

**The Ohio State University  
Colleges of the Arts and Sciences New Course Request**

Economics

Academic Unit  
ECON

Book 3 Listing (e.g., Portuguese)  
110.03 Economics of the Internet

Number	Title	U	05
Diversity Econ			
18-Character Title Abbreviation		Level	Credit Hours
Summer	Autumn	Winter	Spring X
			Year 2006

Proposed effective date, choose one quarter and put an "X" after it; and fill in the year. See the OAA curriculum manual for deadlines.

**A. Course Offerings Bulletin Information**

Follow the instructions in the OAA curriculum manual. If this is a course with decimal subdivisions, then use one New Course Request form for the generic information that will apply to all subdivisions; and use separate forms for each new decimal subdivision, including on each form the information that is unique to that subdivision. If the course offered is less than a quarter or a term, please complete the Flexibly Scheduled/Off Campus/Workshop Request form.

Description (*not to exceed 25 words*): Rise of new electronic technology; operation of markets; online shopping; auctions; trading; the evolution of the world economy; and economic growth

Quarter offered: SP06 Distribution of class time/contact hours: 2 -2 Hr Classes

Quarter and contact/class time hours information should be omitted from Book 3 publication (yes or no):

Prerequisite(s): none

Exclusion or limiting clause:

Repeatable to a maximum of 0 credit hours.

Cross-listed with:

Grade Option (Please check): Letter  S/U  Progress  What is course is last in the series? \_\_\_\_\_

Honors Statement: Yes  No  GEC: Yes  No  Admission Condition  
Off-Campus: Yes  No  EM: Yes  No  Course: Yes  No

Other General Course Information:

(e.g. "Taught in English." "Credit does not count toward BSBA degree.")

**B. General Information**

Subject Code 450601  
Subsidy Level (V, G, T, B, M, D, or P) B

If you have questions, please email Jed Dickhaut at [dickhaut.1@osu.edu](mailto:dickhaut.1@osu.edu).

- Provide the rationale for proposing this course: The widespread diffusion of the Internet over the past decade has greatly influenced the opportunities for communication and related economic activity.
- Please list Majors/Minors affected by the creation of this new course. Attach revisions of all affected programs. This course is (check one):  Required on major(s)/minor(s)  A choice on major(s)/minors(s)  
 An elective within major(s)/minor(s)  A general elective:
- Indicate the nature of the program adjustments, new funding, and/or withdrawals that make possible the implementation of this new course.  
N/A

4. Is the approval of this request contingent upon the approval of other course requests or curricular requests?

Yes  No  List: 110 being decimalized

5. If this course is part of a sequence, list the number of the other course(s) in the sequence: \_\_\_\_\_

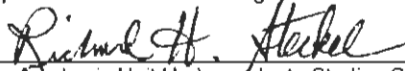

6. Expected section size: 50 Proposed number of sections per year: 1

7. Do you want prerequisites enforced electronically (see OAA manual for what can be enforced)? Yes  No

8. This course has been discussed with and has the concurrence of the following academic units needing this course or with academic units having directly related interests (List units and attach letters and/or forms):  
Not Applicable

9. Attach a course syllabus that includes a topical outline of the course, student learning outcomes and/or course objectives, off-campus field experience, methods of evaluation, and other items as stated in the OAA curriculum manual and e-mail to [ascurofc@osu.edu](mailto:ascurofc@osu.edu).

Approval Process The signatures on the lines in ALL CAPS ( e.g. ACADEMIC UNIT) are required.

