>
<td></td>
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<tr>
<td>ECN 545 Economics of the Public Sector 3</td>
<td></td>
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<tr>
<td>Summer II Session 2007-08</td>
<td></td>
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<tr>
<td>ECN 530 Economic Ideas in Perspective 3</td>
<td></td>
</tr>
<tr>
<td>ECN 540/305 Financial Economics 3</td>
<td></td>
</tr>
<tr>
<td>Fall Session 2007-08</td>
<td></td>
</tr>
<tr>
<td>ECN 510/315 Economic Analysis of Enterprises 3</td>
<td></td>
</tr>
<tr>
<td>ECN 566/465 International Monetary Analysis 3</td>
<td></td>
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<td>ECN 585/376 Seminar in Monetary and Fiscal Policy 3</td>
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<td></td>
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<tr>
<td>ECN 546/358 Money and the Capital Markets 3</td>
<td></td>
</tr>
<tr>
<td>ECN 575/475 Resource Economics 3</td>
<td></td>
</tr>
<tr>
<td>Summer I 07-08</td>
<td></td>
</tr>
<tr>
<td>ECN 510/315 Economic Analysis of Enterprises 3</td>
<td></td>
</tr>
</tbody>
</table>
ECN 545  Economics of the Public Sector  3

Summer II 08-09
ECN 530  Economic Ideas in Perspective  3
ECN 540/305 Financial Economics  3
ECN 570/347 Economic Development  3

The cross listing of 300 and 500 level courses in Economics has had long standing approval by the AACSB International: The Association to Advance Collegiate Schools of Business, the premier accrediting agency for BA, MA, MBA and doctoral programs in business.

NOTE:
*Schedule to rotate through 2010-11 with additional sections to be added as needed.

3. The Master of Arts in Financial Economics course curriculum can be found under Appendix A

Course syllabi can be viewed in Appendix B

4. Delivery Format of New Courses

Classes will be offered predominantly in the evening for both full and part-time students with an occasional day course or weekend course if it proves feasible. Traditional in-class formats will predominate with some on-line courses being available to both full and part-time students in seven week formats.

As has been done successfully for the past ten years, courses will also be offered in intensive one week, in-classroom formats. This will occur primarily in the summer

Courses already taught in the intensive one-week format:
ECN 512  Analysis of Economic Conditions  3
ECN 546  Money and Capital Markets  3
ECN 566  International Monetary Analysis  3

Courses that will be ready for offerings in the one- or two-week format in the 2007-2008 academic year:
ECN 510  Economic Analysis of Enterprise  3
ECN 530  Economic Ideas in Perspective  3
ECN 540  Financial Economics  3

Note:
Courses in the Master of Arts in Financial Economics courses can be taken in various combinations of:

--  Traditional face-to-face (14 week semester)
--  On-line ( 7 weeks), and
---  Intensive one-week

5. All of these courses have been or are currently in the curriculum and they have a long track record of excellence and adherence to academic integrity and intellectual merit.
Within the ranks of full-time and adjunct faculty are experienced instructors who have successfully delivered these courses. The instructors stress homogeneity and academic integrity in all formats with a rigorous curriculum.

Appendix B contains the course syllabi for both the BA/MA programs. While readers will not be experts in the field of Economics, a few points should be highlighted:

A. The on-line courses have been taught by Professors Byrne and Derbin for the University of California at Berkeley and approved by the University’s Curriculum Committee.

B. All other undergraduate ECN coursework and its cross-listed graduate section have passed full approval for Teacher’s Certification by the State Board of Education: 315/510, 316/512, 305/540, 385/585, etc.

6. This program will provide students with considerable flexibility by offering them the opportunity to take courses in three different venues: face-to-face, one-week intensive sessions, and on-line courses.

The emphasis on Financial Economics is a unique offering. Market competitors in Southeast Michigan do not offer a degree program with this emphasis.

The M.A. program infuses philosophy into the curriculum, in the 500 level courses. Economic theory and ethical consideration of finance and resource allocation, as well as personal ethical decision making are also emphasized (see syllabi in Appendix B for ECN 510, 512, 530, 545, 564, 565, 566 and 585 for reference).

7. Given the available pool of full-time and adjunct faculty, if demand for on-line courses grows, all required courses could be available on-line in the 2007-2008 academic year providing unique delivery of degree work.

This program has been reviewed by the faculty of the College of Business Administration (CBA) and a letter of endorsement from Drs. Kim and Crick of the CBA is enclosed. (See Appendix E)

Given that these courses are offered at MCC, it is not anticipated that they will have significant impact on graduate enrollments in programs at the McNichols Campus.

While the students undertaking the Master of Arts in Financial Economics program will be required to take 30 credit hours of courses to earn the degree, the department chair has at his/her discretion the option of allowing students to take some classes in departments outside of Economics.

C. Mission

1. The proposed program will support the university’s mission of providing a Catholic, student-centered education by re-establishing a once popular program as well as establishing UDM’s presence in the local, regional and national arenas.
Establishing this program will further enhance UDM’s ability to meet the needs of a diverse population through various course delivery formats.

Macomb County has experienced the second largest population growth in southeast Michigan, including migration of population from Oakland County. Macomb County has the largest Roman Catholic population in the State, which would give UDM an opportunity to broaden its Catholic mission in this area.

The emphasis on ethics and professional/personal responsibility and ethical behavior would enhance UDM’s mission of integrating the spiritual and intellectual growth of its graduates.

2. The College of Liberal Arts and Education has recently revised both its mission and vision. The Mission statement is, “The College of Liberal Arts and Education prepares students to participate in a diverse and changing world in the Jesuit and Mercy traditions of men and women for others.” The Vision is, “The College provides a student-centered education in an urban context which stimulates a desire for the life-long exploration of the intellectual, spiritual, and ethical dimensions of what it means to be human.”

This program will prepare an increasingly diverse group of students to more adequately meet the career challenges in an increasingly complex world.

While both the BA and MA will provide outstanding preparation for careers in law, government, business and finance, they will also fulfill the mission of CLAE by introducing philosophical and ethical consideration in economic development, trade, finance and allocation of resources. The issues of justice and commitment to building more just systems are emphasized in both the B.A. (ECN 295-451) and M.A. programs (ECN 510-585). Several required courses including ECN 540/305 and ECN 566, examine moral issues such as social and economic justice. Other elective courses in this degree examine specific economic topics that deal with justice issues such as ECN 575 (Resource Economics) and ECN 535 (Contemporary Economic Systems). Resource Economics addresses the moral and ethical issues inherent in examining the economic interplay between the “haves” and “have nots” while Contemporary Economic Issues examines past examples of government policies from various models (e.g. capitalism, socialist state economics) and discuss the importance of individual citizens and their place in market economics.

D. Market and Need

1. As indicated, 73% of 788 MCC respondents expressed an interest in either finance or economics with 300 of them indicating an interesting attending Walsh. Walsh faculty indicate that based on conversations with their finance and economics students and consistent with actual enrollments, a number of the undergraduate economics and finance students do return to either take additional graduate courses or to complete and M.A. in economics or finance. They fully expect this pattern would continue with UDM students at MCC.

It would take two years for a part-time MA student in Financial Economics to graduate assuming they take two courses in both Fall and Winter Semester and one course over the summer for two years.
2. There is limited competition, given the breadth of the delivery modes we are proposing: traditional face-to-face, intensive one-week, and on-line formats in addition to the liberal arts orientation of this degree. In Addition, no Financial Economics degree is offered by any competitor at MCC. Although Walsh College has announced an expansion of course offerings (not including Financial Economics), it will be at their Troy Campus. The Walsh College M.A. in Finance, a business not liberal arts based degree, currently enrolls approximately 200 students.

3. The Master of Arts in Financial Economics job outlook:

Given the growing needs of a plethora of financial institutions, with increasingly complex products and processes, there is a growing job market for graduates in financial economics. This increasing complexity is a growing phenomenon across the spectrum from the private sector to governmental and nonprofit operations. Offering courses at M.C.C. allows us to compete for students in the Macomb-Oakland county area, an area of high population growth with a large Catholic population.


“Overall employment of financial analysts and personal financial advisors is expected to increase faster than average for all occupations through 2014, resulting from increased investment by businesses and individuals (emphasis added). Personal financial advisors will benefit even more than financial analysts as baby boomers save for retirement and as a generally better educated and wealthier population requires investment advice. In addition, people are living longer and must plan to finance more years of retirement. The globalization of the securities markets also will increase the need for analysts and advisors to help investors make financial choices. Financial analysts and personal financial advisors who have earned a professional designation are expected to have the best opportunities.

Deregulation of the financial services industry is expected to spur demand for financial analysts and personal financial advisors. In recent years, banks, insurance companies, and brokerage firms have been allowed to broaden their financial services. Many firms are adding investment advice to their list of services and are expected to increase their hiring of personal financial advisors. Many banks are entering the securities brokerage and investment banking fields and will increasingly need the skills of financial analysts.”

4. The market area for the Master of Arts in Financial Economics is local (six-county, Southeastern Michigan area), and regional. This is possible via a combination of in-class, on-line and one-week delivery modes.

5. The College of Liberal Arts and Education has a well-established and well-respected network of alumni and friends in the areas of education, government and the private sector. Enrollment management has indicated that they will use all available resources in the market area to ensure the success of these
proposed programs. In the past, few students from Walsh College have transferred to UDM. Those transferring into CLAE have typically been capable of successfully completing their courses and curriculum.

6. The attractiveness of this program is that it provides flexibility in terms of allowing the student to take numerous courses in different formats (face to face; intensive one-week format; and on-line) and this will enable them to complete their degree requirements in a timely manner as noted in B2.

Market share will be attracted as Vice-President Michael Joseph indicates that UDM will develop a direct marketing piece for homes in Macomb County, place a full-time recruiter onsite who will work closely with the full-time faculty at Macomb, and have a strong presence at Macomb Community College.

E. Objectives, Learning Outcomes and Assessment

1. The program objectives are:

- by introducing the Financial Economics program at UDM, we can prepare students with a strong background in financial economics for careers in banks, investment firms, the government, corporations, education and service oriented institutions.

- prepare students to pursue careers in an increasingly globally-oriented economy.

- provide a student-centered learning experience, tailored to students ranging from the traditional face to face to those in need of the flexibility only possible through on-line education.

The proposed Economic programs provide syllabi listing course objectives and content. Each course in these programs has expectations of content knowledge to be taught. Some examples of core competencies in economics that are accepted nationally are:

MA in Financial Economics Program
Market forces: ECN 510, 512
Monetary policy: ECN 540
Financial structures and institutions: ECN 566
Financial theory: ECN 585
Distribution and resource allocation: ECN 545

2. Learning Outcomes and Courses Which Will Satisfy Those Outcomes:

- upon completion of this program, the student will have a working knowledge of how financial economics is woven into the fabric of financial institutions, industry and government.

- the Master of Arts in Financial Economics major will have a clear idea of what is involved with international finance and how it relates to the U.S. economy.

- students will be exposed to and understand a variety of economic models and the moral and ethical implications of various economic decisions and options.
- basic concepts that will provide a strong basis for this knowledge are included in courses like ECN 540 (Financial Economics) which specifically provides knowledge of the U.S. system of money, banking, and other business expertise. ECN 546 (Money & Capital Markets) provides specific knowledge regarding investment and how the U.S. government policy and financial systems work.

- finally, electives such as ECN 530 (Economic Ideas in Perspective) and ECN 535 (Contemporary Economic Systems) provide additional tools for majors in widening their understanding of the relationship between the public and private sector.

3. Since all but one course in the program are pre-existing, the assessments will focus on the ability to successfully deliver the courses in the various formats. Beginning in academic year 2007-08, there will be an "exit" comprehensive exam for our graduating students. The department chairperson will appoint a three-member panel from its faculty. The members will design a comprehensive exam that covers course materials contained in core courses. The exam will be on a pass-fail basis. The department’s faculty members will then evaluate the graduating students’ performance on the exam for possible improvement in their delivery method and system. In addition, follow-up surveys of employers will begin following the first graduating class.

In addition to these assessment measures of student learning outcomes, the CLAE online student course evaluation will be employed each term in all classes.

At the graduate level, ECN 530 will serve as the shared capstone course, as one of the 5 required ECN courses for both MA programs. ECN 530 will start by examining classical philosophy and the beginnings of economic thought (e.g., Aristotle and Plato). The course will move students through the early modern era (e.g. Smith, Malthus, and Ricardo) where the impact of theory on human environment and growth first became apparent. The course will end by examining those theorists who have had the most historic impact on social and economic theory in the last two centuries (e.g. Mill, Marx and the University of Chicago School Of Economics). Students will be assessed on their knowledge and understanding not only of the historic and social impact of economics, but also on their ability to apply ethical theory to modern case studies and topics.

F. Students

1. Our assumption is that there will be more part-time than full-time students in the program. We are estimating that the average number of student credit hours taken by students in this program will be 6 hours in Fall Semester, 6 hours in Winter Semester, and 6 hours over the Summer. We believe that this is a realistic estimate.

2. This is a more focused and specialized degree emanating from our once successful graduate program that was primarily administered to face to face students taking semester long classes. The new students will be comprised of those traditional students, plus students whom we could not reach in the past; namely the growingly more popular on-line and face-to-face one or two-week long classes at Macomb Community College’s University Center. The target
students will be using the existing support structure (Admissions, Registrar, Student Services, etc.) at MCC. In addition, the full-time faculty assigned to MCC will take on advising both the graduate and undergraduate students at MCC for the three economics programs.

