Course Syllabus

ECON 4560-410 – Contemporary Issues in Economics
Econ 4560 410
Fall Semester, 2016
3.0 Credit Hours
(Last updated: 8/15/2018)

Instructor: John Komlos, PhD
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E-mail: Dr. Komlos’ e-mail

Office Hours: As this is a fully online class, the standard means for communicating with the instructor is via course email throughout the semester. However, phone calls can be scheduled on Tuesdays, Thursdays, and Fridays from 4:00-5:30PM (Central Time).

Course Overview:

We shall discuss controversial topics relevant to modern economics from an interdisciplinary perspective and explore the role of psychology, sociology and political science in economic theory and policy, topics that are usually not included in Principles of Economics courses. The course offers a wide perspective on the psychological foundations of economic activity by introducing the students to the new field of behavioural economics and behavioural finance. We enrich the standard neo-classical model by studying such concepts as bounded rationality and satisficing. We explore the main outlines of decision making under uncertainty. Other topics discussed include research on measuring happiness as an alternative welfare indicator, the problem of moral hazard in the bailouts, the principal-agent problem in industrial organisation, adverse selection in insurance markets, opportunistic behaviour in consumer theory, the new trade theory as it relates to our current account deficits, transaction cost economics, oligopoly, monopolistic competition and Keynesian macroeconomics versus monetarist approaches. The course does not involve mathematics and is not meant to be a substitute for intermediate level economics courses. Rather, the course covers topics that are usually not covered in principles courses but does so at the level of sophistication of a usual principles course.

Pre-Requisites/Co-Requisites:

There are no course pre-requisites to enrolling in this course.
Required Text:
This can be bought used on Amazon at a reasonable price.

Course Objectives:
The course should help students approach contemporary problems and economic policy with an open mind and widen their economic perspectives. In brief, the course should enable the students to gain a thorough understanding of the global economy in which we live and work. The primary aim of the course is not to concentrate on facts, theorems, or numbers but rather to see the BIG picture in an integrative and dual-disciplinary framework.

Fogelman College: Learning Outcomes for Your Degree
This course is designed to help you to meet the overall learning objectives for the BBA degree offered by the Fogelman College. You should take the time to become familiar with the overall learning objectives as a student in the BBA degree program.

•  BBA Program Outcomes (opens in new window)

Course Methodology
This is an online course and much of the learning will be self-managed and self-paced. This has the benefit of accommodating each student’s unique schedule and learning style. Everything will be done fully online and asynchronously (meaning the class will not meet at specific times).

The course proceeds as follows: The students study the chapters in the text. Thereafter students will take weekly quizzes before proceeding to the following week’s chapter and assignments. The quizzes consist of about 15-20 multiple choice questions. Some chapters have two quizzes, so that there are in total 18 quizzes. The final grade will be the average of the weekly quiz grades. There will be no other examinations. The extra credit material will not be included on the quizzes.

Grading and Evaluation Criteria
Over the semester, you will have a variety of opportunities to earn points towards your final (overall) letter grade in this course. This section of the syllabus describes the assessed work you will be doing and how overall (final) letter grades will be computed.

Final Course Grades
Your course grade will be the average of your quiz grades.

Final course grades are earned according to the following table:
<table>
<thead>
<tr>
<th>Point Range</th>
<th>Assigned Grade</th>
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<tbody>
<tr>
<td>97-100 Points</td>
<td>A+</td>
</tr>
<tr>
<td>93-96.9</td>
<td>A</td>
</tr>
<tr>
<td>90-92.9</td>
<td>A-</td>
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<tr>
<td>80-89.9 Points</td>
<td>B</td>
</tr>
<tr>
<td>Pluses and minuses</td>
<td>as above</td>
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<tr>
<td>70-79.9 Points</td>
<td>C</td>
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<tr>
<td>Pluses and minuses</td>
<td>as above</td>
</tr>
<tr>
<td>60-69.9 Points</td>
<td>D</td>
</tr>
<tr>
<td>Pluses and minuses</td>
<td>as above</td>
</tr>
<tr>
<td>Under 60 Points</td>
<td>F</td>
</tr>
</tbody>
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Course Topics:

**Week 1**

Read Ch. 1 & take Quiz 1

Look at two interesting visualizations of inequality:

- [A graphical depiction on inequality](#)
- [Another graphical depiction of inequality](#)

**Week 2: Markets are neither Omniscient nor Omnipotent, they are human creations**

Read Ch. 2 & take Quiz 2

Read [PBS article by John Komlos](#)

Watch videos by LaToya Ruby Frazier: A visual history of inequality in industrial America [TED talk by LaToya Ruby Frazier](#)

[YouTube video by LaToya Ruby Frazier](#)
Another YouTube video by Latoya Ruby Frazier

Whoever oppresses the poor shows contempt for their Maker, but whoever is kind to the needy honors God. — Proverbs 14:31

Week 3

Read Ch. 3 & take Quiz 3

Watch Joseph Stiglitz interview: “The Future of Inequality,” Interview with Joe Stiglitz

Watch video about stress and addiction: YouTube video about the causes of addiction

Watch video, Fight For $15 - Marine Corps Veteran Testimony of a Marine Corps veteran

Read interview with Raj Chetty on racial inequality Interview with Raj Chetty

Watch More conversation with Raj Chetty

Week 4: Psychology: the economics of bounded rationality.

