

Economics and Community Development

Department Faculty

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Department Goals

The Department of Economics and Community Development examines humanity's stewardship of the resources of God's creation. The department believes that the manner in which humans cultivate and develop the creation emanates from their basic worldview commitments. However, human stewardship is not autonomous but takes place within God's sovereign plan as expressed through His unfolding story of creation, fall, redemption, and consummation. This framework shapes the manner in which the department analyzes and critiques the ways in which individuals, communities, and nations have responded to their stewardship responsibilities.

The department offers a major and a minor in economics, both of which lay a strong theoretical and analytical foundation for understanding the manner in which resources are allocated in the local, national, and global economy. Students pursuing the economics major or minor are well prepared for graduate study in a range of disciplines and for careers in government, international agencies, non-government organizations, and the corporate sector.

The department also offers a major and a minor in community development, both of which prepare students to understand and address the issues facing poor regions, paying particular attention to working at the community level. Recognizing the multifaceted and integrated nature of both God's creational design and the problems plaguing poor communities, the department takes an interdisciplinary approach that combines training in the liberal arts, in development theory and practice, and in sector-specific development strategies. The faculty teaching in the major have expertise in Adult Education, Bible and Missions, Urban or Rural Development, Economics, History, Sociology, and in various sectors pertaining to development work (e.g. health, education, environment). In addition to laying a biblical foundation for thinking about poor communities, students are equipped to support positive change in intercultural settings both domestically and internationally. Students pursuing these programs are well-prepared for graduate study or for employment in community-based organizations, churches, missions, relief and development agencies, and the public sector.

The Chalmers Center for Economic Development

The Chalmers Center for Economic Development is a research and educational institute which trains workers in church-centered ministries to promote economic development and spiritual transformation in the context of poor communities. In collaboration with partnering agencies and churches worldwide, the Center initiates pilot projects that serve as laboratories for the development of new models that can be replicated by others. Students in the community development major may apply for domestic and international research internships in these projects, providing them with a unique opportunity to participate in the development of state-of-the-art strategies and to gain practical experience.

Teacher Certification

Students who desire teacher certification in Economics should complete a B.A. degree with a major in Economics, then enroll in the one-year Master of Arts in Teaching program at Covenant College. To ensure eligibility for entry to the M.A.T. program, it is recommended that you complete the Education Minor. (See page 78.) Two of the courses in the minor, EDU 222 Educational Psychology and EDU 361 Education of Exceptional Children, are *required* for admission to the program. This program leads to grades 6-12 teacher certification through the state of Georgia and through the Association of Christian Schools International (ACSI).

See Dr. Jim Drexler in Brock Hall 303 (jdrexler@covenant.edu) for more information.

Requirements for Major in Economics

The core and distribution requirements for a major in economics are those listed for a baccalaureate degree on page 24, with the exception that a course in finance, psychology or sociology is required to fulfill the social science distribution requirement. Economics electives may also count for minors in other departments.

Core requirements	58
Electives.....	26-28

Major and Supporting Course Requirements

ECO 201. Principles of Macroeconomics	3
ECO 202. Principles of Microeconomics.....	4
ECO 301. Intermediate Macroeconomics	3
ECO 302. Intermediate Microeconomics.....	3
ECO 320. History of Economic Thought ‘W’	3
ECO 465. Econometrics I	3
ECO 492. Senior Integration Project ‘S’	2
MAT 145. Calculus 1	4
STA 253. Statistics for Decision Making, or MAT 250. Probability.....	3-4
Four Economics electives *	<u>12-13</u>
Total hours for the major.....	<u>40-42</u>
Total degree hours	126

* **Economics electives** would include any ECO-prefix course, these additional courses below and select courses approved by the department, with a maximum of two courses from outside of the Economics department:

MAT 247. Calculus III.....	4
MAT 290. Proofs and Expositions.....	3
MAT 310. Linear Algebra.....	<u>3</u>
Only one of ECO 343 and ECO 348 may be taken as an elective.	