3. The new student market will come from Macomb and Oakland counties. Macomb County does not have a four year university, and neither Oakland University or Walsh College (in Oakland County) offers a graduate Economics program grounded in the liberal arts. On-line offerings, which will be “rolled out” in the summer, as well as courses offered in week-long intensive format will assist adult learners with more convenient scheduling options as will the offering of late afternoon and evening courses. The viability of Saturday course offerings will also be assessed.

4. Due to the various delivery formats, the Master of Arts in Financial Economics offers UDM a unique opportunity to reach out to a much wider and diverse audience than would otherwise be possible, as is true of many other Jesuit institutions.

   Our expectation is to eventually offer on-line courses through Jesuitnet, which is expanding its network to include Latin America. (http://www.ajcunet.edu/distanceeducation.aspx?bid=280)

5. The graduate Economics program was suspended along with several other programs as a result of financial difficulties faced by the university several years ago.

G. Faculty
   1. and 2.

   Raphael Shen, Ph.D. (full-time)
   James Mosby, M.A. (full-time)
   Thomas Schad, Ph.D. (full-time)
   M.A. (full-time)
   M.A. (full-time)
   Donald Byrne, Ph.D. (part-time)
   Edward Derbin, M.A. (part-time)

   (See Appendix C for Vitae)

3. These classes, including the on-line classes in particular, offer a unique opportunity to attract a diverse group of faculty members as needed. The faculty has experience in offering on-line courses. In addition, ex-Walsh adjunct faculty who have experience in offering both on-site and on-line courses are also interested in teaching in the new programs for UDM if they are needed.

4. The primary focus is on the number of qualified economics instructors available. The current faculty in the Department of Economics consists of three full-time members and two part-time members. We anticipate the increase in students will require two full-time faculty members as noted. The two new full-time faculty members the Department requests are extremely capable instructors and will be able to offer a variety of courses both on-site and on-line. Dr. Byrne and Professor Derbin are adjunct faculty members in the Department of Economics
and are also well versed in both on-site and on-line courses. As noted, additional adjunct faculty have been identified with the requisite education and experience to teach additional courses as needed.

Should enrollment growth increase sooner or more substantially than projected, revenue should therefore be available to hire additional faculty as needed. Additional adjunct faculty with excellent capabilities in distance learning are also available to teach in the economics programs as needed.

Understanding that the two new full-time faculty members have extensive contact with a large number of students at the Macomb University Center who are prospective students for the proposed UDM programs and that they have an in depth understanding of the advising, recruiting, and scheduling systems at Macomb, the economics faculty unanimously supported the hiring of Professors .... and .... who would be assigned to the off-site programs initially. Given Professor Mosby’s resignation effective at the conclusion of this academic year, if needed Professors .... and .... could teach at the McNichols Campus.

The two proposed full-time faculty (Professors .... and ....) have significant academic experience as well as practical experience in the world of finance, economics and business. They bring additional theoretical and financial economics expertise to the program. .... had taught courses at UDM (McNichols) that offer historical (ECN 435) and philosophically based economic theory (in 295/296). ..... adds solid financial and market perspectives to the BA/MA offerings (e.g., ECN 376/585; 307, 440).

Fr. Shen’s publications will support his expertise in international and resource economics (331/565). Byrne, a former advisor to the Federal Reserve System has the expertise in financial institutions and public policy (ECN 305/540; 440). Finally, Derbin has devised the successful on-line delivery of ECN courses, already used by the University of California-Berkley, and Michigan institutions (Davenport, ABA).

H. Administration and Support

1. through 3.
   The program will be administered using the current available staff at UDM. Students will be encouraged to use all UDM and MCC resources available to them including libraries and additional student services. The overwhelming use of student services by students in this program will occur at MCC.

   It is anticipated that Professor.....who has chaired Economics and Finance for ..... at the Macomb University Center for several years and has taught as an adjunct at UDM for many years, will serve as Director of the proposed programs. In addition to the present Secretary for UDM programs at Macomb, Michael Joseph has indicated he will be placing a recruiter/admissions counselor at the Macomb University Center to assist with the proposed programs if they are approved.

   In addition, the Macomb Center Campus has excellent state of the art computer labs, distance learning facilities, library resources and superb I.T. services. A wide variety of advising and other academic support services are available in addition to writing support and other tutorial assistance.
I. Library Resources

1. Given that UDM has a Department of Economics that has received a library allocation for many years, there are fairly solid library holdings in the area of Economics. Until recently, library resources were being acquired to support both undergraduate and graduate holdings. In addition, since these additional programs will be offered at MCC, most of the students in these programs will use the library at MCC.

2. Margaret Auer, Dean of Libraries, recommends a moderate increase in the library allocation to the department. To that end, an increased annual library allocation of $5,000 is included in the budget calculations. In addition, Dean Auer has been in contact with Gerald Bosler, Director of Libraries of MCC, who has committed to increase the library budget for Financial Economics at the MCC library in the same amount ($5000) and manner (annually) that UDM is proposing for the library on the McNichols Campus. (See Appendix F for Margaret Auer’s letter).

Library resources are being added on both campuses as the overwhelming majority of the resources that are added at both locations (McNichols and Macomb) will be available electronically to students at both campuses. This will primarily be journals, databases, and government economic reports. The generous $5,000/year in library resources furnished by MCC will potentially benefit all UDM students who access library resources in economics.

J. Facilities

1. There are currently adequate facilities available to house the Master of Arts in the Financial Economics program. Office space is rented at MCC by UDM at the present time for other programs. The Economics faculty will share space with Nursing and with Health Services Administration faculty. Space is available for UDM financial economics faculty at MCC. UDM’s course management system, Knowledge (Blackboard), already facilitates on-line courses. Several of the faculty already employed have used Knowledge extensively in support of their face-to-face and on-line courses.

2. The Registrar is not responsible for scheduling UDM classes at MCC. Rather, the Associate VP for Academic Services oversees class scheduling at MCC. As the program is scheduled to launch Winter Semester (January ’07), VP for Academic Services has been provided with the course sequencing for the initial year (Winter ’07 through Fall ’07). Given that the proposed programs will not begin until Winter Semester 2006-07, this should allow for sufficient lead time to handle course scheduling arrangements at MCC. This will need to be coordinated with Nursing and Health Services Administration at MCC.

3. No renovation or expansion of current facilities by UDM is planned at this time. UDM utilizes space at MCC’s UC on a rental basis.

K. External Support

1. There is no official accreditation agency for the M.A. in Financial Economics per se. As this is largely a proposal that involves the repackaging of existing courses, we do not foresee any issues with the North Central accreditation process.
our expected program matures and the number of students grows steadily, we may propose to introduce a Certificate program for Financial Planners. Only then, will certification or accreditation be required. This certification would involve the National Standards Board for Financial Planners.

Although Professors ..... and ..... will be the primary faculty assigned to the Macomb University Center, UDM full-time faculty in Economics will be available to teach at the Macomb University Center if they are needed as will current UDM adjunct faculty in Economics. No external funding would be involved with these programs with the exception of $5,000 annual library support from MCC.

Students in the program will have access to excellent modern library, I.T., distance learning and various academic support services as needed at Macomb. It is anticipated that very few students will use such resources at the McNichols campus.

2. N/A

3. As indicated, MCC libraries has pledged an increase of $5,000 for library resources in support of these programs. This is a permanent increase.

4. It is anticipated that the margins generated by the proposed programs will cover this expenditure. Funds are also included in the budget for the proposed programs to cover the $600 room rental for each course/semester at MCC. The addition of the two new full-time faculty is needed and is included in the proposed budget as well. It is projected that the revenue over the next five years generated by the proposed programs at MCC will exceed costs by a significant scale.

L. Combined Five Year Revenue/Expense Projections for Three Economics Proposals

(See Appendix D for Combined Five Year Revenue/Expense Projections for Three Economics Proposals.)

There are several assumptions embedded in the budget. The budget reflects the combined numbers of both the undergraduate B.A. in Economics and the two M.A. programs – M.A. in Economics and M.A. in Financial Economics. A discounted, extended tuition rate proposed by Michael Joseph of $500 graduate credit/hour and $325 undergraduate credit/hour was used in the budget calculations. Vice-President Joseph believes that this tuition rate would make UDM competitive with Walsh College, our main competition. For the 2006-07 AY, Walsh College charges $258/hour for on-site courses and $297/hour for on-line courses for undergraduate credit and $435/hour for on-site courses and $475/hour for on-line courses for graduate credit.

A 3% pay raise is assumed for full-time faculty each year and a 3% increase for full-time faculty overloads each year. For the '06-'07 AY, full-time faculty overload pay is $3,785 for summer courses and $2,318 for fall and winter courses. The full-time faculty will be assigned either “spread loads” (2 courses each for fall, winter, and summer) or “normal loads” (3 courses each for fall and winter) depending on enrollment patterns and course scheduling. The faculty may also be assigned to teach on the McNichols Campus if their schedule allows. This will result in a cost savings on adjuncts and adjunct fringe benefits. These savings are included in the budget in the appropriate semester or summer term. Adjunct faculty are included at $2,200 per
course. A 5% annual tuition increase is included in the budget as is the assumption that undergraduates will take 6 credit hours on average each semester and 6 credit hours over the summer. It is assumed that graduate students will enroll in 6 credit hours each semester and 6 credit hours over the summer. A number of Walsh students receive tuition support from their employers.

The two full-time faculty assigned to MCC will teach either a “normal” load – 3 courses each fall and winter – or a spread load of two courses each fall, winter and summer. Regarding core courses, we are assuming that one core course will continue to be offered each year at Macomb as it has been. This course is not included in the budget. Other core courses will need to be offered to meet core objective 6B Contemporary Social Problems and Core Objective 4 Meaning and Values. Courses needed to meet other UDM core requirements are readily available at MCC. These courses are included in the budget.

In short, this proposal builds on a number of years of hard work by faculty members that are serious professionals who are deeply committed to their programs and hopeful of relocating to UDM to continue to develop these programs. This program would be a wonderful opportunity to invest in and strengthen the liberal arts at UDM.

M. Approval Process

1. Approval Steps (committees or bodies)
   Department of Economics, CLAE Curriculum Committee, appropriate MFA committee, ALT, PC, and the Board of Trustees.

2. Letters of Support
   Letters of support are included from the UDM Department of Finance, the University Libraries, the Chair of the CLAE Curriculum Committee, the Interim Chair of the Department of Economics, the Vice-President of Institutional Advancement and Enrollment Management, and the Dean of CLAE.
N. Appendices

1. Appendix A - Course Curriculum
2. Appendix B - Syllabi
3. Appendix C - Faculty Vitae (Removed)
4. Appendix D - Combined Five Year Revenue/Expense Projections for Three Economics Proposals (Removed)
5. Appendix E – Letter of Support from UDM Department of Finance
6. Appendix F – Letter of Support from University Libraries/Instructional Design Studio
7. Appendix G – Letter of Support from CLAE Curriculum Committee
8. Appendix H – Letter of Support from UDM Department of Economics
9. Appendix I – Letter of Support from Vice President of Institutional Advancement and Enrollment Services
10. Appendix J – Letter of Support from the Dean of the College of Liberal Arts and Education
Appendix A - Course Curriculum

<table>
<thead>
<tr>
<th>Graduate MA in Financial Economics (required)</th>
<th>General Electives</th>
<th>Optional</th>
</tr>
</thead>
<tbody>
<tr>
<td>ECN 510 Economic Analysis</td>
<td>X</td>
<td></td>
</tr>
<tr>
<td>Microeconomics concerns itself with analyzing rational decision-making processes by consumers, producers, competitive firms, monopolistic competitors, oligopolists and monopolistic enterprises. Decision-making processes aim at value-maximization by consumers, factor efficiency and cost-minimization by producers, and profit maximization by sellers. In addition to studying production, distribution and consumer decision, microeconomics also analyzes rational behavior of factory suppliers whether they be providers of labor, raw materials, parts or services for utility maximization by suppliers and value-production optimization by factory employers. Diverse aspects of buying and selling are then integrated into a general equilibrium model for social optimality.</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

| ECN 512 Analysis of Economics Conditions     | X                 |          |
| The primary function of this course is to delve into economic analysis to describe, explain and predict aggregate measures of economic activities such as production, employment/unemployment, inflation, international trade and the balance of payments. The course constructs macro economic models of the economy, based on theory, to explain economic events. The models are then used to apply to and evaluate policy alternatives and actions of governments in their attempt to influence economic outcomes such as keeping inflation in check while achieving fuller employment while trading successfully with economies abroad. |

| ECN 530 Economic Ideas in Perspective        | X                 |          |
| A critical overview of some of the most influential thinkers in the history of economic doctrine. |

| ECN 535 Contemporary Economic Systems        | X                 |          |
| An examination and comparison of the economic, psychological, and philosophical arguments advanced as the rationale for free enterprise, democratic socialist, fascist, etc. systems of economic order. |

| ECN 540 Financial Economics                  | X                 |          |
Appendix A - Course Curriculum

An introduction to the financial system, which precedes courses in finance and economics. It is designed for three groups of graduate students: those who have not had such an introductory course, those who had such a course several years ago and need a review and for those who have had such a course but for one reason or another did not learn the material well enough. Concepts such as financial intermediation, money, credit, interest rates, valuation are covered in depth. Cash and derivative markets as well as domestic and international finance other important topics covered. The role of the monetary authority (Federal Reserve) and its relationship to the financial system is covered. Readings are also supplied to see how problems arise in the system that can seriously impair that system from optimized economic welfare. Financial Economics, examines the governmental structures and policies that effect citizens: inflation, resource distribution and income levels. The human dimensions of policies – and economic reality are put into an ethical context for decision making and policy formation.