1.	 Academic Unit Undergraduate Studies Committee Chair	<u>RICHARD H. STECKEL</u> Printed Name	<u>12-30-05</u> Date
2.	Academic Unit Graduate Studies Committee Chair	Printed Name	Date
3.	 ACADEMIC UNIT CHAIR/DIRECTOR	<u>Masanori Hashimoto</u> Printed Name	<u>12-30-05</u> Date
4.	After the Academic Unit Chair/Director signs the request, forward the form to the ASC Curriculum Office, 105 Brown Hall, 190 West 17 <sup>th</sup> Ave. or fax it to 688-5678. Attach the syllabus and any supporting documentation in an e-mail to <a href="mailto:ascurofc@osu.edu">ascurofc@osu.edu</a> . The ASC Curriculum Office will forward the request to the appropriate committee.		
5.	COLLEGE CURRICULUM COMMITTEE	Printed Name	Date
6.	ARTS AND SCIENCES EXECUTIVE DEAN	Printed Name	Date
7.	Graduate School (if appropriate)	Printed Name	Date
8.	University Honors Center (if appropriate)	Printed Name	Date
9.	Office of International Education (if appropriate)	Printed Name	Date
10.	ACADEMIC AFFAIRS	Printed Name	Date

**ECONOMICS 110.03 ECONOMICS OF THE INTERNET AND MEDIA**

**THE OHIO STATE UNIVERSITY**

<b>TERM:</b>	<b>SPRING 2006</b>	<b>Office:</b>	<b>310 Arps Hall</b>
<b>INSTRUCTOR:</b>	<b>BRUCE W. BELLNER</b>	<b>Office Hours:</b>	<b>M W 10:30am-12:30pm</b>
<b>E-mail:</b>	<b><a href="mailto:bellner.1@osu.edu">bellner.1@osu.edu</a></b>	<b>Fax:</b>	<b>614/ 292-3906</b>
<b>Phone:</b>	<b>614/ 292-6701</b>		

**COURSE OVERVIEW:**

This course provides students with a foundation in the essentials of economics which will come from text examples and from articles on Internet and media. The course objective allows students to read, learn and demonstrate their knowledge on how people, institutions and society make economic choices under conditions of scarcity, emphasizing the role the Internet and media plays in this process. Students will be required to show they are proficient in these areas by making required group presentations and by taking examinations covering the course material.

Text: **Essentials of Economics** [www.brueonline.com](http://www.brueonline.com)  
 By Stanley L. Brue, Campbell R. McConnell

<b>Week</b>	<b>PART ONE</b>
1	<b>Limits, Alternatives and Choices</b> Chapter 1 Of moths and mice and the World Wide Web; (on the path to the personal computer and the Internet)—and why Moore’s (not Murphy’s) law rules!
2	<b>The Market System</b> Chapter 2 Adam Smith and the ‘invisible hand theory’ in our digital economy Creative destruction and the emergence of MP3 (iPod) technology DIY media
3	<b>Demand, Supply and Market Equilibrium</b> Chapter 3 Getting Xbox 360 to market Of e-commerce; shopping, auctions, and trading (who’s taking the gamble?) <b>EXAM I</b>
	<b>PART TWO</b>
4	<b>Public and Private Sectors, Market Success and Failure</b> Chapter 5 Market failure in the information sector—a role for Government in mixed media? Media firms, children’s advocates and regulating a digital universe
5	<b>Businesses and their Structure</b> Chapter 6 Why does Google have a market value larger than Coca-Cola? Is eBay the new Gold Standard online? AT&T and the changing structure of media conglomerates 10 Fastest Growing U.S. Occupations <a href="http://www.bls.gov">www.bls.gov</a>
6	<b>Market Models</b> Chapters 7-9 Economies of scale, simultaneous consumption, network effects <i>U.S. v. Microsoft</i> and Microsoft versus ‘open sourcing’ Price discrimination, asymmetric information (and buying a car online) How an economic theory beat the atomic bomb <a href="http://www.tjmharrford.com/">www.tjmharrford.com/</a> <b>EXAM II</b>
	<b>PART THREE</b>
7	<b>Income, Inequality and Poverty</b> Chapter 11 The Lorenz curve and Gini ratios; why lamp posts are a leap from the dark
8	<b>Introduction to GDP, Growth and Instability</b> Chapter 12 Business fluctuations and the impact of information technology
9	<b>Economic Growth</b> Chapter 17 U.S. economic Growth Rates <a href="http://www.bea.gov">www.bea.gov</a> The productivity acceleration: A new economy?
10	<b>International Trade</b> Chapter 18 Outsourcing, off-shoring and online; “Hello this is Tracy” Is the world flat? <b>EXAM III</b>

