

Department AMST\_\_\_\_\_

Submission Checklist

Proposal X\_\_\_\_\_

Course Number 310\_\_\_\_\_

Syllabus X\_\_\_\_\_

UCC Proposal for new course X\_\_\_\_\_

Course Name: The American Economy in Literature

Check box for Honors course consideration ☐X

**AREA OF INQUIRY**

**IDENTITY, INSTITUTIONS AND SOCIETIES**

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This form must be submitted to the Liberal Learning Council as part of the submission process.

Please attach a proposed syllabus for this course and the Undergraduate Curriculum Course Proposal Form, if new course.

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**DEADLINE FOR PROPOSALS: 1 October 2006**

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Please answer the following questions:

**Check Only One:**

◇ This course is an existing course (in the current curriculum) that we are now proposing for this Area of Inquiry.

X◇ This is a new course that we are now proposing for this Area of Inquiry.

1. Name and contact information of the curriculum point person for the department administrating this course.

Dr. Anne Perkins

594-7557

aperkins@cnu.edu

2. In any given semester, how many sections of this course is your department willing to offer?  
one

3. Why is this course being offered/what is it designed to achieve (Course purpose/goal)?

This course is designed to teach students how the American economy works using illustrations from literature. This interdisciplinary approach provides students an intuitive and applied way to learn about market fundamentals.

4. Check the learner objectives below that the course will address. The first objective is required and every proposal must include at least two more objectives from the list below.
- X◊ a.) Identify concepts, patterns, and issues that affect the organization of societies, shape individual thought, or shape social mores (**required**)
- X◊ b.) Compare and contrast the effects of these concepts, patterns and issues on individuals, cultural institutions, or societies
- X◊ c.) Identify an institutional or societal structure (or structures) and its (or their) influence on individuals
- ◊ d.) Explain the fluid role of the individual within society (reflecting the multiple and sometimes contradictory roles of individuals within society)
- ◊ e.) Recognize the influence of societal or cultural context on self and others as individuals
- ◊ f.) Objectively and critically evaluate concepts of self and individuality

5. Briefly explain how this class addresses each objective checked in #4. Be sure to indicate the objective by its letter. A course may cover more than three objectives.

Objective a: *The course examines markets and social/business policy. Policies studied include regulation of business, the provision of public goods, the use of taxes and subsidies to mitigate externalities (such as too much pollution and too little investment in education), and income redistribution programs. These policies are analyzed within the framework of positive economics (which describes the effects of these policies) and also with the recognition that the development of these policies stems from a normative framework that is expressed via our political and legal systems.*

Objective b: *A major theme throughout the semester is the contrast between capitalist and collectivist economic systems in terms of their organization and performance.*

Objective c: *The institutions of the market in the United States and the U.S. government will be studied as well as the effects of both free markets and policy interventions on the individual and society. For example, our examination of demand and supply will show how free markets are generally the best way to organize economic activity (best, being defined as producing the highest level of societal welfare). However, our examination of public goods and externalities will illustrate how sometimes the institutions of government can improve upon market outcomes. The course will also use the Public Choice model to examine examples of government failure.*

6. Course Assessment: **Check below how this course will accomplish the objectives in #5 (choose at least one).**

X◇ Participating in class discussion and debate

◇ Engaging in teamwork and other collaborative exercises

X◇ Writing analytical or evaluative papers, perhaps incorporating original research

◇ Making oral presentations

◇ Creating an artistic product or a performance

◇ Participating in fieldwork

◇ Other means – please identify

7. Attach a proposed syllabus, which includes a statement of purpose, course objectives, and how these objectives will be accomplished.

See attached.

8. Explain how this course connects to Vision 2010 – the CNU Strategic Plan (<http://www.cnu.edu/Vision2010> The links are down the left side of the page.)

*The course is intellectually challenging (Curriculum Goal A) as reflected in the amount of reading and the number of assignments. Critical thinking (Curriculum Goal B) is developed through the examination of literary works for their economic content. Independent learning (Curriculum Goal C) is fostered through the assignment of the individual essay. The course is connected to civic responsibility (Curriculum Goal D) in that in a representative democracy, responsibility for the effectiveness of government ultimately rests on the citizens, and having citizens who are better informed about the effects of government policies on individuals, firms and markets, may lead to more effective government policy outcomes.*

**UNDERGRADUATE CURRICULUM COMMITTEE  
NEW COURSE PROPOSAL FORM**

**Is the course being proposed for the Liberal Learning Core? Yes \_\_\_\_\_ No \_\_\_\_\_**

1. Title of Course: The American Economy in Literature

Proposed Course Number (cleared with Registrar): AMST310

Prerequisite Courses: ULLC 223 (pre-requisite for all 300 level AoI), AMST 100 or ECON 201

If the minimum acceptable grade in a prerequisite course is greater than the default of D-, indicate the grade

required \_\_\_\_\_ and state the reason for requiring this minimum grade (consider consistency across the department):

Catalogue Description (including credits, lecture, and lab hours):

(3-3-0) A study of the workings of the American economy using selections from literature. In addition to reading the full version of Atlas Shrugged by Ayn Rand, course readings will include excerpts and short works by authors including Frost, Steinbeck, Tan, and others. Topics to be covered include supply and demand, capitalism, income inequality, public goods and government regulation, and labor markets.