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>ECN 545</td>
<td>Economics of the Public Sector</td>
<td>The role of the public sector in a market-oriented economy. Efficiency criteria in public decision-making, budgeting, and setting of priorities are analyzed. Economic analysis of the incidence and economic effects, particularly on resource allocation and income distribution of major taxes, including their structures. Problem of intergovernmental relations.</td>
</tr>
<tr>
<td>ECN 546</td>
<td>Money and Capital Markets</td>
<td>A flow of funds approach to the study of financial institutions and markets. Analysis of the nature and role of monetary and non-monetary financial institutions. Effects of cyclical and secular changes in business activity. Federal Reserve policies and treasury operations in the financial markets. Interworking of financial and non-financial markets are also examined.</td>
</tr>
<tr>
<td>ECN 564/464</td>
<td>Practical Issues in Financial Economics</td>
<td>Acquaints students with various critical issues as applied to present day conditions and economic development.</td>
</tr>
<tr>
<td>ECN 565</td>
<td>Theory of International Trade</td>
<td>An approach to the theory of international trade. Topics examined include the determination of the amount and composition of goods and services traded by nations, the terms of trade and changes in the structure of world trade. The impact of international trade on domestic stability, welfare and development. International factor price equalization, location theory and general methods of international economic relations. Qualitative and quantitative trade barriers are also analyzed.</td>
</tr>
<tr>
<td>ECN 566</td>
<td>International Monetary Analysis</td>
<td>X</td>
</tr>
</tbody>
</table>
Appendix A - Course Curriculum

An analysis of monetary and financial problems, adjustment mechanisms and policies of international trade. The foreign exchange market, capital flows, the problem of international liquidity. Particular, cyclical, secular and structural disequilibria in balance of payments are examined as are gold movements and the role of national central banks and international monetary agencies. International Monetary Policy analyzes issues, such as underdeveloped nations, debt forgiveness and funding of Third World projects are discussed and the ethical considerations of the human impact of international economic trends are evaluated.

<table>
<thead>
<tr>
<th>Course Code</th>
<th>Course Title</th>
<th>X</th>
</tr>
</thead>
<tbody>
<tr>
<td>ECN 570</td>
<td>Economic Development</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>An examination of the fundamental problems of economic development of nations and an analysis of the process of their economic growth.</td>
<td></td>
</tr>
<tr>
<td>ECN 575</td>
<td>Resource Economics</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>A study of the distribution of natural resources.</td>
<td></td>
</tr>
<tr>
<td>ECN 585</td>
<td>Seminar in Monetary and Fiscal Policy</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>A study in monetary and fiscal policies designed to achieve maximum employment, price stability and economic growth. The significance of international economic relationships are examined.</td>
<td></td>
</tr>
<tr>
<td>ECN 595</td>
<td>Individual Readings and Research</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>Directed Readings and research on specialized topics in financial economics.</td>
<td></td>
</tr>
<tr>
<td>ECN 599</td>
<td>Master's Thesis</td>
<td>X</td>
</tr>
<tr>
<td></td>
<td>An intensive study of some special problems in the general area of financial economics.</td>
<td></td>
</tr>
</tbody>
</table>
**Syllabus ECN 510**

**ECN 510: Economic Analysis**  
Section 01

**Instructor:**  
Class meets: 6:40 PM – 9:05 PM; Mondays; B-351

**Text:** Microeconomics: Theory/Applications  
Author: Edwin Mansfield  
Publisher: W. W. Norton  
(New or older editions are acceptable...in fact, older editions would contain less unnecessary materials than the newer ones)

**Office Hours:**  
Since most of the students work during daytime, no office hours are posted. Students can make appointment(s) either before/after class for a specified day and time. The student may also make an appointment by phoning 993-1055 (faculty office), or 993-1000 (Lansing-Reilly Hall at the University). Please leave a message and I shall return your call as soon as it is feasible.  
[Note: There is a long recorded message to 993-1000 (one minute and 10 seconds!). As soon as the recording kicks in, press "0" and you will be connected instantly. A convenient way to reach me is via e-mail as I check the “in-box” of my e-mail several times daily. My e-mail address is:]  

**Course objectives:**  
That the students master all important concepts/relationships/reasoning behind a decision maker's economic behavior and are able to apply them with ease and understanding. Basically, via model analysis, this course attempts to attain a deeper understanding of the THEORY governing various aspects of human behavior regarding consumption, production, distribution, pricing and exchange.

Students will learn the "implication of ideas" in economic principles; use of A Humane Economy analyzes the ethical components of creating more just economic systems.

**Exams**  
There will frequently scheduled quizzes starting Monday, January 31st, plus a final exam on Monday, April 25th

**Grading**  
Quizzes = 50% of the course weight; Research Paper = 20%; Final Exam = 30%

90 or better = A  
87-89 = A-  
84-86 = B+  
80-84 = B  
76-79 = B-  
73-75 = C+  
68-72 = C  
64-67 = C-  
60-63 = D+
Research Paper
In addition to meeting all other course requirements, students will be required to submit a separate graduate level research paper and make an in-class presentation of their research. Graduate students will meet with their instructor after the first class meeting to discuss the requirements of the paper and to schedule their in-class presentations. Consultation with the instructor for approval of the paper topic and oversight of the research will continue through the semester.

Course Requirement:
Students are expected to read beforehand the class material to be covered in class and should always be one step ahead of the material to be covered in class. There will be review sheets for each section of the course material. The completed exercise sheets need not be handed in, but they are designed to help the class understand the course content via application of concepts and relationships. It is understood that these review sheets also help the quiz/exam preparations.

TENTATIVE schedule:

Jan 10
Introduction: usefulness of Microeconomics; demand; change in demand; price elasticity of demand; elasticity of demand and total expenditures; supply; change in supply; elasticity of supply; market equilibrium; price ceiling/floor; surplus and shortage

Jan 17
Martin Luther King, Jr. Day, school closed

Jan 24
Marginal utility; law of diminishing marginal utility; the rational consumer; budget line; budget allocation; indifference curve; marginal rate of substitution (p. 58); consumer equilibrium; changes in consumer income; and changes in relative product-prices and price indices

Jan 31
Substitution effect; income effect; total effect; normal good; inferior good; graphic measure of price elasticity of demand; income elasticity of demand; cross elasticity of demand; substitutes; complements; Seller’s side of the market: marginal revenue, graphic measure of marginal revenue, and relationship between marginal revenue and elasticity of demand

Feb 7
Production; average/marginal/total product; the production function; law of diminishing returns; geometry of average/marginal/total product; and 3 stages of production

Feb 14
Isoquant; marginal rate of technical substitution (substitutability of inputs); optimal input combination; cost; opportunity cost; social vs. private costs; explicit vs. implicit costs, cost; minimization; returns to scale; changes in technology; fixed/variable/average/marginal/total cost

Feb 21
Geometry of cost functions; derivation of supply function; and short term equilibrium and profit maximization
Appendix B - Syllabi

Feb 28
Perfect competition; effect of an increase or a decrease in market demand; and long run
equilibrium; increasing/decreasing/constant cost industries

Mar 7
Spring break!

Mar 14
Monopoly; causes of monopoly; demand function faced by the monopolist; profit maximization
level of output; welfare loss; and relationship between price and output

Mar 21
Price discrimination; type II and III price discrimination; imperfect competition/markets; and
Cournot/Chamberlain/Edgeworth models of imperfect competition

Mar 28
Causes for imperfect competition; oligopoly; the kinked demand function; and price leadership

Apr 4
Barriers to entry into oligopolistic markets; cost-plus pricing; non-price competition; and effects of
oligopoly

Apr 11
Monopolistic competition; assumption; the two demand functions under monopolistic competitive
conditions – short and long run equilibria; excess capacity

Apr 18
Factor (input) market; employment of inputs; general equilibrium; the Edgeworth Box Diagram
analysis; and basic trade theory

Apr 25
--------Exam--------

Microeconomics is that branch of social science which concerns itself with the analysis of
behavior of an individual decision making unit: the consumer, the producer, the competitive
firm, the monopolistic market, the oligopolistic or imperfect market, the monopolistically
competitive firms, the input user/market and so forth. The text does leave much to be desired.
For a better understanding of the subject matter, please follow the order of concepts, theories
and topical relationships as listed above instead of rigidly adhering to the order of presentation
of the text. The key to mastering the course material is: read before class, class
attendance/participation, review class notes and do the handout exercises.

Microeconomics is that branch of social science which concerns itself with the analysis of
behavior of an individual decision making unit: the consumer, the producer, the competitive
firm, the monopolistic competitor, the oligopolist, the monopolist, the input user and so forth. The text may
be roughly divided into six parts for this course:

Parts one and two of the text consists of chapters one through five (we omit ch. 6). First,
the students are induced to perceive the usefulness of microeconomics as a tool of analysis. Then
the behavior of an average consumer's budget restraints, it shows how a rational decision maker
should reach his/her choice of a market basket. When demands of all consumers are aggregated,
the market demand function is derived.
Part three of the text includes chapters seven and eight. It lays down the ground rules for decision making in production processes. The physical aspects of production basically consist of input-output-relationships, or the production function and the law of diminishing returns. Economics is concerned with the "optimal" allocation of scarce resources: 1, to produce as many units of desired product(s) with as few units of input(s) as technically feasible; and, 2, to make the highest profit from given investment outlays. Therefore, costs and economic returns are brought into the picture. In light of input expenses and output prices, students are to the elementary principles of how to allocate inputs to achieve a level and combination of outputs for cost minimization and profit maximization.

Part four includes chapters nine through thirteen (we omit chs. 10 & 13). In this section are discussed the production/sale behavior of firms which find themselves in all possible market situations: purely competitive, purely monopolistic, monopolistically competitive, duopolistic and oligopolistic. Within these short chapters are compared the relative efficiency of resource use by all these types of firms in society. Also discussed in this section is the question of whether or not monopolistic behavior is compatible with social well being.

Part five consists of two chapters: fourteen and fifteen (we omit ch. 15). Its basic idea is similar to that of part three, except that it is input--instead of output--markets that are being considered. Parallel to output markets, input markets such as labor and raw materials could be either "perfectly competitive" (e.g. unskilled labor) or not so competitive (e.g. unionized labor). Given the input supply market structure, and therefore input prices, these two chapters analyze how the producer should employ the use of an input, or a combination of inputs, accordingly.

Chapter sixteen onwards makes up part six. These chapters pull all previous discussions into one general picture: input-production and output-exchange, and show how a general equilibrium state may be arrived at. The general equilibrium state shows how inputs are optimally utilized and outputs are satisfactorily exchanged. From this ideal production-exchange situation is then furthered the discussion of how social welfare may be maximized under resource constraints.

Syllabus ECN 512
(One-week course example)

ECN 512
ANALYSIS OF ECONOMIC CONDITIONS

Instructor: Dr. D. Byrne
Phone: 734-525-2941
Time: Monday through Friday (9 AM – 5:00 PM)
Email: dbyrne5628@aol.com

Texts: THE NEW PARADIGM IN ECONOMICS, Revised May 2006
       Donald R. Byrne, Timothy D. Byrne, and Edward T. Derbin

       An ECONOMICS NEWSLETTER FOR THE NEW MILLENIUM,
Economic policy of government is aimed at changing an undesirable outcome in the economic system. Monetary and fiscal policies of the federal government are aimed at changing the macroeconomic outcome. For example, high employment and price stability are typical desired goals for the macro-economy to attain. The U.S. Congress decides upon appropriate fiscal policies while the Federal Reserve System (the Federal Open Market Committee in particular) is responsible for monetary policy. Will such policies be effective in obtaining outcomes such as full employment or price stability? In general, effective policies only result from an understanding of how the economic system functions. An erroneous view of how the economic system works will lead to ineffective policies at best and outright economic damage at worst.

In order to assess macroeconomic policies we must have a grasp of how the system functions. We will examine the two major schools of macroeconomics, the classical and Keynesian traditions. We will also study the conditions and historical circumstances that make one school more relevant and the other less relevant. Conditions change as does the relevancy of each school of thought: 1880 is not 1930 and 1930 is not 2000. Economic theory is evolving and trying to incorporate the best of each of the traditions. We will tour this evolution and see what contemporary thinking has to offer. We will also consider such things as lags that may make a theoretically correct analysis irrelevant we will attempt to apply the understanding to every day problems that are continually changing. The new approach will incorporate the increasing importance of the global interface of our economy with that of the world.

Students will evaluate the history and theory of past economic systems. This will include the examination of oligarchy, monopolies and the relevancy of these models which involves ethical analysis.

Student Course Evaluation
(Administration’s statement repeated in italics)

Student course evaluations are an important source of information for curricular and teaching improvement in the College of Liberal Arts and Education. As such, all students enrolled in CLAE courses are required to complete an on-line course evaluation. You will receive e-mails explaining how to complete an on-line evaluation. In addition, your instructor will remind you of the deadline for completing this course requirement. Should a student fail to complete the evaluation, their grade for the course will not be posted until the evaluation is completed.

Dishonesty and Plagiarism

Unacceptable behavior such as cheating in any form will result in penalties after a due process hearing determines that such behavior did occur. Students are advised to read the student handbook for the penalties resulting from such behavior.

