

UNIVERSIDAD DEL SAGRADO CORAZÓN
DEPARTAMENTO DE ADMINISTRACIÓN DE EMPRESAS

SYLLABUS

TITLE:	Economics and Society
CODE:	ECO 200
PREREQUISITE:	None
CREDITS:	Three (3) credits, three (3) hours per week, one (1) semester

DESCRIPTION

This course explores the relationship between the economic behavior of societies and their implications for welfare and social inequality. It discusses the rationale behind how the efficient and effective use of resources can meet societal needs and come into conflict with the market system and class interests. The course studies the concepts and tools of microeconomics, as well as the following relevant subjects: the problems of economic organization, supply and demand, the behavior of demand elasticity, cost and income analysis, the price and structure of markets (pure competition and the imperfect monopoly markets, oligopoly and monopolistic competition). Additionally, macroeconomic concepts such as gross product, full employment, inflation, fiscal and monetary policies, among others, are explored.

JUSTIFICATION (Explanation or Rationale)

Economic activity, together with its social dynamics and political context, are responsible for the level of welfare or discomfort that a society has. This course provides the students an analytical framework that complements other disciplines and offers a global vision of a country's economy. It helps the students understand and evaluate the functioning of the economic aggregates of population, income, investment, employment and others. **It will allow them to know how, in a capitalist economic system, the market mechanism determines the levels of production and price that are generated to develop an economic strategy.** It also gives the students the opportunity to develop their capacity for critical thinking when faced with the task of evaluating the main economic policies of a country, to give critical judgment on them and to contribute to the solution of problems in them.

KEY COMPETENCIES (Key Skills)

Cross-disciplinary competencies

1. Ethical sense
2. Use of Information and Communication Technologies
3. Decision-making

OBJECTIVES

At the end of the course, students will be able to:

1. Master the basic concepts used in economics, in the study of economic systems and their economic policies.
2. Define the concepts of profit maximization and cost minimization.
3. Describe the characteristics and differences of the different market structures.

4. Analyze the relationship between the capitalist economic system, the market economy and the quality of life of a society.
5. Understand the importance and describe the objectives of fiscal and monetary policy and its implementation.

CONTENT OVERVIEW

- I. Crisis for whom?
 - A. Economic growth and development: welfare and social inequality
 - B. Economic growth and economic structure
 - C. Economic and social cost of growth
 - D. Wealth and inequality
 - E. Global economy
 - F. Current Puerto Rican issues
- II. What is the study of the economy?
 - A. Needs and resources
 - B. Opportunity cost
 - C. Market Failures
 - D. Role of government
 - E. Microeconomics vs. Macroeconomics
- III. What are the basic concepts of macroeconomics to understand the functioning of an economy?
 - A. Gross national product
 - B. Gross domestic Product
 - C. Actual versus current measures
 - D. Supply and aggregated demand: components and determinants
 - E. Full employment
 - F. Price level index
 - G. Other macroeconomic indicators
- IV. What do the economic cycles and their fluctuations explain?
 - A. Phases of economic cycles
 - B. Unemployment: Causes and types
 - C. Inflation: Causes and types
 - D. Economic and social implications
- V. What are the economic policies and measures that are used to stabilize a country's economy?
 - A. Fiscal Policy
 - i. Fiscal Policy tools
 - B. Monetary policy
 - i. Federal Reserve System
 - ii. Monetary policy tools
- VI. What are the inputs of microeconomics that address the market and the economy?
 - A. Supply and demand
 - i. Supply and Demand laws

- ii. Determinants
 - iii. Equilibrium Point
- B. Price elasticities
- C. Costs, income, earnings (workshop type)
- i. Producer theory and cost theory
 - ii. Profit maximization
- D. Market structures
- i. Perfect competition
 - ii. Imperfect competition
 - a. Monopolistic competition
 - b. Monopoly
 - c. oligopoly

INSTRUCTIONAL STRATEGIES

The course will be developed through oral presentations and the discussion of the topics, video conferences, workshops, case discussions, videos, problem-solving, teamwork, projects, critical analysis of articles and press news. Active student participation is required.

GRADING

Partial exams	40%
Class Exercises / Projects	40%
Final exam	<u>20%</u>
Total	100%

RECOMMENDED READINGS

Case, K. E., & Fair, R. C. (2011). *Principles of microeconomics* (10^{mo.} ed.). Prentice Hall.

Mankiw, N.G. (2011). *Essentials of economics* (6^{ta.} ed.). South-Western College Pub

Collins, S. M., Bosworth, B. & Soto-Class, M. A. (Eds.) (2006). *Restoring growth in Puerto Rico*. Brookings Institution and the Center for the New Economy.

Irizarry, E. (2011). *Economía de Puerto Rico: Evolución de Puerto Rico* (2^{da.} ed.). McGraw-Hill.

Junta de Planificación de Puerto Rico (n.d.). *Apéndice estadístico del informe económico al Gobernador y a la Asamblea Legislativa*. Disponible en <http://jp.gobierno.pr/>

Samuelson, P. A., & Nordhaus, W. D. (2010). *Economics* (19^{na.} ed.). McGraw-Hill.

Shiller, B.R. (2010). *Essentials of economics* (8^{va.} ed.). McGraw-Hill.

WEBSITES

Economic Commission for Latin America and the Caribbean (ECLAC)

<https://www.cepal.org/en>

Department of Labor and Human Resources of Puerto Rico

<https://www.trabajo.pr.gov/>

Federal Reserve Bank of New York

<https://www.newyorkfed.org/>

Inter-American Development Bank

<https://www.iadb.org/en>
International Monetary Fund
<https://www.imf.org/external/index.htm>
Puerto Rico Planning Board
<https://www.jp.pr.gov>
Puerto Rico Statistics Institute (PRSI)
<https://estadisticas.pr/>
Sin comillas
<http://sincomillas.com/>
The Economist
<https://www.economist.com/>
United Nations Research for Social Development
<http://www.unrisd.org/>
United Nations Statistics Division (UNSD)
<https://unstats.un.org/home/>
US Bureau of Economic Analysis
<https://www.bea.gov/>
US Bureau of Labor Statistics
<https://www.bls.gov/>
US Census Bureau
<https://www.census.gov/>
World Bank
<http://www.worldbank.org/>
World Economic Forum
<https://www.weforum.org/>

REASONABLE ACCOMMODATION

Students who need special assistance or auxiliary services shall apply to the Associate Dean of Student Affairs at the beginning of the course or as soon as acquiring knowledge thereof, but not later than the third week of classes.

ACADEMIC HONESTY, CHEATING, AND PLAGIARISM

Any student who fails to follow the dishonesty, fraud and plagiarism policy exposed to the following sanctions: receive grade of zero on the assessment and / or rework on the course, note F (*) in the course: suspension or expulsion as defined in the document Academic Honesty Policy, number: 205-001 DAEE dated effective August 2005.

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