

ECON5103

Business Economics

Course Outline

Semester 1, 2017

Part A: Course-Specific Information

Students are also expected to have read and be familiar with **Part B Supplement to All Course Outlines**. This contains Policies on Student Responsibilities and Support, Including Special Consideration, Academic Misconduct and Plagiarism, and Key Dates. It also contains the BUSINESS SCHOOL PROGRAM LEARNING GOALS.

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1 STAFF CONTACT DETAILS

1.1 Lecturers

Trevor Stegman (Lecturer-in-Charge)

T.Stegman@unsw.edu.au

Room 465

Business School Building

Phone 9385 9935

Consultation Times: TBA

Trevor Stegman is the lecturer for Weeks 1-6 in all lecture streams

Peter Nichols

p.nichols@unsw.edu.au

Room 465

Business School Building

Phone No: 9385 9935

Consultation Times: To Be Advised

Peter Nichols is the lecturer for Weeks 8-12 in lecture streams A and B

Sherman Chan

sherman@unsw.edu.au

Room 465

Business School Building

Phone No: 9385 9935

Consultation Times: To Be Advised

Sherman Chan is the lecturer for Weeks 8-12 in lecture stream D

Tutors

A full list of tutors will be posted on the Course Website.

1.2 Communications with staff

We strongly encourage all enquiries about the subject material be made at lectures or tutorials or during consultation time.

Email communication should be used for advising of absence, or other administrative matters, or for arranging an appointment outside of consultation hours.

Please note that the lecturers have no advance notice of the date and time of the final exam.

2 COURSE DETAILS

2.1 Teaching Times and Locations

There are three parallel lecture streams (each 2 hours per week)

Lecture Group A Thursday 3-5pm in Ainsworth G03.

Lecture Group B Tuesday 6-8pm in Ainsworth G03.

Lecture Group D Wednesday 6-8pm in Keith Burrows Theatre

Lectures (2 hours per week) start in Week 1.

Tutorials (1 hour per week) start in Week 2 (to Week 13).

A full list of tutorial times and locations, and tutors will be placed on Course Website.

2.2 Units of Credit

The course is worth 6 units of credit.
There is no parallel teaching in this course.

2.3 Summary of Course

This course is an introduction to economic analysis, with particular application to decision-making in business, and the effects of government policy on the broader economic environment in which business decisions must be made.

Part 1 of the course deals with microeconomic issues: the analysis of resource allocation and efficiency in markets for particular commodities and services.
Part 2 of the course deals with macroeconomic issues: the analysis of the productive performance of the economy in aggregate, and the workings of the financial system.

A schedule with readings for Lectures is given below.

2.4 Aims and Relationship to Other Courses

The aim of this course is to provide an introduction to economic concepts and methods of analysis, to enable students to understand and use economic arguments in business decision making. The course assumes no previous study of economics.

ECON5103 is a prerequisite for other postgraduate courses offered by the School of Economics. It is also designed to satisfy the requirements of professional bodies, which require their members to have a basic knowledge of Economics.

There are no prerequisites for this course.

2.5 Student Learning Outcomes

The Course Learning Outcomes are what you should be able to DO by the end of this course if you participate fully in learning activities and successfully complete the assessment items. The Learning Outcomes in this course also help you to achieve some of the overall Program Learning Goals and Outcomes for all postgraduate coursework students in the Business School. Program Learning Goals are what we want you to BE or HAVE by the time you successfully complete your degree. You demonstrate this by achieving specific Program Learning Outcomes - what you are able to DO by the end of your degree. For more information on the Postgraduate Program Learning Goals and Outcomes, see Part B of the course outline.

The following table shows how your Course Learning Outcomes relate to the overall Program Learning Goals and Outcomes, and indicates where these are assessed:

