

**Economics and Business at Lafayette College**

**Department Handbook**

**2008-2009**

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This handbook was prepared with accuracy at its time of preparation. However, there may be errors and omissions. The Economics and Business Department is not bound by statements in this handbook.

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## **MISSION STATEMENT**

The department's mission is to educate students in the art and science of decision making under uncertainty and scarcity. We provide students with the opportunity to learn the vocabulary of economics and business, to learn the value of abstraction and the art of striking a balance between generality and relevance in problem solving, and to acquire the skill of deductive argument. The program of study balances theoretical and empirical approaches to decision making and problem solving, and develops the ability of students to apply their analytical training to their everyday lives and to major issues of the day. This offers preparation for a variety of career and post-graduate education opportunities.

The department is a major contributor to the intellectual life of Lafayette College. Its faculty members are prominent scholars in their respective fields. Fundamental to the department's educational mission is the principle that scholarship is learning. Students learn best from faculty mentors who revel in asking hard questions and seeking innovative solutions to improve outcomes for the individual and society. Faculty members have a responsibility to be immersed in scholarship, advancing the state of knowledge and thereby serve as role models to encourage our students to adopt an inquisitive mindset, rigorous analytical habits, and a healthy intellectual curiosity.

## PLANNING A PROGRAM

### Major in Economics and Business:

Requirements: Economics and Business 101, 211, 212, 213, 218 and a minimum of five department electives excluding internships; Mathematics 141 and 186.\* In addition only one semester of thesis can count towards the electives.

The following sequence of the required courses is recommended for prospective majors in Economics and Business. Students who follow this sequence will complete the required courses in a timely manner and will have a great deal of flexibility in the scheduling of upper division courses.

<b>First Year</b>	
<b>First Semester</b>	<b>Second semester</b>
Math 141	Math 186
First Year Seminar	Econ 101
<b>Sophomore Year</b>	
<b>First Semester</b>	<b>Second semester</b>
Econ 218	Econ 211/212
Econ 211/212	Econ 213

Economics and Business courses are not open to first semester students.

### Minor in Economics and Business:

Requirements: Six courses within the department, with prerequisites enforced

### Other courses of study:

#### 1. Mathematics and Economics major:

This interdisciplinary major gives mathematically talented students with career plans in economics or business a wide range of mathematical skills and significant experience with the fundamental ideas of economics and business. It also distinguishes them from the thousands of students around the country who major in economics and business. A distinctive feature of the program is the senior capstone experience, in which students integrate their study of mathematics and economics.

Requirements:

- Mathematics 161, 162, 263, 272 or 275, 282, 306, 335, 336
- Economics and Business 101, 211, 212, 218, 365, and two electives numbered 300 or higher
- a capstone experience in the form of a one-semester course, taken during the senior year, designed to integrate the ideas and techniques students have

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\* Alternatively, students may take Math 161, Math 186 and a multivariate calculus module on Moodle or Math 161, Math 162, Math 263 and Math 186.

encountered in their work in mathematics and economics. (The capstone experience may consist of Economics 313, Economics 324, Mathematics 301 or appropriate independent study or honors work. Students interested in graduate study in economics may substitute Mathematics 356 for the capstone course.)

- Computer Science 102 is recommended as an elective for students in this major.
- Administration of the Joint Major in Mathematics and Economics and advising of students in the program is done by the Department of Mathematics.

## 2. International Economics and Commerce major

International Economics and Commerce is a coordinate major between the departments of economics and business and foreign languages and literatures. It gives students who are interested in the language, culture, and economics of a specific country a way to pursue that interest. They may choose from three tracks: French, German, or Spanish. The major requires the development of advanced language skills. Students are encouraged to spend a semester abroad in a country where the language of their selected track is spoken.

Requirements:

- Economics and Business 101, 210, or 211-212, 218
- French, German, or Spanish 111, 112, 211, 225
- three electives in Economics and Business chosen from 344, 346, 347, 351, 352, 353, 354, 355, 359, and INDS 250
- two electives in the language of choice from French 323, 424, 431, 495 and 496; German 311, 322, 424, 431, 495, and 496; Spanish 311, 313, 314, 318, 427, 428, 495 and 496
- the Common Course of Study including the foreign culture requirement.

