



American Economics & Business

Georgetown University Summer Discovery Program
July 6-23, 2015

Instructor: Mr. Jack Santucci (jms346@georgetown.edu)

Course overview & learning goals

Per Summer Discovery:

Introduction to the principles of economic analysis, economic institutions, and issues of economic policy. Economic and business trends are studied including recession, inflation, market fluctuations, and America's efforts to remain competitive in the global market place. You will also learn how the investment world has been affected by the recent explosion and implosion of the internet and dot-com businesses. Watch the ticker as you create a mock investment portfolio.

This course will cover some fundamental concepts in political economy, a field of social science built on the interconnection of politics and economics. Our method will be to use some major theories to understand key problems in the U.S. economy, past and present. Our goals are the following:

- learn about some major theoretical approaches in political economy;
- learn about major factors, both past and present, affecting how Americans do business;
- build critical thinking and public speaking skills that will be useful to you in university;
- better understand two majors you might choose in university: economics and political science.

Requirements & expectations

Your grade will be based on the following: participation (20%), issue analysis or a business plan (40%), and a final exam (40%).

- **Participation** involves attending class daily, ready to answer questions and contribute to class discussion. (40% of your grade.)

- For the **issue analysis project**, you must use one of the theories discussed in Part I (below) to analyze a contemporary problem in society, the economy, or politics. Work in a group of 2-4 students. Prepare a presentation of 7-10 minutes. Do you understand the theory? How well does the theory fit your problem? How would you revise the theory if it does not? What solution to the problem do you propose?
- The **business plan project** is just that: come up with a plan to make reliable profits over time. Assume that you have \$50,000. Will you invest in the stock market and other financial instruments? Minimize your risk. Show how your assets performed. Will you start a small business? How will you deal, if necessary, with branding, management, labor, overhead costs, and the macroeconomic risks we learned about in week three? Work in a group of 2-4 students, and prepare a presentation of 7-10 minutes.
- Choose one of the above. Presentations will occur on July 20, 21, and 22.
- The **final exam** will be on July 23. It will be partly short-answer, partly multiple-choice. It will cover all aspects of the course (each of three abstract models, how they apply to history, how they apply to present reality).

Grading

I grade all your work numerically on the usual “0-3-7” system. Final grades will be based on these numerical grades. These numbers translate into letter grades as follows: 93 and up for A, 90-92 for A-, 87-89 for B+, 83-86 for B, 80-82 for B-, and so on.

Extensions & absences

Deadlines are not negotiable. I realize that life intervenes, so see me in extreme cases (i.e., documented medical emergency, bereavement). I will not, however, grant extensions in consideration of issues around which you can and should plan (e.g., conflicting deadlines, heavy work loads, job interviews, internships, extracurriculars, flights, family holidays).

I will excuse class absences for documented medical emergencies and bereavement only.

Classroom technology

Audio recorders, video cameras, and technologies that generate transcripts of my lectures are prohibited. You may use tablets, laptops, and similar note-taking devices. However, if using such devices adversely affects your class participation, consider leaving it at home.

Honor code & university policies

All university policies on academic integrity, exam rescheduling, etc. apply in this course. See bulletin.georgetown.edu for these.

Schedule of classes

Part I: Three economic models.

- July 6: Course overview. What is political economy? Choose groups.
- July 7: Introduction to macroeconomics.
- July 8: Rational individuals, irrational outcomes: types of goods, collective action problems.
- July 9: Rational individuals, irrational outcomes, part II: non-cooperative game theory. Overview of investment types.
- **Homework:** Choose your group this week. If your presentation will be a **business plan**, and if you plan to invest in financial instruments, choose these investments over the weekend.

Part II: Economic management in U.S. history.

- July 13: The Long Depression (a.k.a., the first Great Depression).
- July 14: The Great Depression.
- July 15: “Stagflation” to present.
- July 16: Review of concepts and discussion.
- **Homework:** Prepare your presentation. Groups will be randomly selected to present beginning on Monday, July 20.

Part III: Application of models and history lessons.

- July 20: Student presentations.
- July 21: Student presentations.
- July 22: Student presentations and exam review.
- July 23: Final exam.