Program Learning Goals and Outcomes		Course Learning Outcomes	Course Assessment Item
<i>This course helps you to achieve the following learning goals</i>		<i>On successful completion of the course, you should be able to:</i>	<i>This learning outcome will be assessed in the following items:</i>
1	Knowledge	Describe key micro- and macro-economic concepts. Construct economic arguments in terms of these concepts. Critically read and evaluate economic stories in the media.	<ul style="list-style-type: none"> • Submission question • Midsession exam • Final Exam
2	Critical thinking and problem solving	Apply simple economic models to the analysis of the relevant economic issues.	<ul style="list-style-type: none"> • Submission question • Midsession exam • Final Exam
3a	Written communication	Construct written work which is logically and professionally presented.	<ul style="list-style-type: none"> • Submission question
3b	Oral communication	Communicate ideas in a succinct and clear manner.	<ul style="list-style-type: none"> • Tutorial presentation
4	Teamwork	Work collaboratively to complete a task.	<ul style="list-style-type: none"> • Submission question
5a	Ethical, environmental and sustainability considerations	Identify and assess environmental and sustainability considerations in problems in international macroeconomics.	<ul style="list-style-type: none"> • Final Exam
5b	Social and cultural awareness	Not specifically addressed in this course.	

3 LEARNING AND TEACHING ACTIVITIES

3.1 Approach to Learning and Teaching in the Course

The philosophy underpinning this course and its Teaching and Learning Strategies are based on “Guidelines on Learning that Inform Teaching at UNSW. These guidelines may be viewed at: www.guidelinesonlearning.unsw.edu.au. Specifically, the lectures, tutorials and assessment have been designed to appropriately challenge students and support the achievement of the desired learning outcomes. A climate of inquiry and dialogue is encouraged between students and teachers and among students (in and out of class). The lecturers and tutors aim to provide meaningful and timely feedback to students to improve learning outcome.

3.2 Learning Activities and Teaching Strategies

The examinable content of the course is defined by the references given in the Lecture Schedule, the content of Lectures, and the content of the Tutorial Program.

Lectures

The purpose of Lectures is to provide a logical structure for the topics that make up the course; to emphasize the important concepts and methods of each topic, and to provide relevant examples to which the concepts and methods are applied.

Tutorials

Tutorials follow the lectures by one week.

The purpose of the tutorial is to reinforce and clarify the concepts and issues covered in the lectures, and identify and remedy any problems with understanding.

A Tutorial Program for tutorials will be distributed in the first lecture and will be posted on the Course website. In the tutorial program, each tutorial will consist of:

- **Review Questions.** Students should attempt and self-correct these before attendance at their tutorial class. Questions which pose difficulties can be raised with the tutor.
- **Submission questions.** Allocated students are required to lead the class discussion of these questions and to submit written answers in the tutorial following their presentation. All students should be prepared to participate in the tutorial discussion (see also Assessment below)

Each student must, as part of a registered group, submit a written answer to a nominated Submission Question as part of Assessment (See Section 4.5 below).

Out-of-Class Study

While students may have preferred individual learning strategies, it is important to note that most learning will be achieved outside of class time. Lectures can only provide a structure to assist your study, and tutorial time is limited.

An “ideal” strategy (on which the provision of the course materials is based) might include:

- Reading of the relevant Topic Notes **before the lecture**. This will give you a general idea of the topic area.

- Attendance at lectures. Here the context of the topic in the course and the important elements of the topic are identified. The relevance of the topic should be explained. Students should download a hard copy (or an editable soft copy) of the lecture slides from the website before the lecture. These lecture notes can then be used in lectures for students to make additional notes. Lecture Notes will be posted on the course website.
- Attempting the Review Questions before the tutorial, and checking the answers. The suggested answers to Review Questions will be posted on the course website.
- Preparing notes for the class discussion of the Submission Questions. (Even if the submission question for a specific tutorial is not the one you have been allocated to submit, you should prepare notes to contribute to the discussion. See Section 4.3). The content of all Review and Discussion Questions is examinable in the Final Exam.
- Attending tutorials, asking the tutor to explain those Review Questions which provided difficulties. Presenting (if allocated), or contributing to the class discussion of the Submission Questions.

4 ASSESSMENT

4.1 Formal Requirements

To be eligible for a passing grade in this course, students must:

- Achieve a composite mark of at least 50 per cent;

AND

- Satisfactorily complete all assessment tasks or submit appropriate documentation relating to your failure to complete a task to the Lecturer in Charge.

4.2 Assessment Details

Assessment Task	Weighting	Length	Due Date
Mid-session Examination	20%	60 minutes	Week 7 (Beginning 10 April)
Submission Question and Tutorial Mark	20%	1000 words	Over the semester
Final Exam	60%	2 hours	University Exam Period

4.3 Tutorial Participation

A record of attendance at tutorials will be kept. **Students should note that 80% attendance is required by UNSW and Business School rules.** In certain circumstances, such as where a request for special consideration is made in relation to assessment items, tutorial attendance will be taken into account in determining your final assessment or whether special consideration is granted.

