

**“The U.S. Market System”**  
**28 July, 2002**  
**-Revised I.-**

**Course Description:**

The lectures aim to provide a comprehensive country overview of the U.S. market system underpinned by a discussion of the political and economic framework and an analysis of specific, industrial sectors.

The unique features and peculiarities of the U.S. market system illustrate an economic environment that has become vastly more competitive, more open in terms of international trade, investment and capital markets, and where government support to business has become more targeted and results-oriented. Most important, the U.S. market gives an insight into the increased openness and globalization of the economy. This means addressing trade liberalization and economic integration within industrial sectors.

The instructional methodology of the course modules through didactic class discussions will strike a balance between economic theory and practice within the context of the U.S. experience. Particular attention is given to evolving economic ideas amplified in a country overview; political overview; economic overview; corporate/enterprise sector; environmental trends; and forecast scenarios.

**Course Modules:      Instructional Format for the Six Sessions**

**Module I.      Country Overview**

- A.Economic Highlights
- B.Current Data
- C.Comment and Analysis

**Resources:**      Colander, David C. *Macroeconomics*, Fourth Edition, 2001.  
Chapter 3. *The U.S. Economy in a Global Setting*, pp. 55-74.  
The PRS Group, Inc. 2001. ISSN: 1054-6278

**Module II.      Political Overview**

- A.People, History, Government
- B.Political Conditions and Government Organization
- C.Foreign Relations and Defense Resources

**Resources:**      Colander, David C. *Macroeconomics*, Fourth Edition, 2001.  
Chapter 6. *Economic Growth, Business Cycles, Unemployment, and Inflation*,  
pp. 132-154.  
Chapter 8. *Growth, Productivity, and the Wealth of Nations*, pp. 181-201.  
The PRS Group, Inc. 2001. ISSN: 1054-6278

**Module III.      Economic Overview**

- A.Economic Conditions
- B.Macroeconomic Activity
- C.Key Sectors

**Resources:** Colander, David C. *Macroeconomics*, Fourth Edition, 2001.  
Chapter 12. *Politics, Surpluses, Deficits, and Debt*, pp. 274-292.  
Chapter 15. *Inflation and Its Relationship to Unemployment and Growth*,  
pp. 350-368.  
The PRS Group, Inc. 2001. ISSN: 1054-6278

#### **Module IV. Corporate/Enterprise Sector**

- A. Investment Overview
- B. Taxation
- C. Key Enterprises

**Resources:** Colander, David C. *Macroeconomics*, Fourth Edition, 2001.  
Chapter 11. *Demand Management Policy*, pp. 252-270.  
Chapter 16. *Open Economy Macro: Exchange Rate and Trade Policy*, pp. 372-391.  
The PRS Group, Inc. 2001. ISSN: 1054-6278

#### **Module V. Environmental Trends**

- A. Environmental Issues
- B. Globalization Effects
- C. Pollution Trends

**Resources:** Colander, David C. *Macroeconomics*, Fourth Edition, 2001.  
Chapter 18. *Tools, Rules and Policy*, pp. 414-432  
The PRS Group, Inc. 2001. ISSN: 1054-6278

#### **Module VI. Forecast Scenarios**

- A. Most Likely Five-Year Regime Scenario: Divided Government
- B. Second Most Likely Five-Year Regime Scenario: Bush Coalition
- C. Third Most Likely Five-Year Regime Scenario: Democratic Coalition

**Resource:** The PRS Group, Inc. 2001. ISSN: 1054-6278

#### **Instructional Methodology:**

The course will be based on the lecture and case methods and, in view of the diversity of the class; it will be a participative seminar in design. Given the opportunity of examining the economic issues existent in the U.S. as a totality, this course uses economic research and textbooks which systematically present data evident in the market system. Analysis and discussion of materials, with the aid of theoretical frameworks and tools presented in the lectures and readings, will occupy a substantial amount of time spent in the course. **Hence, it is expected that each student will have read the assigned materials and be prepared to discuss them and answer related questions in class. Enrollment in this course is a commitment to do a careful, critical reading of all required materials prior to each class.** Discussions and individual contributions are encouraged, expected, and shall count toward the student's final performance evaluation.

#### **Performance Evaluation:**

Upon successful completion of the course, the student's grade will be based on the following performance:

Class Participation	30%
Case Study Presentation	30%
Term Project- Written Paper	40%
<b>Total</b>	<b>100%</b>

### Notes on Class Participation:

Each course participant shall be expected to participate in class discussions. The student will be expected to contribute significantly to in-class analysis and discussion of the various readings.

Ways to effectively contribute include:

- Responding to questions.
- Making observations that link and integrate concepts or discussion.
- Asking perceptive questions or one that lead to revealing discussions.
- Presenting alternative positions, ways of looking at problems (e.g., Devil's advocate).
- Providing extensions, e.g. novel application of an economic tool or technique
- Providing insights, e.g. motivation for the use of a tool or technique
- Providing illustrations, e.g. examples of "real world" applications.
- Providing feedback on the readings.
- Bringing current relevant material to class, e.g. *The Economist*, *The Financial Times*, *Business Week*, *Fortune* or *Wall Street Journal* articles.
- Recapitulating and summarizing.

As regards the quality of the student's individual participation, my criteria include:

- Are the points made relevant to the discussion?
- Do the points go beyond a mere recitation of case facts, and are implications clearly drawn?
- Is there evidence of analysis rather than expressions of opinion?
- Are the comments linked to those of others?
- Did the contribution further the class' understanding of the economic issues?
- Is the course participant a good listener?

### Learning Outcomes:

The course participant should gain an understanding of the "The U.S. Market System" through a comprehensive study and assessment of conceptual and practical approaches evident from economic issues prevalent in a 'superpower' environment.

The new analytical tools resultant from participation in the course will enable the student to observe economic events and activities closely, record findings exactly, and frame generalities that cover the facts, without coloring from myth, poetry, or other preconceived idea. In addition, the "lessons learned" will allow the student to predict with an acceptable margin of error the future behavior of market systems and thereby guide action with assurance and wisdom. Knowledge is power.

### Resources:

As specified above for each instructional module and selective readings TBA by the lecturer.