Method of Determining Course Grade

There will be three exams during the week, a comprehensive final exam on Friday afternoon, as well as a mandatory research paper for graduate students. The instructor must approve the research topic. You can choose one of two options for the determination of your course grade. Option A takes the arithmetic average of your four exams taken during the semester and translates that average into a course grade as shown below. In this option, you do not take the comprehensive final exam. In option B, the course average is the arithmetic average of your three highest exams taken during the week and the comprehensive final exam. Your lowest score on the four exams taken during the week is dropped. If you miss an exam and do
Appendix B - Syllabi

not make it up, it will be recorded as a zero and that will be the low score dropped if you choose option B. The final exam in my courses is a second chance and not double jeopardy. If you start strongly and keep it up you can opt out of the final. If you slide along and procrastinate, you will be faced with a difficult comprehensive final exam. The choice is yours.

Translation of Course Averages in to Course Grades

93 - 100 = A
88 up to but not including 93 = A-
84 up to b.n.i. 88 = B+
74 up to b.n.i. 84 = B
70 up to b.n.i. 74 = B-
66 up to b.n.i. 70 = C+
60 up to b.n.i. 66 = C
below 60 = D

Some Other Comments
You are expected to attend all classes; take notes; read the text material before the class in which it will be covered; read and study all supplementary material given to the class. You are responsible for all of it and all of it is fair game on a test. There are review questions at the end of nearly every chapter. Other review questions may be given to the class. It will help focus your studying and from these review questions, I make up the exams. Start off quickly, work hard and you will learn a lot and enjoy the course. Put little into the course and you will learn little. If you choose the latter pattern, blame yourself and not the instructor. Save all your exams since the comprehensive final is drawn from these exams taken during the week.

Welcome aboard and good luck!

Topics covered and Exam Schedule

Monday, May 15
• Overview of the course
• Economics as the study of scarcity
• Microeconomics and macroeconomics
• Goals of macroeconomic policy
• Introduction to the Old and the New Paradigms and the changing implications for policy issues Circular Flows of Economic and Financial Activity
• The social Accounts, NIPA and FOFA
• Money and credit creation

Reading: Chapters 1 through 4 of the text

Tuesday, May 16
Review and EXAM ONE on previous day's material
• Money and Credit
• Interest rates
• Monetary authority: its deliberations and its tools in implementing policy decisions
• Concepts of Unemployment and Inflation

Reading: Chapters 5, 6, 7, 8
Appendix B - Syllabi

**Wednesday, May 17**

**Review and EXAM TWO on previous day’s material**
- The Keynesian demand side macro models, their implications for monetary and fiscal policy
- Aggregate demand and aggregate supply model
- Efficacy and potency of traditional monetary policy
- Crowding out and rational expectations
- Competition, market structure, and the market price adjustment process
- Introduction to the New Paradigm

*Reading: Chapters 9, 10, 11, and 12*

**Thursday, May 18**

**Review and THIRD EXAM on previous day’s material**
- The New Paradigm: An historical overview
- The microeconomic theory underlying the changing Macroeconomic economy
- Growing resistance to episodes of inflation and recession
- The concepts of equity and efficiency
- Consumer surplus, opportunity cost, and economic rent
- Implications for the income distribution
- Restructuring
- Policy and the New Paradigm

*Reading: Chapters 13, 14, 15, and 16 of the text*

**Friday, May 19**

**Covered material (read before class) Chapter s 17 and 18 of the text**
- The global interface
- Balance of payments
- Exchange rates
- Fisher effect, purchasing power parity, and interest rate parity
- Internal and external balances

**FOURTH EXAM before lunch break**

**Review and FINAL EXAM after lunch**

**End of course...ahh...summer!**
UNIVERSITY OF DETROIT MERCY
ECN 530 - ECONOMIC IDEAS IN PERSPECTIVE FALL 2006

Instructor:

Class Hours: Wednesday

Office Hours: One hour before class or by appointment.

Phone Number:

E-Mail Address:


Appendix B - Syllabi

Course Description: An in-depth seminar-style examination into the thoughts and ideas of the most influential economic thinkers in the Western world. Emphasis will also be placed on the political and social environment of each period.

Examinations:

Critical Evaluation research paper will be a 20 page paper and include a 15 minute class presentation summarizing their research methods and findings. Students will meet with their instructor after the first class meeting to discuss the requirements of the paper and to schedule their in-class presentations. Consultation with the instructor for approval of the paper topic and oversight of the research will continue through the semester. Your grade will be based on:
- 3 exams @100 pts. = 300
- 1 Research Paper @100 pts. = 100
- 400/4 = Final Grade

Grading:

Grading will be as follows:
- A 100 - 93
- A- 92-90
- B+ 89-87
- B 86-83
- B- 82- 80
- C+ 79 - 77
- C 76 - 73
- C- 72 - 70
- D+ 69-67
- D 66 - 63
- D- 62 - 60
- F 59 - 00

Critical Evaluation Research Paper: Each M.A. student is required to complete a critical evaluation research paper. The paper will be between 10 to 15 pages in length and will contain at least 10 bibliographical references.
Appendix B - Syllabi

DATE | LECTURE TOPICS AND CHAPTER READINGS
--- | ---
Week 1 | Introduction I Contributions of the Ancient Greeks
       | (EH: Ch. 1)
Week 2 | Roman and Early Christian economic contributions
       | (EH: Ch. 2)
Week 3 | Medieval Economic Thought
       | (EH: Ch. 3)
Week 4 | Mercantilism and the antecedents of Adam Smith
       | (EH: Ch. 4)
Week 5 | EXAMINATION I (EH: Chapters 1-4 and lecture)
Week 6 | Adam Smith and the Scottish Enlightenment (EH: Ch. 5)
Week 7 | Adam Smith and The Wealth of Nations
       | (EH: Ch. 5)
Week 8 | Say, Bentham, and Malthus (EH: Ch.6)
Week 9 | Ricardo and the Classical Paradigm (EH: Ch. 7)
Week 10 | EXAMINATION II (EH: Chapters 5-7 and lecture)
Week 11 | John Stuart Mill and the decline of Classical Economics
        | (EH: Ch. 8-9)
Week 12 | American Contributions to the Early History of Economic Thought
Week 13 | Marxian Economics (EH: Ch.10) (HW)
Week 14 | Critical Evaluation Research Paper Due
       | EXAMINATION III (EH: Chapters 8-10 and lecture)

Each student will select a primary classic work from the history of economic thought and write a critical evaluation research paper. The student will select a "classic" work published before 1870. Titles must be approved by the instructor no later than October 19, 2006.

The structure of the critical evaluation research paper is outlined below:

I. Summary Analysis
   The student will summarize the major points of the work. (2-3 pgs.)

II. Life and Times of the Author
    The student will chronicle the life of the author or the work as well as the economic issues of the day. Special emphasis will be placed on the motivation of the author in writing the book. (2-3 pgs.)

III. Topic Analysis
    The student will select a major topic contained within the work and research/analyze it. The student is encouraged to
Appendix C – Faculty Vitae

IV. Importance and Legacy

The student will describe the importance and enduring legacy of the selected classic work in the history of economic thought. (2-3 pgs.)

Note: Footnotes/textnotes and a bibliography must be part of your research paper. They are not, however, counted as part of the paper. Students that are uncertain about writing a research paper should consult the classic work, The Modern Researcher, by Jacques Barzun and Henry F. Graff, Sixth Edition, 2004.

Statement Regarding Academic Misconduct:
Be aware of the guidelines relating to academic misconduct as described in the University of Detroit Mercy catalog. Appropriate disciplinary action includes the issuance of a failing grade and/or dismissal from the College. Academic misconduct includes (but is not limited to) cheating, unauthorized collusion, violation of library policies, plagiarism, unauthorized copying and removal of computer software from the library/computer lab area, using educational on-line data access (NAARS, LEXIS, and Dow Jones) for private or business use, or any other unethical behavior.

Statement Regarding Professional Conduct:
Student communications to and with the professor shall at all times be conducted in a professional and courteous manner.

<table>
<thead>
<tr>
<th>Week</th>
<th>PRIMARY READINGS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Week 1</td>
<td>Plato The Republic Books I-X</td>
</tr>
<tr>
<td>Week 2</td>
<td>Aristotle The Politics Introduction And Books I-VIII</td>
</tr>
<tr>
<td>Week 3</td>
<td>Adam Smith The Wealth of Nations General Intro. and Book I</td>
</tr>
<tr>
<td>Week 4</td>
<td>Adam Smith The Wealth of Nations Books II-II</td>
</tr>
<tr>
<td>Week 7</td>
<td>J. S. Mill Principles of Political Economy Book V</td>
</tr>
<tr>
<td>Week 8</td>
<td>Karl Marx Capital (Volume I) Introduction and Parts I-IV</td>
</tr>
<tr>
<td>Week 9</td>
<td>Karl Marx Capital (Volume I) Parts V-VII</td>
</tr>
<tr>
<td>Week 10</td>
<td>FINAL EXAMINATION</td>
</tr>
</tbody>
</table>
Appendix C – Faculty Vitae

ECN. 535 section 85

Comparative Economic Systems

Class Meets: Wednesdays 6:35-9:05 p.m., B349


Office Hour: Since most of the students in this class work during the day, there is no fixed hours for consultation. Students can make appointment(s) either before/after class or by phoning 993-1589 (faculty office) or 993-1000 (Lansing-Reilly Hall at the University). Please leave a message with your name/phone number(s). I will then get back to you as soon as it is feasible.

Scope & Objective: To foster and enhance the students' analytical ability in examining and comparing the relative merits and demerits of the world's economies of divergent systemic structures. More specifically, the course studies the theories and specifics of:
- the capitalist economic system (the U.S. & U. K.);
- the democratic/socialistic economic system (Norway and Sweden);
- the centrally planned economic system (the former USSR, Hungary, Romania, Poland, the former Czechoslovakia, etc.);
- the planned Capitalist system (France, Germany); and,
- systems which evolve/vary from the above (China, Japan, India, etc.).

One of the course's emphases will be to examine each system's distinctive economic and theoretical orientation, economic goals, institutions, processes and the state of development and economic performance resulting therefrom. Also, due to the structural and functional differences in economic systems to be discussed in this course, we need to analyze the rationale behind the differences in economic performance of the nations being studied. Furthermore, in view of the background forces--including social, cultural, historical and political--which in varying degrees influence and impact a nation's chosen objectives as well as the mode of policy implementation, the students must strive to be more objective in understanding and interpreting respective developments and performances in each of the economies studied. The end product of the course is so that the students may the better analyze the contributing factors leading to high performance and...
efficient resource allocation in a given economic/social/political/cultural setting.

Order of presentation (cf. text):
Introduction, chapters 1, 2, 3, 4, 5, 8, 11, 6, 9, 13, 7, 10, 12, 14, 15 & 16.

Course Requirements:

i. Readings as assigned.
ii. Examinations: one mid-term and one final.
iii. Research Project for graduate students: Each graduate student will study the economy of one country. (Confer the following pages for details). It is not meant to be exhaustive or original. It is an exercise to use available reference/data-sources on an economy for analysis in a creative manner.
iv. Time permitting, a class debate at the end of the course re. merits/demerits of a given system.

Grading:

Research project: 30%
Midterm and class discussion/participation: 25% and 10%, respectively (This includes the class debate or class presentation as mentioned above)
Final Exam: 35%

In addition to meeting all other course requirements, graduate students in this course will be required to submit a separate graduate level research paper and make an in-class presentation of their research. Graduate students will meet with their instructor after the first class meeting to discuss the requirements of the paper and to schedule their in-class presentations. Consultation with the instructor for approval of the paper topic and oversight of the research will continue through the semester.

Performance required to receive a given grade for the course will be explained in class.

Research project Part 1:

Make a precis out of available articles/books on the political and economic system of the country you choose to study. Where historical background is relevant, brief mentions may be in order.

Some of the useful references:

Europa Year Books JN 1 E. 85
Worldmark Encyclopedia of Nations G 63 .W67
Stateman's Yearbook JS 51 .87
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All three are available at the REFERENCE section of the main library on campus.

Research Project Part II:

Population: Total and per square kilometer, birth/death rates and growth rate.

National Product: Total and per capita; rate of growth; percentage in agriculture, manufacturing and service. Investment and/or gross capital formation as percentage of GNP. Savings.

Work Force: Total and percentage in agriculture, manufacturing service; urban and rural distribution.

Natural Resources: List the principle ones.

Exports and imports: Total and major composition;

Principle trading partners

Balance of trade/payments

Government: Expenditure as percentage of GNP; taxation (kind and/or amount; expenditure (kind and/or amount).

Brief bibliography: List sources which you can locate on the country of your study which you consider to be appropriate. Include: Date of publication, author and publisher.

The following sources in the library would give you the basic data listed above:

United Nations: Statistical Yearbook (Annual) HA 12.5 U63
Demographic Yearbook (Annual) HA 36 D4
Yearbook of National Account Statistics (Annual) HC 79 .15

OECD Country Yearbooks (might not be available at U of D library but might be secured through the interlibrary loan facility provided for you).

International Monetary Fund: International Financial Statistics (Annual Supplement)
World Bank: World Development Report (annual)

Research Project Part III

For each significant sector of the country you study, describe/analyze the economic system/structure, including details of production, distribution, motivation, problems and other relevant human factors. Also, describe how macro control or government intervention/influence is exercised in the system/economy.

Research Project Part IV

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For the economy of your project, describe the goals, norms, plans and modus operandi (execution of policies/plans etc.) for its producers and consumers. Discuss/analyze how leaders of the given economy articulate the above, how economists critique the same and how business leaders (if information is available) view the country’s entire economic situation. Forward your recommendations so that the economy of your research project may experience improved performance(s).

