Economics Foundations Waiver Exam

- Waiver exams must be taken within the first year of starting GSM classes
- The waiver exam may be taken only once per subject
- Arrangements are made with the faculty proctor for the subject area
- The cost of the waiver exam is $100 payable prior to exam date
  - Payment recommended at least two weeks prior to the exam
- Please forward the check to the Graduate School of Management (GSM), made payable to: Marquette University Graduate School of Management
  - Address:
    - Marquette University
    - Graduate School of Management
    - David Straz Hall, Executive Center, Suite 275
    - PO Box 1881
    - Milwaukee, WI 53201-1881
- Upon receipt of the fee, the GSM will notify the faculty member and provide written documentation authorizing the waiver exam

Topical Coverage for ECON 6000 Waiver Exam

It is expected that students will be able to demonstrate knowledge of the core topics that are covered in two Marquette undergraduate classes, Principles of Microeconomics and Principles of Macroeconomics There are many standard textbooks that cover these core topics, which are listed below.

MICROECONOMICS

I. Introductory Topics
   - nature and definition of economics
   - scarcity, choice, opportunity cost
   - comparative advantage, gains from trade
   - marginal analysis

II. Supply and Demand Analysis
   - demand and supply curves
   - market equilibrium
   - causes and effects of changes/shifts in demand and supply curves
   - elasticities of supply and demand
   - surpluses and shortages
   - effects of government price floors and ceilings

III. Costs of Production
   - concept of a production function
law of diminishing marginal returns
short run cost curves
long run cost curves

IV. Perfect Competition
characteristics of perfect competition
price-taking behavior
concept of economic profit
price = marginal cost rule for profit maximization
firm short run supply, shut-down decision
market short run supply
entry and exit and long run equilibrium
efficiency

V. Pure Monopoly
monopoly characteristics
price-making behavior
p > marginal revenue
marginal revenue = marginal cost rule for profit maximization
inefficiency

VI. Imperfect Competition (briefly)
oligopoly
monopolistic competition

VII. Role of Government in the Economy
market failure
externalities
public goods

MACROECONOMICS

I. Introductory Topics
difference between micro and macro
circular flow model
GDP and national income accounting
Price indexes as measures of inflation (CPI and GDP deflator)
definitions/measurement of the unemployment rate
concept of economic growth

II. The AD/AS Model
components of aggregate demand
multiplier effects
government budget
fiscal policy
discretionary policy vs. automatic stabilizers

III. Money and Banking
   definition, characteristics, and functions of money
   Federal Reserve System and commercial banking
   fractional reserves and money multiplier
   monetary policy

IV. International Economics
   trade flows
   balance of payments
   exchange rates
   international economic policy (tariffs and quotas, exchange rate policy)

V. The Macroeconomy in the Long Run
   determinants and nature of economic growth
   policy analysis

VI. The Relationship between Inflation and Unemployment
   short run Phillips curve and long run Phillips curve
   policy debate, i.e., activist vs. passive, short-run vs. long-run, etc.

To schedule the economics waiver exam, contact Dr. Noreen Lephardt at:
Noreen.Lephardt@marquette.edu.