

PRE-REQUISITE(S)

No pre-requisite is required

CREDIT HOURS

3

SYNOPSIS

The subject essentially covers the financial accounting and the covers primary financial statements; purpose, content, form and the use of these statements to extract information about business operations via financial statement analysis. It also deals with topics from management accounting, and covers the area of cost concepts, product costing techniques and processes used to generate information for management planning and control to support decision activity (i.e. Cost-Volume-Profit, budgeting and decision-making) in the value creation process of the organisation. This subject ends with a look at the role of capital budgeting in the planning process to determine the viability of organization's long-term investments for strategic decision-making.

LEARNING OUTCOMES

- Evaluate methods and theory of economic concepts used in the contexts of business strategy and decision-making.
- Construct economic model to determine the appropriate solutions for decision making using relevant concepts.
- Combine various economic data and numerical analysis to solve business problems.

TOPICS

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| Topic 1 | Introduction to Economics: Nature and scope of economics; Basic economic problems; Individual demand and supply; the market economy; the public sector |
| Topic 2 | (1) Microeconomics: Demand, supply and price elasticity and government-controlled prices; Consumer sovereignty – consumer behaviour and maximising utility; Production – revenue and cost; Competitive models – perfect competition, monopoly, monopolistic and oligopoly; Efficiency – the technological advances and R&D innovations

(2) Microeconomics issues and policies; Market failure and the government role; Business regulation – public interest and choice; Tax and subsidies – agriculture and support policies; Income inequality and poverty;

(3) Labour market: unionism, immigration and discrimination |

Topic 3	Resource Markets: Demand and supply for resources, Wage determination, Rent, Interest and profit
Topic 4	National Income: Domestic product, national income and general price level; Economic growth and stability; Aggregate supply, aggregate demand and aggregate expenditure; The multiplier saving, Investment and Unemployment; Saving and investment decision; Interest and capital; Unemployment and real GDP; Full employment
Topic 5	(1) Fiscal Policy: The government role; the budget, Fiscal policy multipliers and the price level (2) Fiscal policy and aggregate supply
Topic 6	Monetary Policy, Money and Banking: Supply and demand of money; Interest rate determination; Monetary policy and aggregate demand; Money creation; Money, real GDP and the price level
Topic 7	Inflation: Inflation, interest rate and the price level; demand-pull inflation; Cost-push inflation; Inflationary effects; Inflation and unemployment – The Phillips Curve
Topic 8	(1) Long Run Macroeconomics Issues: Aggregate supply issues; Growth in the new economy; Public debt-surplus and deficit (2) Macro policies – efficiency and burden
Topic 9	(1) International economics: International trade; Exchange rates; The balance of payments; Trade surplus deficit (2) Aid, growth and developing economies

ASSESSMENT DETAILS

Continuous Assessment	%
Presentation/Participation/Discussions	20
Assignment 1	30
Final Assessment	%
Assignment 2	30
Written Examination	20

PRESCRIBED TEXT

Main:

Welch, P.J. & Welch, G.F. (2019). Economics: Theory & Practice (11th ed.). Wiley.

Additional References:

Case, K. E., Fair, R. C. & Oster, S.E. (2017). Principles of Microeconomics (12th ed.). Pearson.

McConnell, C., Brue, S. & Flynn, S. (2020). Macroeconomics: Principles, Problems, & Policies (21st ed.). McGraw-Hill Education.

Case, K. E., Fair, R. C. & Oster, S.E. (2017). Principles of Microeconomics (12th ed.). Pearson.

Mankiw, N. G., (2019). Principles of Microeconomics (7th ed.). Cengage Learning.