Requirements for Minor in Economics

ECO 201. Principles of Macroeconomics	3
ECO 202. Principles of Microeconomics.....	4
ECO 301. Intermediate Macroeconomics, or ECO 302. Intermediate Microeconomics	3
Nine upper division ECO hours. ECO 343. U.S. Microeconomic Development Methods and ECO 348. International Microenterprise Development may not be used toward the minor.	<u>9</u>
Total hours for the minor	19

Requirements for Major in Community Development

The core and distribution requirements for a major in community development are those listed for a baccalaureate degree on page 24, with the exception that a course in finance, psychology or sociology is required to fulfill the social science distribution requirement. Community Development electives may also count for minors in other departments.

Core requirements	58
Electives.....	18-19

Major and Supporting Course Requirements

CDV 210. Theory of Community Development.....	3
CDV 300. Living and Working in a Multicultural Context..	3
CDV 310. Community Development Principles and Issues..	3
CDV 460. Cross-Cultural Social Science Research Methods ‘W’	4
CDV 480. U.S. Research Internship in Comm Dev, or CDV 481. International Research Internship in Community Development (3-12 hours).....	3
CDV 490. Senior Seminar in Community Development ‘S’	3
CDV 492. Senior Integration Paper in Comm Dev	2
ECO 201. Principles of Macroeconomics	3
ECO 202. Principles of Microeconomics.....	4
ECO 343. U.S. Microeconomic Development Mthds, or ECO 348. International Microenterprise Development	3
ECO 410. Economic Development in the Majority World, or ECO 420. U.S. Urban Poverty	3
HIS 328. Developing World Since 1945, or HIS 349. American Urban History.....	3
MIS 202. Theology of Missions, or MIS 203. Missionary Methods and Problems.....	3
STA 252. Elementary Statistics: Concepts & Methods, or STA 253. Statistics for Decision Making	4
Two electives from the list below:	
ACC 201. Principles of Accounting I, or BIB 303. History and Expansion of Christianity II, or BUS 250. Principles of Management or CDV 290/390. Comm Dev Special Topics, or ECO 301. Intermediate Macroeconomics or ECO 400. International Economics, or ECO 450. Health Economics, or ECO 465. Econometrics I, or EDU 222. Educational Psychology, or HIS 250. The New South, or HIS 322. History of Modern China and Japan, or HIS 327. History of South Africa, or HIS 332. Modern Middle East, or HIS 352 African American History Since 1865, or HIS 372. Modern Africa, or	

HIS 398. North American Indians & American History, or MIS 302. World Religions, or PSY 233. Cross-Cultural Psychology, or PSY 303. Developmental Psychology (4 hrs), or SOC 250. Social Work.....	6-7
Total hours for the major	<u>50-51</u>
Total degree hours.....	126

Confirm you have met prerequisites for requirements and electives above. The prerequisite for EDU 222 and PSY303 will be waived for CDV majors

Research Internships Process

All community development students are required to complete a research internship which normally takes place after the student’s junior year, during the summer and/or the first semester of the senior year. Department faculty work with students and partner organizations in the field to design, support, and evaluate these research internships. Internships may be taken for 3-6 credits for a 12-week internship and 3-12 credits for a 24-week internship, but only three credits may be used towards meeting the requirements for the major, any additional credits serving as electives towards graduation. Community development students meet their COR 337 Intercultural Experience requirement by successfully completing their internships and should register for COR 337 the same semester they register for CDV 480 or CDV 481.

The internship placement process includes a series of personality, psychological, and physical assessments conducted by staff of the Priesthill Center. These assessments enable the department to identify the best possible placement for each student. Students are charged a non-refundable intern placement fee of \$250 at the beginning of the assessment process to cover the assessments. Additional costs may be incurred if students miss scheduled appointments.

CDV interns must be in good academic standing. If a student exhibits behavioral, emotional, spiritual, social, or physical struggles inconsistent with an intensive cross-cultural internship, the department can determine the student is no longer suitable for the internship. Students should be aware that some internship hosts require a minimum institutional GPA of 2.75.