Syllabus ECN 540

ECN 540
Section 01
FINANCIAL ECONOMICS
University of Detroit Mercy
Term II, 2005-2006

Instructor: Time: Thursday 6:40-9:10 P. M.
Office: Classroom: B 349
email:  
Office hours: 6:00-6:30 Tuesday and Wednesday, and by appointment


Course Description and Learning Outcomes

This course is an introduction to the U.S. financial system. It studies the financial intermediation process out of which flows money and credit creation. The social accounts including the National Income and Product Accounts along with the Flow of Funds Accounts and the Balance of Payments Accounts will be integrated into the course material. Interest rates will be examined in depth. The relationship of interest rate changes and price of financial securities is thoroughly covered. Inflation and deflation and the problems these price level changes cause as well as the relationship of inflation and deflation to interest rates and exchange rates are analyzed.

The role and policies of the monetary authority will be given substantial consideration. This will include theories of inflation such as monetarism and inflationary gaps. The role of competition and price level changes will be evaluated in light of the instructor's development of a New Paradigm in Economics. International finance along with the balance of payments are examined as well as the various financial markets, cash or spot, forward, futures, and options. Developing markets such as swaps, will also be considered, time permitting.
Concepts such as the Fisher Effect, Purchasing Power Parity, Interest Rate Parity
In addition to the above material, three volumes of my Newsletter will be referred to
on a variety of topics covered during the semester. Exchange rate systems ranging
from freely floating to a single currency will be contrasted with each other, as well as
their impact on the ability to maintain monetary sovereignty. Academic
Administration’s statements required to be included in this syllabus.

Financial economics examines the governmental structures and policies that effect
citizens: inflation, resource distribution and income levels. The human dimensions
of policies – and economic reality are put into an ethical context for decision making
and policy formation.

Student course evaluations
Administration’s statement repeated in italics:
Student course evaluations are an important source of information for curricular and
teaching improvement in the College of Liberal Arts and Education. As such, all
students enrolled in CLAE courses are required to complete an on-line course
evaluation. You will receive e-mails explaining how to complete an on-line
evaluation. In addition, your instructor will remind you of the deadline for
completing this course requirement. Should a student fail to complete the
evaluation, their grade for the course will not be posted until the evaluation is
completed.

Dishonesty and Plagiarism
Unacceptable behavior such as cheating in any form, will result in penalties after a
due process hearing determines that such behavior did occur. Students are advised
to read the student handbook for the penalties resulting from such behavior.

Method of Determining Course Grade
There will be three exams, a comprehensive final exam as well as a mandatory
research paper for graduate students. You have two options for determining your
course grade. Option A takes the arithmetic average of your three exam scores
taken during the semester and your grade on the research paper, which must have
topic approval by the instructor. If that average gives you the desired course grade,
you opt out of the comprehensive exam. If you have only taken two of the exams
given during the semester or have scored low on one of the three exams taken
during the semester, the missed exam or low score, will be replaced by your score
on the cumulative final exam. This is option B. Missed exams given during the
semester, must be made up within one week, or a zero will be recorded for that
missed exam’s score. If not so made up, you must take the cumulative final. All
exams will be of the objective type.

Course Averages and Their Translation into Course Grades

<table>
<thead>
<tr>
<th>Grade</th>
<th>Equivalent</th>
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<tbody>
<tr>
<td>93 - 100</td>
<td>A</td>
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<tr>
<td>88 up to but not including 93</td>
<td>A-</td>
</tr>
<tr>
<td>84 up to b.n.i. 88</td>
<td>B+</td>
</tr>
<tr>
<td>74 up to b.n.i. 84</td>
<td>B</td>
</tr>
<tr>
<td>70 up to b.n.i. 74</td>
<td>B-</td>
</tr>
<tr>
<td>66 up to b.n.i. 70</td>
<td>C+</td>
</tr>
<tr>
<td>60 up to b.n.i. 66</td>
<td>C</td>
</tr>
<tr>
<td>below 60</td>
<td>D</td>
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</tbody>
</table>
Appendix C – Faculty Vitae

Some Things to Consider...

Read all of the assigned material. Take notes. Read and study all supplementary material given out. You are responsible for all the material. Review questions will be distributed at most classes. Save your exams taken during the semester since the cumulative final exam will be based upon those exams. If you get off to a good start and continue the pace, you will be able to opt out of the comprehensive final exam. On the other hand, if you procrastinate and let things slide in the beginning, you will face a difficult comprehensive final exam. Work hard and you will not only learn a lot but you will enjoy the course. If you do very little, you will learn very little and the course will be a drag. If you adopt the latter approach, blame yourself and not the instructor. Welcome aboard for the journey.

Reading Assignments and Exam Schedule

January 11
- Overview of course and the contribution of the financial system to economic efficiency
- Circular Flows of real and financial activity
- Deficit and surplus budget units
- Internal and external finance
- Direct and indirect finance
- Claims transformation and investment banking
- Various classes of financial intermediaries

Reading – Chapter 1

January 18
- The social accounts
- Measuring real and financial activity

Reading – Chapter 2; Newsletter: Volume 2003, issues 1, 2, and 3 (http://byrned.faculty.udmercy.edu/)

January 25
- The money and credit creation process and the role of financial institutions
- Meaning and measurement of the monetary aggregates
- Introduction to the monetary authority

Reading – Chapter 3; Newsletter: Volume 2003, Issues 4 and 5 and Volume 2004, Issue 1 (http://byrned.faculty.udmercy.edu/)

February 1
- The monetary authority and monetary policy
- The declining potency of monetary policy

Reading – Chapters 4 and 9

February 8
Review during first part of class
FIRST EXAM – AFTER REVIEW
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February 15
- The level of interest rates
- Loanable funds and liquidity preference
- Effects of Inflation on interest rates
- Real and nominal interest rates
- Models of complete illusion; adaptive lag: rational expectations; and Fisher effect

Reading – Chapters 5 and 6

February 22
- Differences in interest rates
- The term structure, risk structure, and tax structure of interest rates

Reading – Chapter 7; Newsletter: Volume 2005, Issue 1 (http://byrned.faculty.udmercy.edu/)

March 1
- Interest rate risk and risk management
- The inverse relationship

Reading – Chapter 8

March 8
Mid-Winter break
March 6 – 11; no classes

March 15
Review during first part of class
SECOND EXAM – AFTER REVIEW

March 22
- Financial Markets and instruments
- Derivative financial markets

Reading – Chapters 10 and 11

March 29
Financial markets, continued

April 5
International Finance
Reading – Chapters 12 and 13

April 12
International Finance continued
RESEARCH PAPER DUE

April 19
Review during first half of class
THIRD EXAM – AFTER REVIEW

April 26
FINAL EXAM
Appendix C – Faculty Vitae

Comprehensive in coverage
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ECN 545
ECONOMICS OF THE PUBLIC SECTOR
University of Detroit Mercy
Summer 2005

Instructor:                                                                  M & W:  5:30 - 8:00 p.m.
E Mail:                                                         Briggs 319
Phone:

Text:  **PUBLIC FINANCE.**  A Musgravian Approach; Donald R. Byrne, June, 2005.
Supplemental Reading: AN ECONOMICS NEWSLETTER FOR THE NEW MILLENNIUM
(http://byrned.faculty.udmercy.edu/)

Course Descriptions

Despite the fact that we refer to the U.S. economy as a free enterprise market system, government at all levels is pervasive through the economy. These pervasive activities include: the regulation of public utilities, anti-trust actions (often inept or circumscribed by Congress), regulation of the depository institution system, etc. In addition to all of these interventions into the economic system, sometimes improving it but often making it worse, the most dominant form of government intervention is thru its fiscal activities, taxing and spending. Taxes by all levels of government take about 40% of the nation's income of which nearly 75% is in the form of labor compensation including wages. Expenditures are even larger at around 44% of the nation's income; the divergence of the two being the deficit. At the federal level, nearly two-thirds of expenditures are in the form of transfer payments and only one-third on collective consumption and investment. At the state and local government level collectively, collective consumption and investment is about two-thirds of total expenditures and one-third in the form of transfer payments. A fundamental axiom of public finance theory is that only households ultimately bear taxes and bear all of the taxes, business ultimately bears no taxes no matter what the statutory mandates require. Business taxes are either shifted forward to consumers or backward to productive resources, labor being by far the dominant resource and the ultimate bearer of most taxes. We will, for the most part, confine ourselves to the fiscal activities of government.

Every tax and government expenditure has as many as four major economic effects. They can result in reallocation of the product mix and resource mix. That is to say they can reallocate resources and often in major and damaging ways. Taxes and government spending can also effect the distribution of income in a nation. They can also impact the level of economic activity (depressing or stimulating, often altering the price level as well). Finally taxes and government spending can impact the rate of economic growth of the nation.

To understand how all these notion fit together and to be able to analyze issues such as Medicaid, AFDC and health care reform, we must review some microeconomic theory in such areas as price elasticity, optimal conditions of economic welfare, and consumer theory. Since we are talking about 40% of the economy, we are talking about significant effects on the nation's standard of living as well as that of the individuals that comprise that nation.
Appendix C – Faculty Vitae

Topics include the free enterprise system, government regulation, anti-trusts and taxation. These topics are directed toward analysis of public/social policy, such as health care, AFDC, and a minimum natural standard of living.

Student course evaluations
Administration’s statement repeated in italics.
Student course evaluations are an important source of information for curricular and teaching improvement in the College of Liberal Arts and Education. As such, all students enrolled in CLAE courses are required to complete an on-line course evaluation. You will receive e-mails explaining how to complete an on-line evaluation. In addition, your instructor will remind you of the deadline for completing this course requirement. Should a student fail to complete the evaluation, their grade for the course will not be posted until the evaluation is completed.

Dishonesty and Plagiarism
Unacceptable behavior such as cheating in any form, will result in penalties after a due process hearing determines that such behavior did occur. Students are advised to read the student handbook for the penalties resulting from such behavior.

Method of Determining Course Grade
There will be three exams during the semester, a comprehensive final exam, as well as a mandatory graduate level research paper. Students must receive instructor approval for their selected topics. You can choose one of two options for the determination of your course grade. Option A takes the arithmetic average of your three exams taken during the semester and translates that average into a course grade as shown below. In this option, you do not take the comprehensive final exam. In option B, the course average is the arithmetic average of your two highest exams taken during the semester, your research paper and the comprehensive final exam. Your lowest score on the three exams taken during the semester is dropped. If you miss an exam and do not make it up within one week, it will be recorded as a zero and that will be the low score dropped if you choose option B. The final exam in my courses is a second chance and not double jeopardy. If you start strongly and keep it up you can opt out of the final. If you slide along and procrastinate, you will be faced with a difficult comprehensive final exam. The choice is yours.

Translation of Course Averages in to Course Grades

- 93 - 100 = A
- 88 up to but not including 93 = A-
- 84 up to b.n.i. 88 = B+
- 74 up to b.n.i. 84 = B
- 70 up to b.n.i. 74 = B-
- 66 up to b.n.i. 70 = C+
- 60 up to b.n.i. 66 = C
- below 60 = D

Some Other Comments
Appendix C – Faculty Vitae

You are expected to attend all classes. If you miss a class it should be for a good reason. Take notes. Read the text material before the class in which it will be covered. Read and study all supplementary material given the class. Your are responsible for all of it and all of it is fair game on a test. Nearly every week a set of review questions will be given you. It will help focus your studying and from these review questions, I make up the exams. Start of quickly, work hard and you will learn a lot and enjoy the course. Put little into the course and you will learn little. If you choose the latter pattern, blame yourself and not the instructor. Save all your exams since the comprehensive final is drawn from these exams taken during the semester.

Reading Assignments and Exam Schedule

Class of:

May 9 & 11
Read Chapter 1 & review NIPA
http://www.bea.gov/bea/dn/nipaweb/index.asp; Flow of Funds
http://www.federalreserve.gov/releases/
- Overview of the course
- Multiple effects of government budgets
- Circular flows of real and financial activity
- National Income and Product Accounts
- Flow of Funds Accounts
- Other data sources
- Government spending and taxes in perspective

May 16 & 18
Read Chapter 2 (& Write up on Musgravian Approach)
- Theoretical Underpinnings
- Competitive market system
- Economic welfare conditions
- Efficiency and Equity
- Application to public utility regulation
- Market adjustment process: Walras vs. Marshall
- Musgravian approach: allocation branch, income distribution branch, stabilization branch and allocation branch in some detail
- Market failure
- Externalities
- Free rider syndrome

May 23 & 25
Read Chapter 3
- Income distribution
- Equity versus equality
- Opportunity cost and producer surplus or economic rent
- Market structure and the income distribution
- Stabilization branch, old paradigm
Appendix C – Faculty Vitae

- The budget and macroeconomic policies

Review and **FIRST EXAM**

**May 30 (MEMORIAL DAY – UNIVERSITY CLOSED)**

**Jun 1**
**Read Holcombe material from Internet; supplementary materials on taxes**
- Changing economic environment
- Macroeconomic policies and the New paradigm vs. Old paradigm
- Market structures, market adjustment process and Walras vs. Marshall revisited
- Laws of demand, substitution and income effects, price elasticity and other elasticities
- Weakening recessionary and inflationary biases
- Changing need for government intervention as new paradigm evolves
- Who ultimately bears the tax burden
- Shifting and incidence of taxes

Review and **SECOND EXAM**

**Jun 6 & 8**
**Read Chapter 4 & supplementary materials**

Rudiments of the New Paradigm and its effects on the logic of government intervention in the allocation of resources, income distribution and stability of the economy
Goals of full employment, price stability, efficiency and equity
Specific issues such as spending vs. income taxes, cash vs. in kind transfers, etc.

