San José State University  
Economics Department  
Econ 158, Sec 1, Spring 2020

Economics of Entrepreneurship  
Course Code - 29146

Instructor: John (Jack) Estill  
Office Location: Dudley Moorehead Hall, Room 214  
Telephone: 408-924-5400 (Main Office)  
Email: John.Estill@sjsu.edu  
Office Hours: Tuesdays 11:00 am – 12:30 pm and by appointment  
Class Days/Time: Tuesdays and Thursdays, 1:30 pm to 2:45 pm  
Classroom: Dudley Moorehead Hall 165  
Prerequisites: Econ 1A and Econ 1B

Email is the fastest way to contact me. Voicemail is the slowest. I guarantee a 48-hour electronic response. I am usually on campus from 10 a.m. until 3:30 p.m. on Tues. If my door is open, I am available. If it is not, please knock.

Technology Intensive Course

Several components of this class require electronic access including quizzes given through iClicker (cell phones, computers, or loaned clickers), discussion topic responses through Canvas, and electronic access to the readings and supporting materials.

MYSJSU Messaging

Course materials such as syllabus, handouts, notes, assignment instructions, etc. can be found on Canvas Learning Management System course login website at http://sjsu.instructure.com. You are responsible for regularly checking with the messaging system through MySJSU at http://my.sjsu to learn of any updates.

Course Description

Examines how economists have approached the phenomenon of entrepreneurship, from its behavioral foundations to its effects on economic growth and progress. Explores the role of entrepreneurship in theory and policy, and emphasizes its cultural, legal, and political determinants.
This is a four-unit course. Success in this course is based on the expectation that students will spend, for each unit of credit, a minimum of 45 hours over the length of the course (normally three hours per unit per week) for instruction, preparation/studying, or course related activities, including but not limited to internships, labs, and clinical practice. Other course structures will have equivalent workload expectations as described in the syllabus. Additional information can be found at:

- Office of Graduate and Undergraduate Programs’ Syllabus Information web page at http://www.sjsu.edu/gup/syllabusinfo/

Course Goals

The goal is to promote both economic understanding and application (Econ SLO 1 & 2). Specifically, students are expected to gain familiarity with analytical methods and model-based argument; and relationships between verbal, graphical, mathematical and statistical representations of economic ideas and analysis (Econ SLO 1.3).

Course Learning Outcomes:

CLO 1: Apply economic reasoning as it relates to policies impacting entrepreneurship.
CLO 2: Explain the impact of various institutions on entrepreneurial activity in the short run and long run.
CLO 3: Evaluate various public policies for their effect on entrepreneurial activity

Upon successful completion of this course students will be able to:

PLO 4. Identify the role of the entrepreneur in a market economy (Area specialty)
PLO 5. Through a written report and presentation, demonstrate understanding of various components of entrepreneurial activity in practice (Communication)

Required Readings

Primary Reading (Available on Canvas and on 2-hour reserve at the library)

Other Readings
Additional Readings (Available on Canvas):

“The Law” (excerpts) – Frederic Bastiat
“The Austrian School” - Boettke
“The Use of Knowledge in Society” - F.A. Hayek
“Competition as a Discovery Procedure” – F.A. Hayek


“Entrepreneurship and Economic Growth” – Randall Holcombe

*Competition and Entrepreneurship* – Chapters 1 and 2 (pages 30 – 52 only) – I. M. Kirzner

*Capitalism, Socialism and Democracy* – Chapters 6 and 7 – J.A. Schumpeter

*A Conflict of Visions* - Chapter 2 - “Constrained and Unconstrained Visions” – Thomas Sowell

“The Essential Fact About Capitalism.” - Kate Incontrera

“If failing well is the key to success.” - Megan McArdle

**Other technological requirements – Clickers**

I will be using REEF Polling as a student response system in class this term. REEF Polling helps me to understand what you know and gives everyone a chance to participate in class. I will use REEF Polling to keep track of participation which represents 10% of your final grade.

**Device Options:**
You will have several options available to participate in clicker sessions:

**REEF Polling App:** Allows you to use your smart phone, tablet, or even laptop in class as a clicker to participate.

**Clicker Remote:** You can request to borrow a Clicker remote from eCampus ([http://www.sjsu.edu/at/ec/](http://www.sjsu.edu/at/ec/)) for free. Remotes are to be returned to eCampus at the end of the semester.