## Welcome to ECON 110.03!

Economics is all about the 'ordinary business of life', as Alfred Marshall said. But what are really 'extraordinary' are the changes taking place in our economy. Changes ushering in what some have called a 'new economy,' based on productivity and enhanced through technological development. Our goal is to gain insights into this economy, its impact on the individual and society, and how underlying economic principles apply.

The course is designed to fit a variety of majors and facilitate different levels of understanding, there are no prerequisites. Although it may be rigorous and challenging at times, it is designed to offer you the opportunity to realize your full potential for learning economics of the Internet and media sectors.

To maximize this potential, please make full use the resources provided. Follow the syllabus dateline given you and pace yourself accordingly. I recommend reading the material prior to class, taking notes and making sure you get the main concepts. Go over the chapter learning objectives, *Applying the Analysis* and *Illustrating the Idea* sections can be helpful—review the summaries, key terms, concepts and questions.

The supplements that come with your *Essentials of Economics* text are excellent. The *Online Learning Center* gives you access to valuable information including news from global media, PowerPoint lecture slides, quizzes (with feedback), a *See the Math* section, main ideas, and useful web links. You also have access to *The Wall Street Journal* and its library of resources. These supplements should be useful to you in gaining insight into 'netnomic' issues.

The time and effort you put into the course using these resources is commensurate with how well you will do. Prepare by following the above advice, attending and participating in class discussions, and by giving your best effort, this will really help you obtain the grade you strive for.

Your grade is based on the following system:

Weighting		Percentage	Letter Grade		
Exam I	30%	94-100	= A	74-76	= C
Exam II	30%	90-93	= A-	70-73	= C-
Exam III	30%	87-89	= B+	67-69	= D+
Project	10%	84-86	= B	60-66	= D
Total	100%	80-83	= B-	0-59	= E
		77-79	= C+	EN	

There will be three exams and a group project. Each exam is weighted 30% and the project is weighted 10% of your final grade. You may earn two points extra credit by finding an article that relates to our discussions, writing a brief synopsis of it, and submitting it for class discussion. Regarding your exams please note: a missed exam cannot be made up without providing a valid reason with written documentation (such as a medical excuse).

The project is based in part on your ability to become what economist Robert H. Frank calls 'Economic Naturalists.' To do this, ensure your group follows the two step process below:

1. Your group poses a question based on a personal observation from one of its members.

For example:

"Why does someone shopping for cars online seem to get a better deal?"

2. Your group proceeds to answer the question using economic principles you are learning in the class.

You will be assigned to a group the second week of class and given the date your group will be presenting. Each presentation should last approximately ten minutes. Points are awarded for content, clarity, and course relevance.

The curriculum above is designed to lead us on our mission to 'learn, understand, and demonstrate knowledge,' through adherence to our objectives of:

- learning and mastering essential economic principles,
- understanding and applying economic perspectives using the text, assigned articles and the Internet,
- demonstrating knowledge by reasoning accurately and objectively about economic matters, by successfully completing the exams and group presentation.

My hope is you will acquire some useful ideas to carry along with you, as well as a greater appreciation for (and lasting interest in) economics. To the extent I can help in any way, please let me know, I will be very happy to assist you!

