



**London
South Bank
University**

EST 1892

Module Guide

Business Economics II

BBS-4-ECN

School of Business

Accounting, Finance and Economics

19/20

Level 4

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1. MODULE DETAILS

Module Title:	Business Economics II
Module Level:	Level 4
Module Reference Number:	BBS_4_ECN
Credit Value:	20
Student Study Hours:	140
Contact Hours:	60
Pre-requisite Learning (If applicable):	None
Co-requisite Modules (If applicable):	None
Course(s):	BSc Economics
Year and Semester	Semester 2 19/20
Module Coordinator:	Dr Mark Winter
MC Contact Details (Tel, Email, Room)	Winterm2@lsbu.ac.uk 020 7815 7758 Business School Building
Teaching Team & Contact Details (If applicable):	Chris Elvin elvenc@lsbu.ac.uk
Subject Area:	Economics
Summary of Assessment Method:	100% Coursework
External Examiner appointed for module:	Dr Lotta Takala-Greenish

2. SHORT DESCRIPTION

This module will continue to develop the students understanding of the essential micro and macro-economic theories which are the bed rock to the economic concepts and methods studied in Business Economics 1. The emphasis of the module is upon the theoretical frameworks underpinning the business applications of economics in facilitating the decisions of policy makers, managers, entrepreneurs in a variety of situations as well as the implications of the macro open economy on the operations of modern firms.

3. AIMS OF THE MODULE

The module aims to enable you to:

- Develop an understanding of Micro and Macro economic theories.
- Understand the price and quantity setting mechanism in the main types of markets.
- Appreciate the complexities involved in setting macro - economic objectives in an open economy.
- Appreciate the role of government and the role of the central bank in determining Fiscal and Monetary policies.
- Identify how the international economy impacts on policy makers and businesses.

4. LEARNING OUTCOMES

4.1 Knowledge and Understanding

On completion of the module successful students should be able to:

- Understand the traditional and modern approaches to demand theory.
- Appreciate the economic approach to costs, market structures and their limitations.
- Understand the role of Fiscal and Monetary policy in a modern economy.
- Appreciate the drivers for internationalisation and globalisation and the challenges posed to policy makers.

4.2 Intellectual Skills

On completion of the module successful students should be able to:

- Demonstrate an awareness of how to derive the demand curve using utility and indifference curve analysis.
- Make coherent, analytical and well-presented arguments relating to economic issues.

4.3 Practical Skills

On completion of the module successful students should be able to:

- To apply economic ideas, techniques and theories to understand, analyse and explain real world economic phenomena.
- Outline relevant economic policy and comment upon its basis in theory.

4.4 Transferable Skills

On completion of the module successful students should be able to:

- Communicate effectively in written and oral forms.
- Work independently and to take responsibility for organising their studies and meeting assignment deadlines.

5. ASSESSMENT OF THE MODULE

Formative Assessment:

- In-class questioning and testing during the lecture.
- Evaluation of subject knowledge and understanding will be assessed via seminar questions / exercises and self-evaluation at the end of each class.
- Encouraging students to act as learning resources for one another.

Summative Assessment

This module will be 100% coursework assessed as follows:

1. Business Report 2000 words (50%) due **11/03/2020**
2. Essay 2000 words (50%) due **06/05/2020**

6. FEEDBACK

Feedback will be given to students 15 working days after the final submission of an assignment or as advised by their module leader.

7. INTRODUCTION TO STUDYING THE MODULE

7.1 Overview of the Main Content

1. Basic Theory of Demand:
2. Cardinal, Ordinal Utility theory and Indifference curve analysis.
3. The budget constraint, Income and Substitution effects, derivation of the demand curve
4. Consumer Surplus and Price Discrimination
5. Theory of costs: Short-run and long run
6. Analysis of Market structures using cost curves
7. Market Failure and the role of the state
8. Inflation and Unemployment: The Phillips curve
9. Fiscal and Monetary Policy In a closed economy
10. Absolute and Comparative Advantage
11. Free Trade versus protectionism
12. Balance of Payments and exchange rate regimes
13. Fiscal and Monetary Policy in an Open Economy.

7.2 Overview of Types of Classes

One two-hour lecture per week will provide the framework for the area of study. These will be accompanied by a two-hour weekly seminar to enable students to practically use the knowledge gained in the lectures.

7.3 Importance of Student Self-Managed Learning Time

Student responsibility in the learning and development process will be emphasised. Students are required to undertake directed self-study and prepare solutions/discussions to questions relative to various topic areas. Students will be encouraged to identify for themselves particular problems of difficulty and to use seminar discussions, where appropriate, for the resolution of these. Students must regularly access the Moodle site for this module. They should download the class/lecture material from the Moodle site, and do the recommended reading, before each lecture/class.

Where appropriate, students are also expected to download the relevant seminar questions and study them in advance of each seminar, in order to derive maximum benefit from seminar time. The programme of teaching, learning and assessment gives guidance on the textbook reading required for each week, the purpose of which is to encourage further reading both on and around the topic.

7.4 Employability

The study of economics provides the tools of analysis that can be successfully applied in a range of careers in both the private and public sectors. Economics is recognised and valued by many employers as a rigorous academic subject who provides a number of key transferable skills.

8. THE PROGRAMME OF TEACHING, LEARNING AND ASSESSMENT

Week	Topic
1	Consumer Choice/indifference curve analysis
2	Market Failure, Externalities and Asymmetric information
3	Perfectly competitive supply and the theory of the Firm
4	Monopolies and price discrimination
5	Oligopolies: Bertrand and Cournot competition
6	Introduction to Game Theory
7	The real Economy in the Long Run
8	Money and the Financial System
9	Open Economies
10	Business Cycles
11	Philips Curve and supply side policies
12	Measuring the World/review of module

9. STUDENT EVALUATION

Student evaluation will be undertaken using the **Module Evaluation Questionnaire (MEQ)**.

10. LEARNING RESOURCES

10.1 Reading List

CORE READING:

- Parkin, M. Powell, M. and Matthews, k. (2012). *Economics* (8th or 9th Edition)
- Jacques, I. (2015) *Mathematics for economics and business*

Optional Reading/Alternative reading

- Mankiw, G. N.; Taylor, M. P. and Ashwin, A. (2019). *Business Economics* (2nd or 3rd Edition). New York: Cengage Learning.
- Renshaw, G. (2016) *Maths for Economics*