**Jun 13 & 15**
**Read Chapter 5 & supplementary materials**

Other current issues in government’s role in the current economy: social security, health care, energy crisis, trade deficit, etc.
**Jun 15: RESEARCH PAPER DUE**

**Jun 20 & 22**
Review and **THIRD EXAM**

**FINAL EXAMINATION**
**COMPREHENSIVE IN COVERAGE**

**Syllabus ECN 546**

**University of Detroit Mercy**
**ECN 546**
**Money and Capital Markets**

Instructor: Dr. Donald R. Byrne
Time:
Office: B 319
Appendix C – Faculty Vitae

Phone: 734-525-2941
E-mail: dbyrne5628@aol.com

Textbook: A PRIMER ON MONEY AND CAPITAL MARKETS, Donald R. Byrne, Ph. D., Revised, May 2005

Course Description

This course will review the financial market processes in which financial claims and credit are created. Recall that out of this process of financial intermediation, money is created. Within these markets, interest rates are determined. Both investment bankers as well as financial intermediaries are the agents who bring the basic financial units together, both deficit budget units and surplus budgets. Thru direct and indirect finance, both saving and capital formation are encouraged. Saving is encouraged by the creation of a plethora of financial claims being offered by both ultimate borrowers as well a transformed claims being offered by financial intermediaries in their role as match makers. While not transformers of claims, investment bankers also are match makers bringing together deficit and surplus budget units that would otherwise be less compatible or incompatible in a financial sense.

The course will study not only the processes and the players in the financial markets, but it will also probe deeply into interest rate theory covering such things as the basic theories of loanable funds and liquidity preference, the effects of inflation on nominal and real interest rates, the term structure of interest rates, as well as the effects of risk and tax treatment on interest rates. Risk and the attempt to hedge risk will also be thoroughly considered. Concepts such as duration analysis and the risk, rate of return relationships will be grist for our mill. The use of derivative markets to hedge various forms of risk will be substantially explored including futures, options and swap markets.

Given time constraints, where possible, historical developments will be discussed since such patterns of change will often point the way to future changes that continually surprise students and participants in the financial system. Probably the great cause of change on the financial landscape in the last half century has been significant inflation both in terms of its acceleration and deceleration. Securitization, financial futures markets, the changing regulatory environment, are but a few of the effects of the nasty bout with inflation between the mid-sixties and the early 80s. The current problem of the Fed in combating fears of inflation and the effects of the fears on market rates of interest stem back to the 1970s when inflation laid low the debt and equity markets. During the semester, additional material will be given you (e.g. Flow of Funds Accounts) for which you will be responsible on the exams. With hard work, consistent class attendance, and the proper attitude, you can learn a great deal and enjoy the effort.

Determination of the Course Grade

There will be two exams during the semester, a comprehensive final exam, as well as a required research paper for graduate students. Instructor approval of topic is required. You can choose one of two options in determining your course grade. The first option is to take the arithmetic average of the three exams taken during the semester. Your course grade will be the letter equivalent of your course average as
translated below. In this option, you do not take the comprehensive final exam. The second option is to take the comprehensive final exam and count its score in place of your lowest exam score of the three taken during the semester. The three exams taken are all equally weighted and your course average is the arithmetic average of the three exams (or the two highest exams during the semester and the final exam). The choice is yours. If you miss an exam during the semester and do not make it up within a week, it is recorded as a zero. You must then choose the second option and the zero will be replaced by your score on the final exam. All exam scores are numerical and the only letter grade you will receive is the course grade.

**Translation of Course Averages in to Course Grades**

93 - 100 = A  
88 up to but not including 93 = A-  
84 up to b.n.i. 88 = B+  
74 up to b.n.i. 84 = B  
70 up to b.n.i. 74 = B-  
66 up to b.n.i. 70 = C+  
60 up to b.n.i. 66 = C  
below 60 = D

**Reading Assignments and Exam Schedule**

**Week 1**  
Overview of the financial system  
Circular flows of real economic and financial activity  
Introduction to the social accounts  
Flow of Funds Accounts  
National Income and Product Accounts  

Reading: Chapters 1 and 2

**Week 2**  
Money and credit creation

Reading: Chapter 3

**Week 3**  
The monetary authority and introduction to interest rates  
Liquidity preference and loanable funds

Reading: Chapters 4 and 5

**Week 4**  
Effects of Inflation on interest rates, Fisher effect  
Behavior patterns of complete Illusion, adaptive lag, and rational expectations and the relationship of nominal and real interest rates  
Effects of inflation on yield curves  
Real and nominal interest rates  
Fisher effect: Complete illusion, adaptive lag, and rational expectations  
The Fed's policy and the Old Paradigm trap
Reading:  Chapter 6 and 9

**Week 5**
**FIRST EXAM**

**Week 6**
Interest rate differences  
Risk, term, and tax structures  
Risk management  
Capital asset pricing model  
Indexing

Reading:  Chapter 7

**Week 7**
Interest rates and security prices  
Risk management  
Duration analysis  
Reading:  Chapter 8

**Week 8**
Introduction to spot financial markets  
Foreign exchange Markets  
Fisher Effect  
Purchasing Power Parity and interest rate Parity

Reading:  Chapters 10, 12, 13

**Week 9**
**SECOND EXAM**

**Week 10**
Financial markets continued.

**Week 11**
Introduction to Derivative financial markets  
Forward, futures, options, and swaps  
Reading:  Chapter 11

**Week 12**
Derivative markets continued

**Week 13**
Derivative markets continued

**Week 14**
**THIRD EXAM and RESEARCH PAPER DUE**

**Week 15**
**FINAL EXAM**  
Comprehensive in Coverage
Syllabus
Ecn. 564 Practical Issues in Financial Economics

Instructor: ..... 
Office Hours: 

Office Phone: 
Email: stampingsinc@hotmail.com

Overall purpose of course:

The overall purpose of all college courses is to develop an educated mind. An educated mind has the following abilities:

a. The ability of concentrate on an idea or problem 
b. The ability to see the implications of ideas 
c. The ability to see commonality in various situations and to use analogies 
d. The ability to see differences 
e. The ability to think logically 
f. The ability to compare thoughts and ideas with reality and to recognize of the influences of emotions and prior agendas. 
g. The ability to use imagination

Specific Purpose of Course: to acquaint the student with some of the critical issues in human behavior as applied to present day conditions.

Evaluation: Students will be evaluated by class discussions, objective and essay tests. Graduate Students will be required to write a paper in addition, meeting graduate level standards in length (20 pages) and depth.

Textbooks: The Nicomachean Ethics by Aristotle (NE) 
Aristotle for Everybody by Mortimer Adler (AFE) 
If Aristotle Ran General Motors by Tom Morris (IARGM) 
Rational Man by Henry Veatch

Calendar

<table>
<thead>
<tr>
<th>Class</th>
<th>Date</th>
<th>Lecture Topic:</th>
<th>Suggested Reading:</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td></td>
<td>Introduction, Outline of Course</td>
<td>AFE – Part I</td>
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<tr>
<td>2.</td>
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<td>Human Knowledge</td>
<td>AFE – Part II Quiz 1</td>
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<td>Human Dynamics</td>
<td>AFE – Part IV Quiz 2</td>
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<td>IARGM – Part I</td>
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<td>NE Books I &amp; II</td>
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<td>Applications and Cases</td>
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<table>
<thead>
<tr>
<th>Appendix C – Faculty Vitae</th>
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<tbody>
<tr>
<td>5. EXAM I</td>
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<tr>
<td>6. Moral Virtues</td>
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<td>7. Intellectual Virtues</td>
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<td>Quiz 3</td>
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<td>8. Applications and Cases</td>
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<td>9. EXAM II</td>
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<td>11. Friendship &amp; Pleasure</td>
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<td>Parts</td>
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<td>12. Law &amp; Conscience</td>
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<td>13. Applications and Cases</td>
</tr>
<tr>
<td>14. FINAL EXAMINATION</td>
</tr>
</tbody>
</table>

**Calculation of Grades:**

Examinations will count 100 pts. Ea.
Quizzes will count 50 pts. Ea.

3 exams @ 100 pts. Ea. = 300 pts.
5 quizzes @ 50 pts. Ea. = 250 pts.
Total = 550
550/5.5 = Grade

**Grading Scale:**

<table>
<thead>
<tr>
<th>Score</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>93-100</td>
<td>A</td>
</tr>
<tr>
<td>90-92</td>
<td>A-</td>
</tr>
<tr>
<td>87-89</td>
<td>B+</td>
</tr>
<tr>
<td>83-86</td>
<td>B</td>
</tr>
<tr>
<td>79-82</td>
<td>B-</td>
</tr>
<tr>
<td>75-78</td>
<td>C+</td>
</tr>
<tr>
<td>70-74</td>
<td>C</td>
</tr>
<tr>
<td>65-69</td>
<td>C-</td>
</tr>
</tbody>
</table>

**Material for quizzes and exams:**

Quizzes will cover Aristotle in the following order: (given the last part of class)

Quiz 1 – Alder – Parts I & II
Appendix C – Faculty Vitae

Quiz 2 – Aristotle – Books One and Two; Adler – Part IV
Quiz 3 – Aristotle – Books Three and Four; Adler – Part III
Quiz 4 – Aristotle – Books Five and Six
Quiz 5 – Aristotle – Books Seven and Eight

Tests will cover Rational Man, the class lectures and the handouts in the following order:

Test I – Rational Man as assigned
IARGM – Part I

Test II – Rational Man as assigned
IARGM – Part II

Test III – Rational Man as assigned
IARGM – Parts III & IV
Aristotle – Books Nine and Ten; Adler – Part V

PROFESSIONAL STATEMENT:
Student communications to and with the professor shall at all times be conducted in a professional and courteous manner.
Instructor:
Phone: 586-871-3224
E-Mail

Location:
Office Hours:

COURSE NUMBER AND NAME: **ECN 565 Theory of International Trade**

**Course Description**
This course encompasses the theories of international trade, examines the advantages, disadvantages, and consequences of trade among nations, and discusses concepts of international economics. Trade policies to promote and block trade are discussed. Regional economic integration is examined regarding the effects upon developed nations, developing nations, and nations in transition to a market structure. The course includes a discussion of the exchange rate market, the effects of the macro monetary policies of a nation, the effects of movements in the factors of production, and the effects of direct foreign investment on multinational corporations. The course stresses the effects of supply and demand on the economic concepts to be examined. In addition the economics of the United States health care system and the differences of the health care systems in other countries are examined.

**Textbook for Course**
Title: International Economics
Author: Pugel and Lindert
Edition/Copyright: 12th/2004
Publisher: McGraw-Hill
ISBN: 0072487488

**Student Course Evaluations**
Administration’s statement repeated in italics:

> Student course evaluations are an important source of information for curricular and teaching improvement in the College of Liberal Arts and Education. As such, all students enrolled in CLAE courses are required to complete an online course evaluation ([http://jackson.udmercy.edu/surveys/](http://jackson.udmercy.edu/surveys/)). You will receive e-mails explaining how to complete an online evaluation. In addition, your instructor will remind you of the deadline for completing
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Theory of International Trade (ECN 565) Syllabus

this course requirement. Should a student fail to complete the evaluation, their grade for the course will not be posted until the evaluation is completed.

Dishonesty and Plagiarism

Unacceptable behavior such as cheating in any form will not be tolerated and will result in penalties after a due process hearing determines that such behavior did occur. Students are advised to read the student handbook for the penalties resulting from such behavior.

ADA Statement

Students with disabilities may request accommodations as provided within federal law. In order for the University to adequately review each case, request should be made to the Office of Disability Support Services prior to the start of the semester. Students should contact ADA officer: Emily Gallegos, UDM Section 504 Coordinator, McNichols Campus, Ground Floor, Student Center, (313) 578-0310, gallegem@udmercy.edu.

UDM Knowledge Website

In the event I post items to Knowledge, you will be able to access the material through your account http://knowledge.udmercy.edu. If you haven’t used Knowledge (Blackboard) in previous courses, just follow the instructions to set up your account. The course you should be looking for is: ECN565 Theory of International Trade

Tech Support Information:

Blackboard Technical assistance is available at:
Online http://support.blackboard.com Telephone: 1-888-383-5010 (Hours of Operation 24x7)

Extra...Useful sites
(If you’re not familiar working within Bb):
http://research.udmercy.edu/BB/help/

If you have any question not answered in this tutorial, you may email your questions to blackboard@udmercy.edu, or phone the Instructional Design Studio at 313.578.0580.
UDM Blackboard site: http://knowledge.udmercy.edu
Link to UDM Weblink: http://www.udmercy.edu/weblink/
Link to UDM Main Web Page: http://www.udmercy.edu/

UDM Course Start Date, Final Course Date & Last Day to Withdraw – Please reference the http://www.udmercy.edu/weblink/ for all the university policies.

Theory of International Trade (ECN 565) Syllabus
Appendix C – Faculty Vitae

IMPORTANT DATES-GENERAL
Winter 2005-2006

January 9    Classes Begin
January 16   Martin Luther King, Jr. Holiday (No classes/Offices Closed)
January 17   Last Day to Add a Class
January 17   Last Day for 100% Refund* (NON-WEEKEND)
January 18-23 75% Refund Period
January 27   Application Deadline for May/June/August 2006 Graduation
January 24-30 50% Refund Period
January 31-February 6 25% Refund Period
February 3   Last Day to Drop a class without a “W”
March 6-11   Mid-Winter/Spring Break (No classes/Offices Open)
March 31    Last Day to Withdraw from Class for Winter
April 14-16  Easter Recess – University Closed
April 24-29  Final Exam Week
April 29    Official End of Term II Winter 2005-2006

Helpful Materials (Websites)

URL: http://highered.mcgraw-hill.com/sites/0072487488/inforamtion_center_view0/   >>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>>><<(GREAT SOURCE!)<<<<<<<<<<<<<<<<<<<<<<

Site Owner: Prentice Hall
Description: This is the textbook publishers’ website which includes additional learning activities such as self-quizzes and outlines for the student. The book’s website leads to a myriad of available resources, including Internet applications for each chapter, course case updates, teaching resources, and learning resources as well as online student support.