Students must sign on by 10 minutes from the start of tutorial to qualify as 'in attendance'. **Signing on for another student will be treated as misconduct.** If, owing to illness or other exceptional circumstances, you are unable to attend your usual tutorial, you may try to attend another tutorial in the same week.

Students should be prepared to contribute to the discussion of Submission Questions (even if the Submission Question for a specific tutorial is not the one you have been allocated to submit.). A Tutorial Participation Mark (max 5) will be awarded on the basis of a student's contributions to tutorial discussions.

4.4 Midsession Exam

There will be a mid-session exam held in lecture times in Week 7 (beginning 10 April). The exam will consist of 20 four-alternative multiple choice questions covering Weeks 1-5 of the Lecture Program. The Exam will be 60 minutes in length. Details of locations for the exam will be advised on the course website.

There will be **no supplementary test** offered for the mid-session exam. You should make every effort to take the mid-session exam. Students who fail to attend the examination will need to apply for Special Consideration.

In cases of illness, students will need full and convincing documentation of that illness. Students who are found to be genuinely too ill to have attended the exam will have their mark in the remaining assessment tasks re-weighted to include the mark reserved for the missed test. In all other cases of non-attendance students will receive a grade of zero.

Applications for special consideration for this assessment item must be **lodged online through myUNSW within 3 working days of the assessment** (Log into myUNSW and go to My Student Profile tab > My Student Services channel > Online Services > Special Consideration). Then submit the originals or certified copies of your completed Professional Authority form (pdf - download here) and any supporting documentation to Student Central.

Employment obligations or holiday plans of any kind are not acceptable reasons for absence from any test/examination.

4.5 Tutorial Submission Questions

The purpose of these questions is to cover the core principles of a topic, provide some practice in applying the principles for analysis of economic issues, and to identify the style of questions to be used in the final exam paper.

All students should prepare notes on all questions to contribute to the discussion of these questions in tutorial class.

Students will be allocated to a group (max 3 students) and the group to one particular submission question for which they will be required to submit a written report.

The written report is an item of assessment. (max 15 marks)

In the first tutorial (Week 2), you will be placed in a group with another student (or 2 other students) and the group will be allocated a Submission Question. Students allocated to a question will be required to lead the class discussion with an oral presentation of your planned answer, in the tutorial of the week of your question. Your group will then be required to submit a written answer to your allocated question (1000 words) in the class of the following week. One of the aims of the presentation in class is to allow you to later incorporate any useful comments from the class discussion into your written answer.

You should type up your final answer in the form of a report of about 1000 words. Where appropriate you should include diagrams and acknowledge sources and references. This report should be attached to the signed Assignment Cover Sheet (See the Course Website) and submitted by the due date (in the tutorial one week after the discussion of the question).

Students must also submit an electronic copy of their Submission Question. The electronic copy is to be submitted to the course website by 11:59pm on the day on which you are required to hand-in your report to your tutor. Instructions will be available on the website. Browse and upload a copy of your document - do not paste text. Use your student ID in the file name.

Electronic copies of essays may be checked for plagiarism on the Turnitin software into which they are uploaded. See notes on Plagiarism in Part B of the Course Outline. Also note that the Turnitin software will automatically check against all other assignments submitted

If either the hard copy or the electronic copy of the assignment is not received by the due date you will receive a mark of zero unless a suitable medical certificate (or equivalent) is attached. In this case you should notify the Course Coordinator:

T.Stegman@unsw.edu.au

4.6 Final Exam Format

The Final Exam will be held in the University examination period and will be 2 hours long. The final exam will cover the entire course. The format of the examination will be: 60 multiple choice questions.

Further information on the content of the Final Exam will be provided towards the end of session.

Past exam papers may be useful for students' preparation but the course content and material does change to reflect changing economic circumstances and issues. As outlined in 3.2 above all the material covered in lectures and the tutorial program is examinable.

4.7 Quality Assurance

The Business School is actively monitoring student learning and quality of the student experience in all its programs. A random selection of completed assessment tasks may be used for quality assurance, such as to determine the extent to which program learning goals are being achieved. The information is required for accreditation purposes, and aggregated findings will be used to inform changes aimed at improving the quality of Business School programs. All material used for such processes will be treated as confidential and will not be related to course grades.