Requirements for Minor in Community Development

CDV 210. Theory of Community Development.....	3
CDV 300. Living and Working in a Multicultural Context..	3
CDV 310. Comm Development Principles and Issues.....	3

CDV 460. Cross-Cultural Social Sci Research Mthds, or ECO 343. U.S. Microeconomic Development Mthds, or ECO 348. International Microenterprise Development, or ECO 465. Econometrics I, or SOC 361. Methods of Social Research.....	3-4
MIS 202. Theology of Missions, or MIS 203. Missionary Methods and Problems	<u>3</u>
Total hours for the minor.....	15-16

Community Development Courses

210. Theory of Community Development

This course introduces the foundational theories and frameworks of community development in both developed and less developed countries. Topics include: cultural development; the emergence of institutions; the specific roles of church, state, and family; the importance of worldviews; definitions of poverty and implications for development; a critical survey of community development frameworks and approaches; and applications to contemporary problems. Emphasis throughout will focus on God as the creator, redeemer, and sustainer of cultural development. Prerequisites: Open to Freshmen and Sophomore CDV major, minor or IDS concentration, or Missions concentration students only. Three hours.

290/390. Special Topics

This course offers opportunities for study in various topics of interest within the field of community development. These may be short-term courses. Topics will be decided upon by the CDV faculty as needed and interest arise. One to three hours.

300. Living and Working in a Multicultural Context

This course covers key principles and issues involved with successfully living and working in a multicultural environment whether in or outside of the U.S. The course will work to equip the student with the knowledge, attitudes, and beginning skills to be a successful worker in any cultural environment. Students will examine the geographic, ethnic, and socio-economic based attitudinal and behavioral norms or tendencies that have influenced them and compare these with other peoples in the U.S. and around the world. Three hours.

310. Community Development Principles and Issues

This course covers the key principles and issues in community development in the U.S. and Two-Thirds World. Topics include: change processes in individuals and communities; techniques for community assessment; community organizing and other strategies for transformation; methods of planning, implementing, and evaluating community-level initiatives; and practitioner

attitudes and skills. Prerequisites: CDV 210 and 300. Three hours.

460. Cross-Cultural Social Science Research Methods

This course trains students in the fundamentals of doing social science research in the U.S. and international contexts. It examines social science research design and qualitative and quantitative research methods. Students will gain practical experience in conducting qualitative research projects. The goal is to equip students to understand and analyze complex, cross-cultural settings in order to determine appropriate community development interventions. Prerequisite: Junior Standing. Pre or Corequisite: STA 252 or 253. Four hours. 'W'

480. U.S. Research Internship in Community Development

This course gives students the opportunity to apply the theory, techniques, and research methods of their coursework by working in the context of less developed regions in the U.S. Department faculty work with students to design and implement research projects related to the students' and host organizations' interests. Students typically conduct their internship by working under the auspices of a Christian organization ministering in a less developed community in the U.S. The internship takes place after the students' junior year, during the summer and/or the first semester of the senior year. Internships may be taken for 3-12 credits, but only three credits may be used towards meeting the requirements for the major, any additional credits serving as electives towards graduation. Prerequisites: CDV 210, 300, 310, 460 and ECO 343. Three - twelve hours.

481. International Research Internship in Community Development

This course gives students the opportunity to apply the theory, techniques, and research methods of their coursework by working in the context of less developed regions in an international context. Department faculty work with students to design and implement research projects related to the students' and host organizations' interests. Students typically conduct their internship by working under the auspices of a Christian organization ministering in a less developed community overseas. The internship takes place after the students' junior year, during the summer and/or the first semester of the senior year. Internships may be taken for 3-12 credits, but only three credits may be used towards meeting the requirements for the major, any additional credits serving as electives towards graduation. Students take a series of Priesthill Center assessments as part of this course and missed appointments will result in billing for the cost of the appointment. Prerequisites: CDV 210, 300, 310, 460 and ECO 348. Three - twelve hours.