## ADDITIONAL MATTERS

1. AP Credit and International Baccalaureate Credit
  - a. A student can receive credit for Econ 101 by receiving a 4 or 5 on both the Microeconomics and Macroeconomics exams.
  - b. A student can receive credit for Econ 101 by receiving a 5 or higher on the IB exam.
2. Study abroad
  - a. The Economics and Business Department is supportive of study abroad. Students must consult with the department head before studying abroad in order to get approval of economics or business courses taken abroad.
  - b. Only two courses in economics or business may count toward the major.
3. Transferring courses
  - a. Student must consult with the department head before taking a non-Lafayette course for credit. When requesting credit for a non-Lafayette course students should bring evidence concerning the content of the course.
  - b. Only two courses taken elsewhere in economics or business may count toward the major.
4. Internships
  - a. Obtain an internship through Career Services or through your own means for the summer, semester or interim.
  - b. Have your internship sponsor send the department head an email or a letter stating that:
    - a. You won't be paid
    - b. You will work at least 120 hours at this internship
    - c. You will perform the following duties...
    - d. They will evaluate your performance at the end of the internship
  - c. When the department head has this letter you can register for Econ 367. The department head must sign your course registration form. Forms are available from the registrar.
  - d. You must write the *Industry Studies* paper (directions available from the department head) and submit it on the last day of the term for which you have your internship (or on the first day of classes if it is a summer internship). If, for some reason, you need more time to complete the paper, you must let the department head know two weeks in advance of the end of the semester.
  - e. You and your sponsor must complete the internship evaluation forms which the department head will provide.
  - f. Grading is (Credit/No Credit), and the course counts as college elective credit; however, Econ 367 does not count as an Economics and Business Department elective.

## 5. Independent Study

- a. An Independent Study is designed to allow a student to study topics not addressed in regularly scheduled courses in the department. Examples would include (but not be limited to):
  - an extension of a classroom topic such as a detailed study of a specific industry, problem, country, time period or other topic.
  - a topic not covered in class that fits within the theoretical framework of an existing course in the department.
- b. Independent study courses exist to meet the needs of self-motivated students with an academic interest in a unique topic. Normally such students will have overall GPA of at least 2.85 and a departmental GPA above 3.00. Independent study courses are not intended to be alternative ways to “make up hours” or placate the demands of students who do not like current course offerings.
- c. Before registering for the course load, the student must submit a written proposal to the supervising faculty member. The proposal must include:
  - A statement of project describing the topics to be studied and the methodology of the analysis.
  - A timetable citing specific due dates when different stages of the independent study will be completed.
  - A list of citations to relevant business and economic academic literature that will form the basis for the study and/or analysis of the independent study.
  - A description of the expected output or product of the independent study.A copy of this proposal will be placed on file in the departmental office.
- d. The student will submit a written proposal outlining the proposed topic of study, the methodology of the study and the expected output upon the completion of the study. The student is expected to work on the topic for 6-9 hours per week. The student will have regularly scheduled conferences with the supervising faculty member throughout the semester to discuss progress to date and the direction of future study (weekly discussions are suggested). If a student fails to maintain regularly scheduled conferences with the supervising faculty member or complete the written progress reports as outlined above, then the student will be dropped from the course with a WD on the transcript or assigned a failing grade for the course

## 6. Honors Thesis

- a. Candidates for honors must have and maintain cumulative averages of 3.00 and averages of 3.20 in the honors department and must fulfill such other requirements as may be established by the department with the approval of the Academic Progress Committee.
- b. Students undertaking Honors work register for Economics and Business 495 in the first semester of senior year and 496 in the second semester of senior year. Both courses count towards the minimum number required for the degree. Econ 495 also counts towards the minimum five departmental electives required of an Economics and Business major. Econ 496 counts as one of the writing (**W**) courses required by the Common Course of Study.

- c. Students registered in the honors course will attend scheduled group meetings with the department honors coordinators. Participation in the seminar is mandatory, and a student missing two sessions may be asked to withdraw from the honors program.
- d. In the first course the student defines a problem, researches the relevant literature and develops a methodology for conducting the research. The first semester culminates with a formal written proposal. This is a report of the first semester's progress and a description of the analysis to be completed in the second semester. The student makes an oral presentation of the proposal to the department in December. If the proposal is accepted, the student receives a grade of "A" for Econ 495 and approval to register for Econ 496. If the proposal is not accepted Econ 495 is converted to an independent study, with a grade assigned by the supervising faculty member.
- e. In the second semester the student completes the analysis described in the proposal and completes the writing of the thesis. At the end of the semester the student defends the thesis before a committee in a public presentation that is open to all members of the College. The thesis committee consists of the thesis supervisor, another member of this department and a faculty member from outside this department. The latter two members of the committee are selected by the student in consultation with the thesis supervisor. There may be additional committee members if the thesis supervisor considers it appropriate. A successful defense of the thesis earns a grade of "A" in Econ 496 and the graduation designation of Honors in Economics and Business.
- f. The Department requires students writing honors theses in Economics & Business to apply to The National Conference on Undergraduate Research and the Omicron Delta Epsilon Conference at Ursinus College and, if accepted, to attend and present their work. Both of these conferences are in the spring semester.

