ECON 411. ECONOMICS OF ENTREPRENEURSHIP (3)
Three hours lecture per week.
Prerequisites: ECON 110 and 111
Application of economic concepts to entrepreneurial strategies and decisions. Analysis of entrepreneurial activities as related to production, markets, innovation, risk, and the macroeconomy.

2. Mode of Instruction.

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<thead>
<tr>
<th>Units</th>
<th>Hours per Unit</th>
<th>Benchmark Enrollment</th>
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<tbody>
<tr>
<td>Lecture</td>
<td>3</td>
<td>1</td>
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<td>Seminar</td>
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<td>Laboratory</td>
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<td>Activity</td>
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3. Justification and Learning Objectives for the Course. (Indicate whether required or elective, and whether it meets University Writing, and/or Language requirements) [Use as much space as necessary]

Economics of Entrepreneurship is a required course in the Entrepreneurial Emphasis of the B.S. in Business. This is an intermediate level course which primarily applies microeconomic concepts to the decisions and settings faced by entrepreneurs. In addition, consideration is given to the role of entrepreneurship in the macroeconomy and the contributions of entrepreneurs to macroeconomic development.

Students who successfully complete this course will be able to:
- Apply marginalist decision making strategies to entrepreneurial activities.
- Describe the economic process of production and the role of entrepreneurship in innovation.
- Identify and predict the effects of changes in demand and/or supply conditions on entrepreneurial activity.
- Identify the role of the entrepreneur in the start-up and success of a business venture.
- Analyze the risks and incentives faced by entrepreneurs under conditions of scarce resources.
- Analyze the effects of changes in macroeconomic policies on optimal entrepreneurial decision.

4. Is this a General Education Course

NO

5. Course Content in Outline Form. [Be as brief as possible, but use as much space as necessary]

Basic Economic Concepts
Supply and Demand
Market Equilibrium
The Productive Process
Constrained Optimization
Short Run vs Long Run

Entrepreneurship as a Factor of Production
Adding the Entrepreneur to the Production Function
Diminishing Returns and Entrepreneurial Ability

Entrepreneurship and Market Mechanisms
Responding to Price Changes
Identifying Disequilibrium
Entrepreneurial Ability and the Supply Curve

**Entrepreneurship and Profits**
The Role of Profit: Risk and Innovation
Constrained Optimization and Goal Assessment
The Bottom Line: Incentives and Accountability

**Entrepreneurship and Innovation**
Beyond Invention: Process, Procedure and Motivation
Sources and Levels of Innovation

**Entrepreneurship and the Macroeconomy**
Entrepreneurial Activity and Job Creation
Changing Policies, Changing Incentives

**Entrepreneurship and Economic Growth**
Sustained Growth through Entrepreneurship
International Focus: Entrepreneurs as Agents of Change

6. **References.** [Provide 3 - 5 references on which this course is based and/or support it.]


7. **List Faculty Qualified to Teach This Course.**

Prof. Dennis Muraoka
Prof. Paul Rivera
Prof. Ashish Vaidya

8. **Frequency.**
   a. Projected semesters to be offered: Fall  X  Spring  X  Summer  _____

9. **New Resources Required.**

   None

10. **Consultation.**

    Attach consultation sheet from all program areas, Library, and others (if necessary)

11. If this new course will alter any degree, credential, certificate, or minor in your program, attach a program modification.

    **Paul A. Rivera, PhD**  December 9, 2003
    Proposer of Course  Date