Is the course cross-listed? If so, what is the number of the other course?

No.

\*\*A proposed syllabus, including complete text and/or reference information, as well as any relevant information to this decision, must be appended.

NOTE: All affected department chairs must sign approval on last page.

2. For whom is the course primarily intended? Explain why it should be added to the curriculum.

The course is intended for American Studies majors and minors as well as students completing their Identity, Institutions and Society Area of Inquiry/Liberal Learning Emphasis.

The course should be added to the curriculum because it offers an interdisciplinary approach to learning about our market based economy.

3. If this course is required, append a description of how the course fits into the curriculum. Indicate how it affects hours required for graduation.

Not required

4. Has this course been offered previously as a special topics course? If so, when? What course number was used?

AMST395/ECON395 Intermediate Special Topics offered Fall 2006 and Spring 2007.

5. Has this course, or one closely related to it, been offered at CNU previously?  
If so, is that course currently being offered? How does the proposed course differ? When is the last term the old course will be offered?

See # 4 above.

6. What is the anticipated enrollment per offering for the next three years? 18\_\_\_\_  
During which term will this course first be offered?

Fall 20\_\_\_\_ Spring 2009\_\_\_\_ Summer 20\_\_\_\_

During which semesters will this course regularly be offered?

Fall 20\_\_\_\_ Spring 20\_\_XX\_\_ Summer 20\_\_\_\_

Print in the 08/09\_\_\_\_ (academic year) Undergraduate Catalog.

7. How will the course be staffed?

Dr. Michelle Vachris, funded by the BB&T Professorship for the Study of Capitalism

8. Does the course involve a particular classroom, special equipment, or costs beyond those usually associated with a course at CNU? If so, please explain.

No.

9. Is the course repeatable for additional credit? If so, is there a limit to the number of times the course can be repeated? (e.g., applied music courses)

No.

10. If this course is for an Area of Inquiry

a. Identify the Area of Inquiry \_\_\_\_\_ Identity, Institutions and Society\_\_\_\_\_

b. Demonstrate how your course will meet the objectives of this Area of Inquiry

a.) Identify concepts, patterns, and issues that affect the organization of societies, shape individual thought, or shape social mores (**required**)

*The course examines markets and social/business policy. Policies studied include regulation of business, the provision of public goods, the use of taxes and subsidies to mitigate externalities (such as too much pollution and too little investment in education), and income redistribution programs. These policies are analyzed within the framework of positive economics (which describes the effects of these policies) and also with the recognition that the development of these policies stems from a normative framework that is expressed via our political and legal systems.*

- b.) Compare and contrast the effects of these concepts, patterns and issues on individuals, cultural institutions, or societies

*A major theme throughout the semester is the contrast between capitalist and collectivist economic systems in terms of their organization and performance.*

- c.) Identify an institutional or societal structure (or structures) and its (or their) influence on individuals

*The institutions of the market in the United States and the U.S. government will be studied as well as the effects of both free markets and policy interventions on the individual and society. For example, our examination of demand and supply will show how free markets are generally the best way to organize economic activity (best, being defined as producing the highest level of societal welfare). However, our examination of public goods and externalities will illustrate how sometimes the institutions of government can improve upon market outcomes. The course will also use the Public Choice model to examine examples of government failure.*

This course was approved by:

**(Liberal learning core courses must be reviewed by BOTH academic Deans.)**  
**Do Not**

**Concur**

**Concur\*\***

Department(s): (1) _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
(2) _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
Liberal Learning Council: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
CLAS Curriculum Committee: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
LSOB Curriculum Committee: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
Dean: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
Dean: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
Undergraduate Curriculum Committee: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>

***Changes to the Liberal Learning requirements must be reviewed by the Faculty Senate.***

Faculty Senate President: _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>
Provost _____	Date: _____	<input type="checkbox"/>	<input type="checkbox"/>

Distribution by Provost Office following approval:  
Department Chair(s), UCC Chair, Deans, Registrar

*\*\* If "Do Not Concur" is checked, please attach a statement of explanation.*

*Rev. 02/21/06*

**American Studies 310  
Spring**

**The American Economy in Literature**

**Dr. Michelle A. Vachris**  
**BB&T Professor for the Study of Capitalism**  
**Office hours: TBD**  
**mvachris@cnu.edu**

**Business & Tech. Center Rm. 423**  
**594-7719 (office)**  
**594-7068 (secretary)**  
**594-7808 (Fax)**

**Course Description:** A study of the workings of the American economy using selections from literature. In addition to reading the full version of Atlas Shrugged by Ayn Rand, course readings will include excerpts and short works by authors including Frost, Steinbeck, Tan, and others. Topics to be covered include supply and demand, capitalism, income inequality, public goods and government regulation, and labor markets.