**How to Request REEF Polling (smart phone, tablet, and laptop users)**

This University has a site license to simply iClicker access. Please visit [http://www.sjsu.edu/at/ec/](http://www.sjsu.edu/at/ec/) and follow the provided instructions. It is quick and easy.

**How to Request a Clicker Remote**
Send an email to [http://www.sjsu.edu/at/ec/](http://www.sjsu.edu/at/ec/) and request to loan a Clicker remote. Further instructions will be provided to you by eCampus on scheduling a pickup.

**Clicker Cheating**
Bringing a fellow student’s Clicker to class is cheating and a violation of the University Honor Code. If you are caught with a remote other than your own or have votes in a class that you did not attend, you will forfeit all clicker points and may face additional disciplinary action.

Course requirements and Assignments

On time attendance is required and your grade depends on verbal and written analysis of the primary and supplemental readings. The suggested readings may require several rereads. Plan your schedule accordingly. This course combines the theoretical understanding of readings with real skills in organizing projects. Understanding the readings is important, but not sufficient. The additional goal of this class is to apply and communicate ideas effectively to others.

Three separate assignments will be evaluated to measure how successfully students accomplish these learning outcomes. Among other assignments, students will complete one oral presentation, one written assignment, and one project with multiple elements. The first two assignments involve summarizing a reading, then identifying and describing three important elements within the reading that encourage or discourage entrepreneurial activity. To do well on these assignments, students must comprehend the channels by which various government and institutional arrangements affect entrepreneurship and innovation and communicate these effectively in both oral and written presentations. The final assignment is a project that requires students to apply these lessons by creating an innovation and presenting it to the class on the scheduled final day.

Final Exam or Evaluation

The final evaluation for this class is the Innovation Project. Students may create this project individually or join in groups of up to four members. Students will be expected to use the core ideas presented in the class through the readings, analyses, and presentations to create and market a unique product, service, or other idea.

Grading Information:

Your numerical grade will be based on the following categories and weights:

<table>
<thead>
<tr>
<th>Category</th>
<th>Weight</th>
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</thead>
<tbody>
<tr>
<td>Quizzes and participation</td>
<td>10%</td>
</tr>
<tr>
<td>Online Discussion</td>
<td>10%</td>
</tr>
<tr>
<td>Presentations</td>
<td>10%</td>
</tr>
<tr>
<td>Written Analysis</td>
<td>20%</td>
</tr>
</tbody>
</table>
Participation will include an online discussion board where students will post for each reading. Exams and quizzes may consist of multiple choice, short answer, graphical, and essay questions. Quizzes will be at the beginning of each new reading and will cover material in the readings assigned for that day. The final evaluation will consist of effectively using the concepts developed over the semester.

There are detailed descriptions of the online discussions, class presentations, the written analyses, and the innovation project that include outlines and rubrics that can be accessed in the Files>Class Materials section of Canvas for this class. Please familiarize yourself with the description before beginning each assignment. Quizzes will consist of five multiple choice questions covering each reading. Exams will be made up of multiple choice, short answer essay, and long answer essays with specifics that are covered in class.

All assignments are mandatory and due dates are firm. Missed assignments will be graded as zero and late assignments will lose up to ten points per week at the discretion of the instructor.

**I do not use a grading curve nor do I round up.** Your final numerical grade will be the weighted average of your scores in the above categories, and your corresponding letter grade will be assigned as follows:

<table>
<thead>
<tr>
<th>Percent</th>
<th>Grade</th>
<th>Percent</th>
<th>Grade</th>
<th>Percent</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>98-100%…A</td>
<td>98-100%…A</td>
<td>90-92%…A-</td>
<td>90-92%…A-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>88-89%…B+</td>
<td>83-87%…B</td>
<td>80-82%…B-</td>
<td>80-82%…B-</td>
<td></td>
<td></td>
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<tr>
<td>78-79%…C+</td>
<td>73-77%…C</td>
<td>70-72%…C-</td>
<td>70-72%…C-</td>
<td></td>
<td></td>
</tr>
<tr>
<td>68-69%…D+</td>
<td>63-67%…D</td>
<td>60-62%…D-</td>
<td>60-62%…D-</td>
<td></td>
<td></td>
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<tr>
<td>0-59%…F</td>
<td>0-59%…F</td>
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</table>