490. Senior Seminar in Community Development

This course provides a capstone to the major and is designed to help students to reflect on their foundational and sectoral coursework and their research internships. Various exercises and readings will be used to help students to integrate the wide range of concepts developed throughout the major. Students will present their Senior Integration Papers (SIP). Constructive criticism from peers and faculty will enable students to sharpen their ideas and to produce higher quality research papers and SIPs. Prerequisites: CDV 480 or 481, and senior-level standing. Three hours. 'S'

492. Senior Integration Paper in Community Development

See page 27. Two Hours.

499. Independent Study

Directed studies in economics topics for juniors and seniors. Students must develop a course proposal and obtain formal agreement from a department faculty member. Three hours.

Economics Courses

201. Principles of Macroeconomics

An introduction to the major problems facing national economies: inflation, unemployment, growth, and poverty. The roles of fiscal, monetary, and other government policies will be examined. Considerable time will be spent presenting basic economic concepts, institutions, tools, and methodologies in order to prepare students for future economics courses. Christian perspectives on mankind's stewardship responsibilities will be explored. Prerequisites: ECO 202, MAT 141. Three hours.

202. Principles of Microeconomics

An introduction to the behavior of individual consumers and businesses. Topics include human motivation, the role of prices, perfect and imperfect competition, supply and demand, market outcomes, government intervention, and selected applications. Christian perspectives on the nature of mankind, market outcomes, the role of government, and the presuppositions of modern economic analysis will be explored. Prerequisite: MAT 141. Four hours. SS

301. Intermediate Macroeconomics

A detailed examination of the determinants of national income, prices, unemployment, interest rates, and growth. Models are developed which enable students to explore the interaction of aggregate supply with aggregate demand, the latter consisting of expenditures by households, businesses, and governments. The impacts of monetary and fiscal policies are explored in depth. Christian perspectives on the role of government in achieving national objectives will be examined. Prerequisites: ECO 201, 202. Three hours.

302. Intermediate Microeconomics

An in-depth examination of the theories of consumer and producer behavior. The core of the course material provides a theoretical treatment of supply and demand and their implications for market outcomes. Topics include market efficiency, market failures, imperfect information, strategic behavior, externalities, and selected applications. A detailed analysis of the presuppositions of modern economic analysis will be explored from a Christian perspective. Prerequisites: ECO 201, 202. Three hours.

310. Public Finance

This course examines the public sector and its policy process including voting models, expenditure, insurance programs, and taxation principles. Special attention is given to taxation, government borrowing, Social Security, health care, and welfare issues. Biblical perspectives on the role of the state will be explored. Prerequisites: ECO 201, 202. Three hours.

320. History of Economic Thought

This course provides an examination of the intellectual, philosophical, and institutional background of modern economic thinking beginning in the ancient world and continuing to the present. Special attention is given to the foundations of the classical school of economic thought and the subsequent mainstream of economic thinking as well as to multiple alternative voices. Different economic perspectives are examined in light of biblically reformed principles. Prerequisites: ECO 201, 202. Three hours. 'W'

330. Industrial Organization

Standard economic theory assumes perfect competition in which firms respond only to market signals such as price. Such markets may, however, be the exception rather than the norm. This course examines various structures of markets, the behavior of firms and the strategic interaction of participants within markets. This course will develop and build upon a foundation of game theory. Prerequisites: ECO 201, 202. Three hours.

343. U.S. Microeconomic Development Methods

A course examining various methods to enable the poor to support themselves via their own work. Emphasis will be placed on holistic methods that are faith-based and/or church-centered. Topics include: microenterprise development, asset accumulation strategies, financial literacy programs, jobs-preparedness training, housing, program design and implementation. Prerequisites: ECO 201, 202; CDV 210. Three hours.

348. International Microenterprise Development

A course exploring microenterprise programs in the context of less developed countries. Students will be introduced to the complex range of economic, social, and institutional issues facing microenterprise agencies and will be instructed in the financial, organizational, and managerial dimensions

of starting and operating a microenterprise program. Emphasis will be placed on implementing microenterprise programs in the context of holistic, church-based ministries. Prerequisites: ECO 202; CDV 210. Three hours.