URL: http://economics.about.com/cs/econometrics/l/blglossary.htm
Site Owner: Economics.about.com
URL: http://en.wikipedia.org/wiki/Economics
Site Owner: Wikipedia.com
Description: Excellent glossaries and useful for additional insight in economics.

URL: http://byrned/faculty.udmercy.edu/
Site operated by New Economics Paradigm Associates: Dr. Donald R. Byrne and Ed Derbin
Excellent source of objective analysis and useful links to base data sources.

Theory of International Trade (ECN 565) Syllabus

Evaluation Components

20% 2 papers/10% each on articles in Economics Newsletter
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60%  3 Exams at 20% pts each
20%  Final Comprehensive Exam at 20%

-----------------------------------------------

100%  1,000 points – Total

Evaluation Criteria
Papers (10%), Exams (50%), Graduate Research Paper (20%) & Final Exam (20%)

The 2-Papers will be no more than two-pages in length each. You will write a brief
synopsis on topics of your choice from my newsletter – be sure to include your own
comments and analysis (http://byrned.faculty.udmercy.edu/).
1st Paper due on Feb 2, 2006
2nd Paper due on Apr 6, 2006
Graduate Research Paper due April 20, 2006

Graduate research topics for papers must be approved by the instructor, and can
cover topics extracted from the on-line newsletters. Papers must be a minimum of
15 pages and use APA formatting.

The Exams (and final comprehensive exam) will test your understanding of class
topics throughout the course. All test/quizzes in this course will be objective in
nature, covering the material from Homework, Lectures and Readings. The final will
be comprehensive, covering material from throughout the course.

Translation of Course Average into Course Grades

93 and above = A
88 up to but not including 93 = A-
85 up to but not including 88 = B+
82 up to but not including 85 = B
78 up to but not including 82 = B-
75 up to but not including 78 = C+
70 up to but not including 75 = C
65 up to but not including 70 = C-
60 up to but not including 65 = D+
55 up to but not including 60 = D
Below 55 = F

Theory of International Trade (ECN 565) Syllabus

Weekly (Reading, Homework and Exams) Assignments

Week 1 (Jan 12)
Topic Unit 1: Introduction to International Trade-

Intro...Chapter 1
1. Show that international economics addresses important and interesting
   current events and issues.
2. Show why international economics is special.
3. Provide a broad overview of the book.
Chapter 2
4. Why do countries trade? What determines the pattern of trade?
5. How does trade affect production and consumption in each country?
6. What are the gains (or losses) for a country as a whole from trading?
7. What are the effects of trade on different groups in a country? Are there groups that gain and other groups that lose?

Read Pugel, Chapter 1 & 2

Week 2 (Jan 19)

We will discuss
Why Everybody Trades: Comparative Advantage and Factor Proportions (Adam Smith, David Ricardo et al)

Read Pugel, Chapter 3

Week 3 (Jan 26)
Who Gains and Who Loses from Trade?

First, we will examine the implications for factor income of trade that follows the Heckscher-Ohlin (H-O) theory.
Second, we will examine the empirical evidence on the Heckscher-Ohlin theory and some of its implications.

Read Pugel, Chapter 4
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Theory of International Trade (ECN 565) Syllabus

Week 4 (Feb 2)

This week we will survey several theories of international trade that are alternatives to the standard theory based on perfectly competitive markets with constant or increasing cost. These alternative theories are based on some form of increasing returns to scale, so that unit costs tend to decline as output increases.

Several trade facts indicate the need for alternative theories:

First, much trade, especially trade in manufactured goods among industrialized countries, is intra-industry trade-two-way trade in the same or very similar goods.

Second, some industries are global oligopolies-a few firms account for most of global sales.

A third alternative theory is based on scale economies that are external to the individual firm but arise from advantages of having a high level of production in geographic area.

Summary of Chapters 2-5 (Review for first exam)

Read Pugel, Chapter 5

1st Paper Due (10%)
You will write a brief synopsis of topics of your choice from my news letter – no more than four pages. Be sure to include your own comments and analysis (http://byrned.faculty.udmercy.edu/).

Week 5 (Feb 9)

First half of class.....
Exam 1 (20% total) – Chapters 1 – 5 Pugel and lecture material

Second half of class.....
We will cover two topics in this unit. First, we will show how the Hackscher-Ohlin model can be used to analyze economic growth and its impact on international trade. Second, we will examine additional aspects of technological progress and its relationship to international trade.

Read Pugel, Chapter 6

Week 6 (Feb 16)

This week, we will begin the analysis of government policies that limit imports, by examining the tariff – a government tax on imports.
First, we will analyze the effects of a tariff when the importing country is small, so that its import policies have no effect on world prices.

Second, we will analyze that of a large importing country – one whose policies can affect world prices – shows that a large country can use a tariff to lower the price that it pays foreigners for its imports.

Read Pugel, Chapter 7

Week 7 (Feb 23)

This week we will cover for major topics:
1. Present analysis of an import quota and a voluntary export restraint (VER), for both a small importing country and a large one.
2. Provide an overview of another nontariff barriers (NTBs) to imports.
3. Examine estimates of the costs of actual tariffs and nontariff barriers.
4. Introduce the world Trade Organiztion (WTO) and the General Agreement on Tariffs and Trade (GATT), as well as the results of the various rounds of multilateral trade negotiations.

Read Pugel, Chapter 8

Week 8 (Mar 2)

This week we will present a framework and a rule for evaluating arguments offered in favor of limiting imports, apply the framework and rule to several prominent arguments for protection, and examine the political processes that result in government policies toward imports.

Read Pugel, Chapter 9

Week 10 (Mar 16)

This week, we will examine dumping - what it is, why it occurs, how it affects importing countries, and what government policies are used in importing countries; and we will examine export subsidies, looking at these same issues and a few others.

Read Pugel, Chapter 10

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Week 11 (Mar 23)

First half of class....
Exam 2 (20% total) – chapters 6-10 Pugel and lecture material
Second half of class...
We will examine two types of trade barriers that are intended to discriminate between foreign countries:

A trade bloc has lower or no barriers for trade between its members, while they maintain higher barriers for trade with outside countries.

A trade embargo or trade block places extra barriers against trade with a specific foreign country, usually because of a broader policy disagreement.

Read Pugel, Chapter 11

Week 12 (Mar 30)
This week, we will discuss two questions:

First, is free trade anti-environment? (Hint: I will argue that it is not)

Second, is the World Trade Organization anti-environment?

Read Pugel, Chapter 12

Week 13 (Apr 6)
This week will examine how trade issues affect developing countries. We begin by noting differences between high-income developed or industrialized countries and low- and medium-income developing countries, as well as differences among the developing countries. Some developing countries are growing quickly, while others are stagnating or declining. In addition, the developing countries of Central and Southeastern Europe and the former Soviet Union are (still) in the process for transition from communist central planning.

Read Pugel, Chapter 13

2nd Paper Due (10%)
You will write a brief synopsis on topics of your choice from my newsletter – no more than four pages. Be sure to include your own comments and analysis (http://byrned.faculty.udmercy.edu/).

Theory of International Trade (ECN 565) Syllabus

Week 14 (Apr 13)
This week we survey the economics of foreign direct investment (FDI) and the economics of labor migration.

Read Pugel, Chapter 14

Week 15 (Apr 20)
First half of class....
Exam 3 (20% total) – Chapters 11-14 Pugel and lecture material

Second half of class...
Review for final exam

GRADUATE RESEARCH PAPER DUE

Week 16 (Apr 27)
Final Exam (20% total)

The exam is comprehensive; based on material covered throughout the course.

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Syllabus ECN 566

ECN 566
INTERNATIONAL FINANCE
University of Detroit Mercy
Fall 2005

Thursday, 6:40 – 9:10 PM
Instructor:
Location:
Texts: A Primer on International Economics, revised in August 2005. Byrne, Donald R., Ph. D.

Course Descriptions

The U.S. has become a major player in the world markets. It is perennially near the top as an exporter and an importer of goods and services including agricultural products, IT hardware and software, autos, financial services, energy, etc. In 1950, the average of U.S. imports and exports was about 5% of GDP. Today, that average is approaching 20%. This is an irreversible process if the U.S. is to stay in the top ranks of developed nations.
Exports and imports do not occur in a vacuum. This course will examine the basis of internal trade, the principle of comparative advantage. This area of theory has developed in recent years. We will review those developments. While tariffs on imports a much smaller role in the foreign policies of nations, their potential for sparking major political quarrels never looms far in the background. Their distortive effects will be examined, especially in the context of historical periods where they caused economic and political chaos. Since Economics is the social science that studies scarcity, we will examine the role of international trade in the attempt by a society to optimize the use of its resources to attain the highest level in a nation’s standard of living.

The relevant social accounts will be studied, since they measure just what exactly is happening in an economy. While the Balance of payments is pivotal, the National Income and Product Accounts and the Flow of Funds accounts aid a great deal of data in examining both the domestic affects of international trade and finance as well as the ongoing repercussions in our international relationships.

International trade has to be facilitated by a financial system. International capital flows have accelerated in recent years. A growing number of analysts argue that it is in these capital flows that you will find the culprit causing our immense trade deficit. The financial systems around the world are in constant flux as is the financial system of the United States. To understand the implications of these changes, this course will study their implications, both as to their causes and effects. During this semester, we will cover exchange rate determination and that role in international adjustment process. Closely related to exchange rate determination is the balance of payments. We will thoroughly examine the various balances within the overall balance of trade. The external currency markets, the derivative foreign exchange markets, and the currency swap markets, will also be considered.

Tying all these concepts together are three important principles: Fisher Effect, Purchasing Power Parity, and interest rate parity. Since central banks are often trying to mute the effects of these principles, we will examine the changing role and effectiveness of central bank policy and the gradual erosion of monetary sovereignty.

Swings in the trade balance also have significant macroeconomic effects. The internal macroeconomic balance will be analyzed in conjunction with the external balance if we are to understand the growing internalization of markets. We would be remiss if such important interrelationships effects were ignored.

Students will learn to examine “social accounts” as well as “The context and implications of historical periods of political and economic chaos”.

International monetary analyzes issues, such as underdeveloped nations, debt forgiveness and funding of Third World projects are discussed and the ethical considerations of the human impact of international economic trends are evaluated.

Student course evaluations
Administration’s statement repeated in italics...
Student course evaluations are an important source of information for curricular and teaching improvement in the College of Liberal Arts and Education. As such, all students enrolled in CLAE courses are required to complete an on-line course evaluation. You will receive e-mails explaining how to complete an on-line evaluation. In addition, your instructor will remind you of the deadline for
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*completing this course requirement. Should a student fail to complete the evaluation, their grade for the course will not be posted until the evaluation is completed.*

**Dishonesty and Plagiarism**

Unacceptable behavior such as cheating in any form will result in penalties after a due process hearing determines that such behavior did occur. Students are advised to read the student handbook for the penalties resulting from such behavior.

**Method of Determining Course Grade**

There will be three examinations during the semester as well as a research paper and comprehensive final exam. You can choose one of two options for the determination of your course grade. Option A takes the arithmetic average of your three scores on the three exams and your grade on your research paper taken during the semester as your course average. Option B takes the arithmetic average of your two highest exams taken during the semester which determine 2/3 of your course average and the final exam score which determines the remaining 1/3 of your course average. In Option A, you do not take the final exam. To be eligible for the option, you must take all three exams given during the semester. Missed exams are recorded as zeros. In option B, the lowest of the three-hour exams taken during the semester will be dropped (a zero if you missed one of the exams). The choice is yours.

**The course averages will be translated into course grades as follows:**

<table>
<thead>
<tr>
<th>Range</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>93 to 100</td>
<td>A</td>
</tr>
<tr>
<td>90 up to but not including 93</td>
<td>A -</td>
</tr>
<tr>
<td>87 up to b.n.i. 90</td>
<td>B+</td>
</tr>
<tr>
<td>83 up to b.n.i. 87</td>
<td>B</td>
</tr>
<tr>
<td>80 up to b.n.i. 83</td>
<td>B-</td>
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<tr>
<td>75 up to b.n.i. 80</td>
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<td>60 up to b.n.i. 65</td>
<td>D+</td>
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<td>55 up to b.n.i. 60</td>
<td>D</td>
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<tr>
<td>55..............................</td>
<td>below</td>
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</tbody>
</table>

**TOPICAL COVERAGE AND EXAM SCHEDULE**


Sept. 29  **FIRST EXAM**
Appendix C – Faculty Vitae


Nov. 3  SECOND EXAM


Dec. 1  GRADUATE RESEARCH PAPER DUE

Dec. 8.  THIRD EXAM

Dec. 15.  FINAL EXAM (Comprehensive in coverage)

Economics 570  section 01
Economic Development [3-credit hours]
Class meets on Mondays @ 6:40-9:10, room B 349

Instructor: Raphael Shen, S.J.

Text: Malcolm Gillis, Dwight H. Perkins, Michael Roemer, Donald R. Snodgrass
Economics of Development, W. W. Norton & Company, 4th edition [which edition you have matters little since the content remains very much the same.]