**Final Exam Schedule:** Tuesday, May 19, 2020 from 12:15 pm to 2:30 pm in Dudley Moorehead Hall Room 165. *You must be in class to receive credit. Plan accordingly.*

**Consent for Recording of Class and Public Sharing of Instructor Material**

[University Policy S12-7](http://www.sjsu.edu/senate/docs/S12-7.pdf), requires students to obtain instructor’s permission to record the course and the following items to be included in the syllabus:

- “Common courtesy and professional behavior dictate that you notify someone when you are recording him/her. You must obtain the instructor’s permission to make audio or video recordings in this class. Such permission allows the recordings to be used for your private, study purposes only. The recordings are the intellectual property of the instructor; you have not been given any rights to reproduce or distribute the material.”
  - Under certain circumstance, students may record instructor material in this class. In order to do so, a student must have written permission from the
instructor that outlines what will be recorded, when the material will be recorded, the use of the material that is recorded, and with whom the material will be shared. The instructor will provide a form for this approval.

- In classes where active participation of students or guests may be on the recording, permission of those students or guests should be obtained as well.

- “Course material developed by the instructor is the intellectual property of the instructor and cannot be shared publicly without his/her approval. You may not publicly share or upload instructor generated material for this course such as exam questions, lecture notes, or homework solutions without instructor consent.”

**Classroom protocol:**

1. Missing class can reduce your grades through preparation for the homework, quizzes, and exams. If you miss class, please refer to my website or find out from a fellow student what you missed, get relevant assignments, and do the work to catch up. Missing exams or the final innovation project is not an option except under circumstances of medical excuse or a death in your family (documentation necessary in either case). Please come to class on time. Chronic tardiness will result in reduced quiz points commensurate with the degree of tardiness.

2. Classes feature group discourse. Please maintain proper decorum: no interruptions, disruptive talking, offensive language, and/or other improper conduct.

3. Important – this is a student-driven, lecture-based course. I, therefore, encourage students to record the lectures if they believe doing so will help their studies. You must simply get my permission before doing so, following the instructions in Consent for Recording that follows. But, any use of laptops, tablets, cell phones (other than for iClicker quizzes), or other electronic devices for typing notes is prohibited in class unless specifically allowed by the instructor. Studies have shown that students who take notes on these devices significantly impair their comprehension of the material. Students need to come prepared to take hand-written notes. Those who violate this prohibition will have half a point deducted from their final grade for the course (out of 100 points) for each and every infraction.

4. If you must leave early, please do so from the back of the class with as little disruption as possible.

**University Policies**

Per University Policy S16-9, university-wide policy information relevant to all courses, such as academic integrity, accommodations, etc. will be available on Office of Graduate and Undergraduate Programs’ Syllabus Information web page at [http://www.sjsu.edu/gup/syllabusinfo/](http://www.sjsu.edu/gup/syllabusinfo/)
## Econ 158 / Economics of Entrepreneurship, Spring 2020 Course Schedule

We will use this as a guideline, so it is subject to change with sufficient notice. Supplemental readings may be added during the semester.