400. International Economics

A course examining the basic international trade and financial relationships between countries. Topics in the trade portion of the course include: the determination of the pattern of trade, the impacts of tariffs and quotas, gains from trade, the role of imperfect competition, the structure of the international trading system. Topics in the finance portion include: exchange rate determination, the impact of exchange rates on unemployment and inflation, and the role of government monetary and fiscal policy. A Christian critique of nationalism in international economic affairs will be emphasized. Prerequisites: ECO 201, 202. Three hours.

405. Money and Banking

A course examining the structure of financial institutions and their role in creating money and offering financial services. Topics include: the Federal Reserve System, the techniques of central banks, financial instruments, principles of finance, and the relationship of money and credit to key macroeconomic variables such as inflation, unemployment, and output. Biblical principles of money and finance will be explored. Prerequisites: MAT 144; ECO 201, 202. Three hours.

410. Economic Development in the Majority World

A course exploring the basic theories of poverty in Majority World countries and examining the policies which have been pursued to alleviate that poverty. Topics covered include: the role of agriculture, the process of industrialization, physical and human capital accumulation, growth and equity, trade policies, international capital flows, the World Bank, and the role of institutions. In addition, the basic presuppositions of mainstream development efforts will be highlighted and critiqued from a Christian perspective. Prerequisites: ECO 201, 202. Three hours.

411. Economics Internship

This course allows students to earn a specific number of academic credits for evaluating work experience in light of concepts and techniques taught in college classes, texts, and publications. Upon registration, a contract must be signed by the student, a faculty evaluator, and an employer specifying a minimum number of hours to be worked on meaningful projects, an employer evaluation at the conclusion of the intern's work, a log of activities, and a paper which makes conceptual connections between coursework and the field experience. Prerequisites: ECO 201, 202. One to three hours.

420. U.S. Urban Poverty

A course exploring the causes of poverty in U.S. urban centers and policies to alleviate that poverty. The impacts of

technological change, discrimination, institutions, globalization, and values on poverty will be examined. The effects of welfare, educational programs, affirmative action, and other public policies will be explored. Practical tools for urban development will be presented. Particular emphasis will be placed on the presuppositions and historical experiences of government efforts to alleviate urban poverty. Prerequisites: ECO 201, 202. Three hours.

430. Labor Economics

This course covers the basic issues regarding the supply and demand for labor. Topics include wage determination, the role of human capital, labor unions, discrimination, segmented labor markets, employee compensation mechanisms, U.S. labor laws, and employer-employee relations. Emphasis will be placed on laborers as image bearers of God rather than as mere inputs into the production process. Prerequisites: ECO 201, 202. Three hours.

450. Health Economics

This course examines the supply and demand for health services, the roles of different health professionals, and the relationship between health and other economic factors. Topics include the roles of insurance, professional licensure, for-profit and not-for-profit providers, regulation, government financing, and information problems in health care markets. Emphasis will be given to international comparisons of health care spending and outcomes as well as healthcare in developing countries. Prerequisites: ECO 201, 202. Three hours.

465. Econometrics I

A course in the essential tools of statistical analysis which are employed by economists. The basics of bivariate and multivariate regression will be covered, and students will be taught to use computer software for data preparation and analysis. Emphasis will be placed on formulating testable economic hypotheses and on designing a research project in preparation for Econometrics II. Prerequisites: STA 253, ECO 201 and 202. Three hours.

466. Econometrics II

A sequel to Econometrics I, this course introduces students to more advanced topics in statistical analysis and guides them through a major empirical research project. Topics covered will include: misspecification, hetero-skedasticity, multicollinearity, and simultaneity. Proficiency in using statistical software will be emphasized. Students will complete the research project designed in Econometrics I by writing a major, empirical research paper in which they test economic hypotheses. Prerequisite: ECO 465. Three hours.

490. Independent Study

Directed studies in economics topics for juniors and seniors. Students must develop a course proposal and obtain formal agreement from a department faculty member. Three hours.

492. Senior Integration Project in Economics

See page 27. 'S'

499. Special Topics

Topics will be chosen by the professor. Prerequisite: open to Economics majors and minors with junior or senior standing and to others with the permission of the instructor. ECO 201, 202. Three hours.