Office hours: Since most of the students work during the day, no hours are fixed for consultation. Please feel free to make arrangement(s) to meet with me either prior to after each class period. A more expeditious way to make an appointment is via e-mail. The instructor’s e-mail address is: shenrs@udmercy.edu. As I routinely delete incoming e-mails with unknown addresses, please type in “Economics” next to “subject” prior to transmitting the message. You may also phone and leave a message [993-1055 or 993-1000]. The first number is that of the faculty office where there should
always be someone to answer the phone during office hours. The second number is the university switchboard. It has a long, long recorded message once it is connected. When you hear the recorded message beginning, just press the number zero and it gets connected to the operator promptly. I shall return your call a.s.a.p.

Course objective:
Through lectures, readings, class discussions and a research project [for graduate students], students can be more knowledgeable in issues, factors, available policies/development-instruments and established theories pertaining to economic growth/development. The course also aims at developing the relative ease on the part of the students in identifying obstacles such as financial, physical, geographical, human, institutional etc. in given situations, and in diagnosing given conditions to arrive at workable solutions and recommendations for development.

Course requirement:
Students are expected to prelect [read beforehand] the materials to be covered in class. Class discussion and participation are an integral part of the seminar-type course. Class attendance is expected. Students are expected to be in class on time so that there will be neither distraction nor disruption during the class period. Graduate students will undertake a research project, selecting/studying/analyzing a developing economy and advancing appropriate recommendations for speedier economic development. Graduate students will present a synopsis of their research in class, providing an abstract, and the data used in their research.

Student course evaluations: Student course evaluations are an important source of information for curricular and teaching improvement in the college. As such, all students enrolled in CLAE courses are required to complete an online course evaluation. You will receive e-mails explaining how to complete the evaluation online. In addition, your instructor will remind you of the deadline for completing this course requirement. Should a student fail to complete the evaluation, their grade for the course will not be posted until the evaluation is completed.

Exams:
There will be a mid-term and a final.

Grading:
Class participation is assumed.
For undergraduate students: Mid-term 35% and final 65%.
For graduate students: mid-term 25%, final 40% and research project 35%
A: 90 or better; A-: 85-89; B+: 80-84; B: 75-79; B-: 70-74; C+: 65-69; ........

TENTATIVE schedule:

<table>
<thead>
<tr>
<th>Date</th>
<th>Chapter(s)</th>
</tr>
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<tbody>
<tr>
<td>Sept. 12</td>
<td>Introduction, organization, 1</td>
</tr>
<tr>
<td>19</td>
<td>2 &amp; 3</td>
</tr>
</tbody>
</table>
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Research project Part 1:

Make a precis out of available articles/books on the social, economic and political conditions of the country you choose to study. Where historical background is relevant, brief mentions may be in order.

Some of the potentially useful references:
- Europa Year Books JN 1 E. 85
- Worldmark Encyclopedia of Nations G 63 .W67
- Stateman's Yearbook JS 51 .87

All three should be available at the REFERENCE section of some of the area libraries.

Research Project Part II:

Statistical abstracts [Table form]

Population: Total and per square kilometer, birth/death rates and growth rate.
National Product: Total and per capita; rate of growth; percentage in agriculture, manufacturing and service. Investment and/or gross capital formation as percentage of GNP. Savings.
Work Force: Total and percentage in agriculture, manufacturing service; urban and rural distribution.
Natural Resources: List the principle ones.
Exports and imports: Total and major composition;
Principle trading partners
Balance of trade/payments
Government: Expenditure as percentage of GNP; taxation (kind and/or amount; expenditure (kind and/or amount).

The following sources in area libraries would give you the basic data listed above:

United Nations: Statistical Yearbook (Annual) HA 12.5 U63
Demographic Yearbook (Annual) HA 36 D4
Yearbook of National Account Statistics (Annual) HC 79 .15 067
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OECD Country Yearbooks (might not be available at U of D library but might be secured through the interlibrary loan facility provided for you).
International Monetary Fund: International Financial Statistics (Annual Supplement)
World Bank: World Development Report (annual)
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Research Project Part III

For each significant sector of the country you study, describe/analyze the basic economic conditions, past/recent development policies, economic structure, including a description of production, distribution, motivation, problems and other relevant human factors. Also, describe how macro control or government intervention/influence is exercised in the economy.

Research Project Part IV

Discuss/analyze how leaders of the given economy should introduce/implement the desired development policies [short/medium/long term] that you recommend. Provide rationale/justification(s). Prepare abstract and handouts for in-class presentation.

Syllabus ECN 575

Economics 575 Sect. 85

Resource Economics

Class meets Wednesday 6:35 B.351

Instructor:

Office: B 314

Office hours: Since most of the students work full-time during the day, no 'office hours' are fixed. Students should feel free to make appointments any time that is convenient for both the students and the instructor. Evenings and/or weekends, if so needed, are also possible. Students can make appointment(s) either before/after class or by phoning 993-1267 (faculty office) or 993-1000 (Lansing-Reilly Hall at the University). Please leave a message and I shall return your call as soon as it is feasible. [Note: there is a long recorded message to 993-1000 (one minute and 10 seconds!). As soon as the recording kicks in, press "0" and you will be connected right away].

Texts/references: There is no text that covers the seven topics to be treated in the course. The substance of course-material is in the xeroxed handouts which I shall distribute at the beginning of each class.

Course Objectives: As the course title suggests, this is a topical as well as a theory course. Its objective is to provide a critical evaluation of past, present and future economic/demographic interrelations, with special focus on economic analysis of issues pertaining to resource production, distribution, and consumption. Possibilities, limitations, rationale of technological solutions to pressures of population and economic growth on scarce resources will also be studied. Basic economic theory and methods will be employed. Combine lectures, reading materials and class discussion, you should be able to analyze
Appendix C – Faculty Vitae

the seven topical areas with clarity, rationality and sufficient depth by the end of the course, and advance sensible recommendations for policy implementation.

Readings:
Readings for the following class period will be assigned each week. Since this course is small in size, I have sufficient copies of a small booklet (Economic History of Human Population by Carlo Cipolla) to be loaned out to each in class. The book is out of print. Therefore, please use with care. Chapters therein will be assigned for various topics of the course. Also, cogent readings not readily available in print will be xeroxed and distributed in class.

Graduate students must submit an in depth research paper, with instructor approval for your topic.

Course Requirement:
Class participation/discussion
Readings
Two short papers, plus a longer one on topics of your choice
A mid-term, a final

Grading:
2 short papers, 10% each;
Longer paper 25% (for graduate students 35%);
mid-term 20%;
Final exam 35%;
class participation 10%.

90 or better: A; 85-89: A-; 80-85: B+; 75-79: B; 70-74: B-; 65-69: C+; etc.

Topics to be covered in the course:
--Economics of Population and Labor Resources
--Land Resource Economics (competing uses, land development)
--Water Resource Economics (supply, distribution, consumption)
--Mineral Resources (extraction, use, disposal/recycle)
--Energy Resources (economics of alternative energy forms, 'shortages,' 'abundance,' renewable/non-renewable. . . )
--Environmental Economics (economics of pollution, abatement, market solutions. . . )
--Food Resource Economics (over- and under-production, scarcity/adequacy, economics of world hunger. . . )
--Time permitting, Ethical dimensions of Resource Use/Exploitation/Conservation vis-à-vis economic analysis.
Appendix E - Letter of Support from UDM Department of Finance

May 30, 2006

To Whom It May Concern:

Dr. Trevor Crick and I have reviewed the proposed M. A. and B. A. degree programs in Financial Economics by the Department of Economics. The core and elective courses in both of the proposed degrees do properly belong to the domain of the Department of Economics and in no way infringe upon the territory of Finance.

Sincerely,

Dr. Suk Kim
Discipline Coordinator of
Finance College of Business Administration
Appendix F - Letter of Support from University Libraries/Instructional Design Studio

TO: Charles Marske, Dean  
   College of Liberal Arts and Education

FROM: Margaret E. Auer, Dean  
       University Libraries/Instructional Design Studio

DATE: September 28, 2006

The University of Detroit Mercy Libraries/Instructional Design Studio allocates funding for the purchase of materials to support the Department of Economics. A moderate increase of $5000 should be included in the budget for this proposed program to further strengthen library resources. Gerald Bosler, Director of Libraries at Macomb Community College, has indicated his willingness to match the $5000 in order to strengthen the collection faster for the students.

In addition, students will have off campus access to UDM’s full-text databases, NetLibrary and interlibrary loan requests.
Appendix G - Letter of Support from CLAE Curriculum Committee

From: "Cheryl C Munday" <mundayc@udmercy.edu>
Subject: Economics Department Proposal Review
Date: Tue, 26 Sep 2006 15:22:27 -0400
To: "Charles E. Marske" <charles.marske@udmercy.edu>, <mosbyjb@udmercy.edu>, <witkowmj@udmercy.edu>
Cc: <finkenre@udmercy.edu>, <freemajc@udmercy.edu>

Dear Charles,

The CLAE Curriculum Committee has reviewed and approved the program proposals submitted by the Economics Department with the following comments for your consideration:

Re: BA in Financial Economics

1) It would have been helpful in evaluating the proposal to know something about student academic quality and preparation at MCC and Walsh.
2) New Courses: (a) ECN 452 (Seminar in Market Economics)-no syllabus and (b) ECN 464 (Practical Issues in Financial Economics)-The syllabus might show how the applications and cases reflect the course description.
3) How will the program be marketed to increase new students to this program and not pull students from the McNichols campus program?

Re: MA in Econ and MA in Financial Econ

1.) Although ECN 599/Thesis is listed in Appendix A, nothing is said about it in the MA proposals.
2.) The MA proposals crosslist 300-level and 500-level courses. Is that permissible or should crosslisting be only for 400/500 level courses?
3.) The proposed graduate programs offered in the Liberal Arts tradition (with respect to values, equity, behavior) will be a good alternative to the content of the MBA, which is arguably related to the recent episodes of corporate malfeasance and speculative behavior.
4.) The proposal has correctly referenced the high population growth in the Macomb and Oakland County areas-suggesting the need for UDM presence there.
5.) The exit comprehensive examination is a good idea.
6.) How will the two graduate programs be marketed?

Please contact me if you have any questions. Cheryl C. Munday, Ph.D.
Licensed Clinical Psychologist,
Associate Professor in Psychology
College of Liberal Arts and Education,
Director, University Psychology Clinic
University of Detroit Mercy,
Affiliate Faculty, Program for Research on Black Americans, Institute for Social Research,
University of Michigan
From: Victoria Mantzopoulos, Chair POL
To: MFA Program Review Committees
Re: support of Economics proposals

I am writing to verify departmental support for the BA and MA program proposals under review by your committees.

Currently, administrative duties for Economics have been moved into the POL department where I serve as Chair. However the active members of the Economics department gave their support to these proposals in Summer 2006. These proposed programs will help build enrollments and majors for Economics as well providing a solid foundation for Pre-Law programming.

Please contact me if there is any further information you may require.

\[\text{Signature}\]
\[1/10/07\]
Appendix I - Letter of Support from Vice President for University Advancement and Enrollment Management

From: "Michael A. Joseph" <josephma@udmercy.edu>  
Subject: Support for Economics Proposals  
Date: Wed, 10 Jan 2007 20:16:36 -0500  
To: <marskece@udmercy.edu>  

Hello Charles,

I am pleased to write in support of the undergraduate and graduate Economics proposals currently under review by the appropriate shared governance teams. I am convinced that the quality of these programs will be outstanding; that the curriculum will be current and attractive to students; that a vibrant student market exists at Macomb University Center, based on the success of the Walsh program; that we will have talented, dedicated faculty champions for these programs and that it will ultimately have an important, positive impact on enrollment for the College of Liberal Arts and Education. In addition, the Office of Admissions is committed to providing full-time recruitment and student services coverage at University Center if these programs are approved. Thanks to you and your folks for your tireless efforts to shepherd this proposal through the proper channels. I look forward to a positive outcome.

Michael Joseph  
Vice President for Institutional Advancement  
and Enrollment Management
TO: McNichols Faculty Assembly, Undergraduate and Graduate
FROM: Charles E. Marske, Ph.D., Dean, CLAE
DATE: January 9, 2006
RE: Proposals for the B.A. in Economics, the M.A. in Economics, and the M.A. in Financial Economics

I am pleased to write this letter in support of the Department of Economics’ proposals for developing a B.A. in Financial Economics, a M.A. in Economics, and a M.A. in Financial Economics. Several factors entered into the decision to create these proposals and offer them at the Macomb University Center.

Economics and Financial Economics are growth areas nationally in term of enrollment. Walsh College, which has had a major presence in the area of Finance at Macomb, has begun targeting resources to its Troy campus. With Professor Jim Mosby recently announcing his retirement at the end of the current academic year, the availability of two outstanding faculty members in Economics and Financial Economics is fortuitous. Both have a thorough knowledge of the Macomb University Center system and engage in advising, recruiting, and scheduling there. They also have close contact with a large number of students who would be potential students for one or another of the proposed degrees. This is essential to the success of the programs.

Both Professors ..... and ..... are experienced faculty members who have had successful careers in business and industry, one as ..... Inc. the other as a financial advisor to the mutual fund industry. They have expertise in distance learning. Both of them understand that they will need to complete a Ph.D. to be promoted and tenured. The faculty of the Department of Economics unanimously support their hiring.

There is a real opportunity to significantly grow these programs at the Macomb location, a high growth area with a large Catholic population. The opportunity to offer these three programs at Macomb University Center will probably only be available for a limited period of time.
Appendix J - Letter of Support from Dean of the College of Liberal Arts and Education

There is a “non-compete” agreement in effect between the four-year universities who offer courses at Macomb. Other universities could move quickly to capitalize on this opportunity.