**Required Texts:**

Atlas Shrugged, Ayn Rand.

The Literary Book of Economics, Michael W. Watts (ed.) ISI Books, 2003.

Online principles of economics text: [www.ingrimayne.com/econ/TOC.html](http://www.ingrimayne.com/econ/TOC.html)

**Performance Objectives:** Students will demonstrate through class discussions, a written exam, and written assignments an understanding of:

*Free markets, social/business policy and the underlying normative framework of the policy.*

*The differences between capitalist and collectivist economic systems in terms of their organization and performance.*

*The institutions of the market in the United States and the effects of both free markets and policy interventions on the individual and society.*

**Performance Measures:**

Class Discussion and Homework	20%
Atlas Shrugged Journal	10%
Mid-Term Exam	20%
Essay	25%
Final Exam	25%

**Class Discussion and Homework:** This course is not lecture based, so the success of this course depends keenly on your involvement. For each reading, you are to bring to class written answers to the discussion questions and these will form the basis of our class discussions that day. (See course outline.)

**Atlas Shrugged Journal:** Additional discussion questions will be assigned from your ongoing reading of Atlas Shrugged. (See course outline.)



**Essay:** Students will choose from a list of topics concerning the concepts presented in Atlas Shrugged. Any material you obtain from outside sources should be referenced using the APA style, and your paper must have a list of references at the end. Any material quoted directly from your references should be enclosed in quotation marks and referenced. Your paper should be your own work, and you should adhere to the standards of the CNU honor code (see below). The essay should be typed, double-spaced, and the text of the paper should be 1000-1200 words in length (excluding references). Late papers will be assigned a grade penalty.

**CLASS POLICY:** No electronic devices may be used in class other than a tape recorder for taping lectures. Please turn off all cell phones, pagers, MP3 players, etc.

*Students are expected to be on time and to attend all classes.* Students who miss class are responsible for obtaining missed handouts or other information/announcements.

*Students are expected to turn in assignments on time.* All homework due dates will be announced in class on a flow basis and late work will not be accepted. Essays submitted after the deadline will be assigned a grade penalty.

*Students are expected to keep up with the assigned readings, to complete assignments, and to attend office hours for additional assistance.*

We want you to succeed at CNU; therefore I may notify the Academic Advising Center if you seem to be having problems with this course. Someone may contact you to help you determine what help you need to succeed. You will be sent a copy of the referral form. I invite you to see me if I can be of any assistance in helping you with the course material.

***In other words, your success in this class depends on you, but I am willing to help you achieve this goal!***

**CNU HONOR CODE:** “On my honor, I will maintain the highest possible standards of honesty, integrity and personal responsibility. That means I will not lie, cheat, or steal and as a member of this academic community, I am committed to creating an environment of respect and mutual trust.”

**NOTE:** Any student who believes that he or she is disabled should contact me to discuss your needs. In order to receive an accommodation, your disability must be on record in Disability Services.

## Course Outline and Discussion Question Assignments

For each of the readings listed below, note the economic concepts illustrated by the author, list the general economic roles of government that are suggested and answer the additional discussion questions.

### I. Scarcity, Choice & Opportunity Cost

A. Robert Frost, "The Road Not Taken"

1. What is the opportunity cost of taking the road less traveled by?

### II. Property Rights and Incentives

A. Robert Frost, "Mending Wall"

1. Is private property in this poem regarded as a natural right or as theft?

B. Sebastian Junger, *The Perfect Storm*

1. What policy would you recommend to address this *tragedy of the commons*?

### III. Specialization and the Division of Labor

A. Sherwood Anderson, *Winesburg, Ohio*

1. Identify the examples of specialization.

B. John Steinbeck, *East of Eden*

1. How can there be too much specialization?
2. How does this excerpt shed light on your choice of a major?

### IV. Markets, Prices, Supply and Demand and Elasticity

A. Edward Bellamy, "The Parable of the Water Tank"

1. What is the key assumption in this excerpt that prevents the oversupply problem from fixing itself?

B. Sebastian Junger, *The Perfect Storm*

1. Identify the non-price determinants of supply and demand.

C. Amy Tan, *The Joy Luck Club*

1. How do economists define a reasonable rate of profit?
2. Can excess profit be earned in the stock market or on mah jong?

D. Jon Krakauer, *Into Thin Air*

1. Explain whether the demand to climb Everest is elastic or inelastic. Relate your answer to the determinants of elasticity.