Read Ch. 4 & take Quiz 4a


(Extra Credit) Watch Dan Ariely: Video of Dan Ariely talking about the benefits of irrationality

Take Quiz 4 b

Week 5

Read Ch. 5 & take Quiz 5a and Quiz 5b

Watch Daniel Kahneman on Well-being: Lecture by Kahneman about well-being

(Extra credit) Watch: Joseph Stiglitz Problems with GDP as an economic indicator

Joe Stiglitz talking about the limitations of GDP

Week 6

Read Ch. 6 & take Quiz 6
Read about the importance of good teachers: PBS story about why teachers matter
Read Raj Chetty on teachers

Week 7: Compensation in oligopolistic industries, moral hazard and the principal-agent problem
Read Ch. 7 & take Quiz 7
“Blessed are the meek, for they shall inherit the earth.” Matthew 5:5

Week 8: The Vanishing Middle Class and the American dream
Read Ch. 8 & take Quiz 8
[Proverbs 22:7] The rich rule over the poor,
Watch: Robert Reich on Inequality: Video by Robert Reich

Week 9
Read Ch. 9 & take Quiz 9
[Proverbs 22:7] The rich rule over the poor,

Week 10
Read Ch. 10 & take Quiz 10
Watch video on The One Percent: Documentary about wealth inequality
Week 11

Read Ch. 11 & take Quiz 11

“I have a dream that my four little children will one day live in a nation where they will not be judged by the color of their skin, but by the content of their character.” Martin Luther King, Jr.

Week 12

Read Ch. 12 & take Quiz 12

Watch: Elizabeth Warren lecture on the vanishing Middle Class: Lecture by Elizabeth Warren.

Week 13: Open Economy Macroeconomics

Read Ch. 13 & take Quiz 13

Read Op-ed in the NYT by Paul Theroux

“Injustice anywhere is a threat to justice everywhere.” Martin Luther King, Jr.

Week 14

Read Ch. 14 & take Quiz 14

Read Stiglitz, “Of the 1%, by the 1%, for the 1%,” Stiglitz in Vanity Fair

Week 15

Read Ch. 15 & 16 & take Quiz 15

Watch PBS Frontline, “The Warning” PBS video about the crisis
Week 16

Read Ch. 16 & take Quiz 16

“There is enough in the world for man's need but not for man's greed.” **Mahatma Gandhi**

Watch PBS Frontline, Inside the Meltdown: [PBS investigation into the causes of the crisis](#)


Week 17: The (Mis)pricing of Risk

Derivatives are financial weapons of mass destruction, carrying dangers that, while now latent, are potentially lethal." Warren Buffett, Second richest man in America in 2002.

Watch lecture and do the quiz.

Watch Brooksley Born on Frontline, The Warning [Investigation into the causes of the crisis](#)

Watch Nassim Taleb on Black Swan [Conversation with Nassim Taleb](#)

Watch: Joseph Stiglitz: Problems with GDP as an economic indicator: [Stiglitz on GDP](#)

List of Formal Assessed Activities

For a complete description of the assessed activities for the semester, please refer to the “List of Assessed Activities” page that can be found in the online course area under “Getting Started”.

Schedule of Activities

For a complete semester schedule of readings, activities, and due dates for assignments, please refer to the “Semester Calendar” that can be found in the online course area under “Getting Started”.

Final Exam Schedule

The final exam for this class will be scheduled according to the Registrar’s academic calendar website (opens in new window).

Course Policies

E-MAIL:

All students are required to maintain and access their University of Memphis (@memphis.edu) email account. You will receive all official course correspondence at this email account. Any inability to receive incoming mail in a timely fashion (e.g., not regularly checking your email, having a “full mailbox” condition, etc.) is the student’s responsibility.

Attendance:

Since this is an online class taught asynchronously, there are no scheduled meeting times. Thus, formal attendance will not be taken. However, you are expected to stay active and engaged throughout the academic term and keep up with the schedule of activities. Your full engagement in the class begins on the first day of the semester and should be maintained until the last assignment is submitted. For students receiving federal student loans, any lack of engagement in the course may be treated as non-attendance and potentially impact access to student loans in the future.

Adding / Dropping:

If you have questions about adding or dropping classes, please refer to this page on the Registrar’s website (opens in new window).
Academic Integrity:

The University of Memphis has clear codes regarding cheating and classroom misconduct. If interested, you may refer to the Student Handbook section on academic misconduct for a discussion of these codes. Note that using a “Solutions Manual” is considered cheating. Should your professor have evidence that using a “Solutions Manual” has occurred, he/she may take steps as described on the campus’ Office of Student Conduct website (opens in new window). If you have any questions about academic integrity or plagiarism, you are strongly encouraged to review the Fogelman College’s Website on Academic Integrity (opens in new window).

Participation:

To be successful in this course as a student, you must stay active and involved throughout the entire semester. Students are expected participate in all interactive aspects of the course. You should also regularly communicate with the instructor as part of your overall learning experience, check into the course frequently for announcements (usually on the course home page), and actively participate in threaded discussion events (both formal and informal). You should plan on logging into the course at least three times each week.

Classroom or Online Behavior:

All participants in the course should be considerate of the other course participants and treat them (as well as their opinions) with respect. The class will operate under the assumption that any and all feedback offered is positive in nature and that the intentions of the person(s) providing feedback are strictly honorable. Insensitivity in this area will not be tolerated. If you have any questions about online communication, you should review the Fogelman College’s Netiquette website (opens in new window).

Student Services

Please access the FCBE Student Services (opens in new window) page for information about:

- Students with Disabilities
- Tutoring and other Academic Assistance
- Advising Services for Fogelman Students
- Technical Assistance