**Student Services Information:**

**Code of Student Conduct** [www.studentaffairs.osu.edu/resource\\_csc.asp](http://www.studentaffairs.osu.edu/resource_csc.asp)

**Code of Student Conduct:**

**ACADEMIC INTEGRITY (ACADEMIC MISCONDUCT)**

Academic integrity is essential to maintaining an environment that fosters excellence in teaching, research, and other educational and scholarly activities. Thus, The Ohio State University and the Committee on Academic Misconduct (COAM) expect that all students have read and understand the University's *Code of Student Conduct*, and that all students will complete all academic and scholarly assignments with fairness and honesty. Students must recognize that failure to follow the rules and guidelines established in the University's *Code of Student Conduct* and [this syllabus](#) may constitute "Academic Misconduct."

The Ohio State University's *Code of Student Conduct* (Section 3335-23-04) defines academic misconduct as: "Any activity that tends to compromise the academic integrity of the University, or subvert the educational process." Examples of academic misconduct include (but are not limited to) plagiarism, collusion (unauthorized collaboration), copying the work of another student, and possession of unauthorized materials during an examination. Ignorance of the University's *Code of Student Conduct* is never considered an "excuse" for academic misconduct, so I recommend that you review the Code of Student Conduct and, specifically, the sections dealing with academic misconduct.

If I suspect that a student has committed academic misconduct in this course, I am obligated by University Rules to report my suspicions to the Committee on Academic Misconduct. If COAM determines that you have violated the University's *Code of Student Conduct* (i.e., committed academic misconduct), the sanctions for the misconduct could include a failing grade in this course and suspension or dismissal from the University.

If you have any questions about the above policy or what constitutes academic misconduct in this course, please contact me.

Other sources of information on academic misconduct (integrity) to which you can refer include:

The Committee on Academic Misconduct:  
[www.oaa.osu.edu/coam/home.htm](http://www.oaa.osu.edu/coam/home.htm)

*Ten Suggestions for Preserving Academic Integrity:*  
[www.oaa.osu.edu/coam/ten-suggestions.html](http://www.oaa.osu.edu/coam/ten-suggestions.html)

*Eight Cardinal Rules of Academic Integrity:*  
[www.northwestern.edu/uacc/8cards.html](http://www.northwestern.edu/uacc/8cards.html)

**Students with Disabilities Contact Information:**

"Any student who feels he/ she may need accommodation based on the impact of a disability should contact the instructor privately to discuss your specific needs. Please contact the Office for Disability Services at 614/ 292-3307 in 150 Pomerene Hall to coordinate reasonable accommodations for students with documented disabilities."

**COURSE GEC:**

Arts and Sciences

Social Science

Human, Natural, and Economic Resources

**Economics 110.03** is a GEC course in the Social Sciences category; the goal of this GEC category is to expose students to:

- The systematic study of the behavior of individuals and the processes by which individuals, groups, and societies allocate and use scarce resources, (with an appreciation of the types of resources there are).
- How individual decision making—in the context of social institutions for the allocation and exchange of resources—influences the resulting economic and social outcomes.
- Essential economic principles with contemporary illustrations and applications from the Internet and media sectors.

**Economics 110.03** addresses these goals in general by:

- Examining the categories of scarce economic resources.
- Applying models of economic decision making to examine the forces generating specialization and exchange.
- Using basic tools of economic analysis to examine incentives generated for decision making and examining the incentives generated for decision making by particular institutions (such as decentralized markets and governmental structures).
- Realizing a variety of outcomes possible under different institutional arrangements which are assessed in terms of normative criteria such as efficiency and equity.

**Economics 110.03** addresses these goals in particular by:

- Providing an environment to help students learn, understand, and demonstrate their knowledge of economic issues of the Internet and media.
- Having students learn essential economic facts, ideas and principles; through reading, studying and then discussing their assignments—subsequently gaining a deeper understanding through conceptualizing the relation that exists between essential economic principles and the digital economy.
- Allowing students demonstrate critical thinking through written and verbal expression in the form of course examinations and group presentations that relate directly to course objectives realized through completion of course assignments.