E. John Steinbeck, *The Pearl*

1. Identify examples of the multiplier effect.
2. Compare the pearl buying cartel with the employment for public school teachers.

## **V. Public Goods, Externalities and the Coase Theorem**

### **A. John Steinbeck, *Travels with Charley***

1. Classify national parks as either rival or non-rival and excludable or non-excludable.
2. Describe one public and one private solution to the national parks problem.

### **B. Jon Krakauer, *Into Thin Air***

1. Identify and classify the externality.
2. Describe one public and one private solution to the externality.

## **VI. Government Regulation and Public Choice**

### **A. Upton Sinclair, *The Jungle***

1. Why didn't the market lead to the best outcome in the meat packing industry? (What is the source of the market failure?)

### **B. Henry Adams, *Democracy***

1. "After all, it is absurd to spend more money than is enough to satisfy one's wants." What basic assumption of economic theory is violated in this statement?
2. "It is vulgar to live in two houses in the same street." Is this a positive or a normative statement?
3. In economic theory, consumers are assumed to maximize utility (well-being) and producers are assumed to maximize profits. What do politicians maximize?

### **C. Joseph Heller, *Good as Gold***

1. In economic theory, consumers are assumed to maximize utility (well-being) and producers are assumed to maximize profits. What do career bureaucrats maximize?

## **VII. Income Inequality and Poverty**

### **A. Frank Norris, *The Octopus***

### **B. Kurt Vonnegut, *Harrison Bergeron***

1. Contrast the two views on inequality presented by these two excerpts.

## **VIII. Labor Markets**

### **A. Benjamin Franklin, *Autobiography***

1. Define 'human capital' and find examples of human capital formation in this excerpt.

### **B. Sebastian Junger, *The Perfect Storm***

1. How are wages determined in the fishing industry?
- C. Jon Krakauer, *Into Thin Air*
  1. How are rates to hire Sherpas determined?
  2. How has globalization affected the Sherpa culture?
- D. Ivan Doig, *Dancing at the Rascal Fair*
  1. What kinds of human capital are presented in this excerpt?
  2. Who gains and who loses as a result of the immigration presented in the excerpt?
- E. John Steinbeck, *Travels with Charley*
  1. How can competition in markets reduce discrimination?

## IX. Unions

- A. John Steinbeck, *In Dubious Battle*
  1. In economic theory, consumers are assumed to maximize utility (well-being) and producers are assumed to maximize profits. What do union leaders maximize?
- B. Erskine Cardwell, *God's Little Acre*
  1. Find an example of what union leaders maximize.
  2. What determines wages at the mill?
  3. What gives the mill owners an advantage in the labor market?
- C. Ivan Doig, *Bucking the Sun*
  1. How does the government construction of a dam affect the economy?
  2. How would the effect be different if the economy was at full employment instead of in a depression?

## X. Barter, Money and Inflation

- A. Charles Frazier, *Cold Mountain*
  1. Describe how inflation drives an economy towards barter.
  2. Why is barter inefficient?
- B. Gertrude Stein, "Money"
  1. According to Stein, how are decisions about public spending made differently than decisions about family spending?
- C. Mark Twain, *A Connecticut Yankee in King Arthur's Court*
  1. Find an example of the difference between real and nominal values
  2. Compare the situation presented in this excerpt with a decision between 2 job offers at the same pay – one in Manhattan and one in Newport News.

### **Assignments from Atlas Shrugged**

1. Part I, Chapter IV “The Immovable Movers” pp. 75-88  
Explain the “Anti-dog-eat-dog Rule.” Who benefits and who is hurt by the Rule?  
What are some possible unintended consequences?
2. Part I, Chapter VI “The Non-Commercial” pp. 125-130  
Explain the “Equalization of Opportunity Bill.” Who benefits and who is hurt by the Rule? What are some possible unintended consequences? (See p. 204 and p. 253)
3. Part I, Chapter IX “The Sacred and the Profane” pp. 269-273  
How does “the Motor” work? What would be the economic effects of such an invention?
4. Part I, Chapter X “Wyatt’s Torch” p. 279  
Explain the “Fair Share Law.” Who benefits and who is hurt by the Rule? What are some possible unintended consequences? (See p. 335-340, p. 462)
5. Part II, Chapter II “The Aristocracy of Pull” pp. 380-385  
In Francisco d’Anconia’s ‘money speech’ what is the role of money or profit?  
Find examples that illustrate the difference between the voluntary nature of the market and the coercive nature of government.
6. Part II, Chapter IV, “The Sanction of the Victim” pp. 440-447  
Find examples of self-interest versus the public good.
7. Part II, Chapter VI “Miracle Metal” pp. 495-507  
Explain “Directive Number 10-289.” Who benefits and who is hurt by the Rule?  
What are some possible unintended consequences?