## **DEPARTMENT FACULTY AND STAFF**

Rexford A. Ahene, Professor and Co-chair of Africana Studies. Ph.D., University of Wisconsin.  
Research interests: urban economics and real estate, and international business and development.

Susan L. Averett, Charles A. Dana Professor of Economics and Business and Head. Ph.D., University of Colorado.  
Research interests: health economics.

Howard N. Bodenhorn, Professor. Ph.D., Rutgers University.  
Research interests: economic history and law and economics.

Thomas H. Bruggink, Professor. Ph.D., University of Illinois.  
Research interests: economics of sports.

Rose Marie L. Bukics, Thomas Roy and Lura Forrest Jones Professor of Economics and Business. M.B.A., Lehigh University. CPA, Commonwealth of Pennsylvania.  
Research interests: financial and accounting theory, international accounting, international business, and corporate governance.

Donald R. Chambers, Walter E. Hanson/KPMG Peat Marwick Professor of Business and Finance. Ph.D., University of North Carolina.  
Research interests: corporate finance, investments, and derivative securities.

W. Mark Crain, William E. Simon Professor of Political Economy. Ph.D., Texas A&M University.  
Research interests: strategy analysis and public policy processes.

James DeVault, Associate Professor. Ph.D., University of Wisconsin-Madison.  
Research interests: international trade and finance, political economy.

Edward N. Gamber, Professor. Ph.D., Virginia Tech.  
Research interests: macroeconomics, monetary policy and forecast evaluation.

Jerome F. Heavey, Professor. Ph.D., Pennsylvania State University.  
Research interests: microeconomic theory, public finance, and land reform.

Gladstone A. Hutchinson, Associate Professor. Ph.D., Clark University.  
Research interests: economic development in Latin America and the Caribbean.

Michael A. Kelly, Assistant Professor. Ph.D., Cornell University.  
Research interests: investments, derivatives, and economics of information.

Christopher Ruebeck, Associate Professor. Ph.D., Johns Hopkins University.  
Research interests: industrial organization, agent-based modeling, applied econometrics, and evolutionary game theory.

Edmond J. Seifried, Professor. Ph.D., West Virginia University.  
Research interests: banking and financial markets.

Julie K. Smith, Assistant Professor. Ph.D., Johns Hopkins University.  
Research interests: macroeconomics, monetary policy, and applied macroeconometrics.

David C. Stifel, Assistant Professor. Ph.D., Cornell University.  
Research interests: development economics, applied microeconometrics, and poverty and multi-dimensional welfare dynamics.

Lisa Mutton; Administrative Assistant

## **APPENDIX: COURSE OFFERINGS**

### Required courses

- 101 Principles of Economics
- 211 Intermediate Microeconomics
- 212 Intermediate Macroeconomics
- 213 Fundamentals of Econometrics
- 218 Financial Accounting

### Courses focusing on Macroeconomic Analysis

- 313 Forecasting for Business and Economics
- 323 Money, Financial Intermediation and the Economy
- 334 Economic Growth
- 343 Economic History of the U.S.
- 351 International Finance

### Courses focusing on Public Policy

- 300 Industry, Strategy and Policy
- 325 Women and the Economy
- 330 Urban Economics and Public Policy
- 331 Industrial Organization
- 332 Economics of Labor
- 335 Environmental Economics
- 338 Economics of Sports
- 341 Public Sector Economics
- 342 Public Finance
- 345 Political Economy
- 346 Economic Development
- 358 An Economic History of African-Americans: Middle Passage to Great Society

### Courses focusing on Economics of the Firm

- 320 Corporate Finance
- 331 Industrial Organization
- 332 Economics of Labor
- 333 Managerial Economics
- 338 Economics of Sports
- 349 A Business History of the U.S.
- 360 Marketing Science
- 361 Marketing Research

### Courses focusing on International Economics

- 334 Economic Growth
- 346 Economic Development
- 351 International Finance

- 353 International Trade Policy
- 354 Contemporary African Economics
- 359 European Business Environment

Courses focusing on Financial Economics

- 303 Income Tax Topics
- 319 Financial Theory and Analysis
- 320 Corporate Finance
- 321 Investments
- 322 Financial Markets
- 323 Money, Financial Intermediation and the Economy
- 324 Options and Futures
- 326 Entrepreneurial Finance and Management
- 351 International Finance