<table>
<thead>
<tr>
<th>Week</th>
<th>Dates</th>
<th>Topic</th>
<th>Reading Assignments</th>
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</thead>
<tbody>
<tr>
<td>1</td>
<td>01-23</td>
<td>Introduction</td>
<td>Harper - Ch. 1</td>
</tr>
<tr>
<td>2</td>
<td>01-28</td>
<td>Austrian Economics</td>
<td>“The Austrian School”</td>
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<td></td>
<td>01-30</td>
<td>The Theory of Entrepreneurial Discovery</td>
<td>Harper - Ch. 2</td>
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<tr>
<td>3</td>
<td>02-04</td>
<td>The Theory of Entrepreneurial Discovery (cont.)</td>
<td>“The Use of Knowledge in Society”</td>
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<td></td>
<td>02-06</td>
<td></td>
<td>“Competition as a Discovery Procedure”</td>
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<tr>
<td>4</td>
<td>02-11</td>
<td>The Theory of Entrepreneurial Discovery (cont.)</td>
<td>“Cosmos and Taxis”</td>
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<td></td>
<td>02-13</td>
<td></td>
<td><em>Capitalism, Socialism and Democracy</em> - Chapter 6 &amp;7</td>
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<tr>
<td>5</td>
<td>02-18</td>
<td><em>The Call of the Entrepreneur</em></td>
<td>No Class</td>
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<tr>
<td>6</td>
<td>02-25</td>
<td>The Theory of Entrepreneurial Discovery (cont.)</td>
<td><em>Competition and Entrepreneurship</em> – Chapter 1 &amp; 2 (to page 52 only)</td>
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<td></td>
<td>02-27</td>
<td></td>
<td>“Entrepreneurship and Economic Growth”</td>
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<tr>
<td>7</td>
<td>03-03</td>
<td>The Psychological Determinants of Entrepreneurial Alertness</td>
<td>Harper – Ch. 3</td>
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<td></td>
<td>03-05</td>
<td></td>
<td>“The Constrained and Unconstrained Visions”</td>
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<tr>
<td>8</td>
<td>03-10</td>
<td>Review</td>
<td>Exam Review</td>
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<td></td>
<td>03-12</td>
<td>EXAM 1</td>
<td>Exam</td>
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<tr>
<td>9</td>
<td>03-17</td>
<td>Institutions</td>
<td>“The Law”</td>
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<td></td>
<td>03-19</td>
<td>Institutions I: Rule of Law, Property and Contract</td>
<td>Discuss Innovation Project</td>
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<td>Harper – Ch. 4</td>
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<td>10</td>
<td>03-24</td>
<td>Institutions II: Money, Political and Legal Decentralization, and Economic Freedom</td>
<td>Harper – Ch. 5</td>
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<td>03-26</td>
<td>Culture and Alertness</td>
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<td>11</td>
<td>03-31</td>
<td>SPRING BREAK</td>
<td>No School</td>
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<td>04-02</td>
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<tr>
<td>12</td>
<td>04-07</td>
<td>The Market Process Approach to Public Policy – The Entrepreneurial Experience #1</td>
<td>Harper – Ch. 7 pages 171-194</td>
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<td>04-09</td>
<td></td>
<td>Guest Lecturer 1</td>
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<td>Rough draft of innovation business plan due on Sunday 4/12 at 11 pm</td>
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<tr>
<td>Date</td>
<td>Reading Assignment</td>
<td>Notes</td>
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<tr>
<td>04-14</td>
<td>04-16 Hard Core and Heuristics of Policy and Policy Analysis</td>
<td>Harper – Ch. 7, pages 195-211</td>
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<td></td>
<td>04-16 The Entrepreneurial Experience #2</td>
<td>Guest Lecturer 2</td>
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<tr>
<td>04-21</td>
<td>04-23 Empirical Testing and Conceptual Development</td>
<td>Harper Ch. 8</td>
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<tr>
<td></td>
<td>04-23 The Entrepreneurial Experience #3</td>
<td>Guest Lecturer 3</td>
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<tr>
<td>04-28</td>
<td>04-30 Review</td>
<td>Exam Review</td>
<td></td>
</tr>
<tr>
<td></td>
<td><strong>EXAM 2</strong></td>
<td>Exam 2</td>
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<tr>
<td>05-05</td>
<td>05-07 Entrepreneurship and Failure</td>
<td>“Why failing well is the key to success”</td>
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<td></td>
<td>05-07 Entrepreneurial Experience #4</td>
<td>and “The Essential Fact About Capitalism”</td>
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<td></td>
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<td>Guest Lecturer 4</td>
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<tr>
<td>05-19</td>
<td><strong>FINAL EXAM – Innovation Presentations</strong></td>
<td><em>Final Business Plan Due 5/06 @ 11 pm</em></td>
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<td><em>All Assignments must be submitted by 5/19/20 at 11:00 pm to be considered for final grades</em></td>
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</tbody>
</table>

Be prepared to discuss the readings on the assigned dates. Note the reading assignments line up with the date due.

References to Required and Supplemental Readings


**Additional References (Contributions from Economics)**


**Additional References (Contributions from SJSU Faculty)**


**Related Campus Activities at SJSU:**

Silicon Valley Innovation Challenge - [https://www.sjsu.edu/svic/](https://www.sjsu.edu/svic/)
IDEAS Student Innovation Accelerator - [https://ideassjsu.org/](https://ideassjsu.org/)
Silicon Valley Business Plan Competition - [https://www.sjsu.edu/svce/svbpce/index.html](https://www.sjsu.edu/svce/svbpce/index.html)