5 COURSE EVALUATION AND DEVELOPMENT

Each year feedback is sought from students and other stakeholders about the courses offered in the School and continual improvements are made based on this feedback. UNSW's myExperience Survey Tool is one of the ways in which student evaluative feedback is gathered. You are strongly encouraged to take part in the feedback process.

6 COURSE RESOURCES

The website for this course is on UNSW Moodle at: <http://moodle.telt.unsw.edu.au>

Students should check the course website at least once per week.

There is no text book for this course.

The essential reading for each topic will be provided in Topic Notes on the course website.

For optional additional reading, students may find useful the previous textbook used in this course: C.Bajada . J.Jackson , R. McIver, E.Wilson *Economic Principles* McGraw - Hill Education, 2012 (3rd Edition) referred to as **(BJMW)**.

The book is now out of print but second hand copies may be obtained, and there are multiple copies in the Library.

Similarly students may find useful

Bernanke, Olekalns, Frank *Principles of Macro Economics*: McGraw Hill 3rd ,4th eds

7 COURSE SCHEDULE

7.1 Lecture Schedule

Lectures start in Week 1 and finish in Week 12.

	Topic	Reading
Week 1 27 February-	Introduction to Economic Concepts <i>Production Possibilities Curve, Opportunity Cost, Efficiency, Comparative Advantage</i>	Topic Notes 1 BJMW Ch 1,Ext.Ch 2 pp443-449
Week 2 6 March-	The Competitive Market Model <i>Demand, Supply and Equilibrium</i>	Topic Notes 2 BJMW Ch 2, Ext Ch 1 pp 419-421
Week 3 13 March-	Applications of the Competitive Model <i>Elasticity , Consumer and Producer Surplus Floor and Ceiling Prices, Tax Incidence</i>	Topic Notes 3 BJMW Ch 3;
Week 4 20 March-	The Theory of the Firm and the Perfectly Competitive Market <i>Production and Costs The Perfect Competition Market Model</i>	Topic Notes 4 BJMW Ch 4, Ch 5 pp108-128
Week 5 27 March-	Market Models <i>Monopoly, Oligopoly and Monopolistic Competition Strategic Market Behaviour</i>	Topic Notes 5 BJMW Ch 5 pp129-152;Ch6
Week 6 3 April-	Market Failure <i>Externalities and Public Goods</i>	Topic Notes 6 Topic Notes 7 BJMW :Ch 7
Week 7 10 April-	Mid-Session Exam held this week. No lecture or Tutorials in this week	
Mid-Semester break: 15 April – 23 April		
Week 8 24 April- NO TUESDAY LECTURE (ANZAC DAY)	Macroeconomic Problems and Measuring Aggregate Economic Activity <i>Unemployment, Inflation, Balance of Payments. National Accounting, price indices, GDP as measure of economic welfare</i>	TopicNotes 8 BJMW Ch 8; Ext Ch 4 Bernanke Ch 1-3
Week 9 1 May-	Aggregate Demand & Supply <i>Aggregate demand, expenditure multipliers, aggregate supply, macroeconomic equilibrium.</i>	Topic Notes 9 BJMW Ch 9 Bernanke Ch 9
Week 10 8 May-	Monetary Policy & the Financial System <i>Money and the banking system, interest rates, RBA and monetary policy</i>	Topic Notes 10 BJMW Ch 11 Bernanke Ch 7,8
Week 11 15 May-	Fiscal Policy & the Public Debt <i>Discretionary, non discretionary policy, financing of deficits, public debt</i>	Topic Notes 11 BJMW Ch 10 Bernanke Ch 6
Week 12 22 May-	Exchange Rates and Balance of Payments <i>Demand and supply of foreign exchange, fixed and floating exchange rates, Balance of Payments accounts, foreign debt</i>	Topic Notes 12 BJMW Ch 13 pp391-397;406-409 Ch 8 Pp 219-229 Bernanke Ch 14-16
Week 13 29 May-	NO LECTURE TOPIC	

7.2 Tutorial Schedule

Tutorials start in Week 2 and finish in Week 13.
The Tutorial Schedule lags the Lecture Schedule by one week.

A program of Tutorial Questions (Review Questions and Submission Questions) will be published on the course website.