

Liverpool John Moores University

Title: PRINCIPLES OF ECONOMICS
Status: Definitive
Code: **7539AE** (107316)
Version Start Date: 01-08-2011

Owning School/Faculty: Liverpool Business School
Teaching School/Faculty: Isle of Man International Business School

Team	Leader
Alex Watt	Y

Academic Level: FHEQ7
Credit Value: 15.00
Total Delivered Hours: 32.00
Total Learning Hours: 150
Private Study: 118

Delivery Options

Course typically offered: Runs Twice - S1 & S2

Component	Contact Hours
Lecture	20.000
Tutorial	10.000

Grading Basis: 40 %

Assessment Details

Category	Short Description	Description	Weighting (%)	Exam Duration
Exam	AS1	Examination	67.0	2.00
Essay	AS2	1 Assignment	33.0	

Aims

To provide a comprehensive introduction to economic theory and policy, and enable students to analyse the various links between microeconomics, macroeconomics and financial markets.

Learning Outcomes

After completing the module the student should be able to:

- 1 Recognise the microeconomic underpinnings of financial markets
- 10 Explain advantages and disadvantages of different types of exchange rate regime
- 2 Describe the flow of money in the economy
- 3 Identify the role of central banks and the financial system in the functioning of economies
- 4 Explain the nature and causes of economic growth in the short and long term
- 5 Describe the main objectives of macroeconomic policy, the appropriate policy tools required to achieve them and the costs of not achieving them
- 6 Differentiate between competing theories of growth, unemployment and inflation
- 7 Discuss the use of fiscal and monetary policy tools to tackle macroeconomic problems
- 8 Recognise the benefits from international trade and why countries develop free-trade areas
- 9 Explain the meaning and constitution of the balance of payments

Learning Outcomes of Assessments

The assessment item list is assessed via the learning outcomes listed:

EXAM	1	2	3	4	5	6	7	8	9	10
ESSAY	4	5	6	7						

Outline Syllabus

Market forces of supply and demand
Demand and supply decisions
Market imperfections and the role of the government
Business cycles, national income and growth
Objectives of macroeconomic policy
The monetary system
Unemployment and inflation
Fiscal and monetary policy
International trade and the balance of payments
Exchange rates

Learning Activities

Lectures and tutorials. Tutorials are student led using material relating to current economic issues.

References

Course Material	Book
Author	Sloman, J
Publishing Year	2007

Title	Economics
Subtitle	
Edition	
Publisher	6th edition, Pearson Education
ISBN	

Course Material	Book
Author	Mankiw, N G
Publishing Year	2009
Title	Essentials of Economics
Subtitle	
Edition	
Publisher	5th edition, Cengage Learning
ISBN	

Course Material	Book
Author	Gärtner, M
Publishing Year	2006
Title	Macroeconomics
Subtitle	
Edition	
Publisher	2nd edition, FT Prentice Hall
ISBN	

Course Material	Book
Author	Ritter, L, Silber, W and Udell, G
Publishing Year	2008
Title	Principles of Money, Banking & Financial Markets
Subtitle	
Edition	
Publisher	12th edition, Pearson Education
ISBN	

Course Material	Book
Author	Case, K, Fair, R and Oster, S
Publishing Year	2009
Title	Principles of Economics
Subtitle	
Edition	
Publisher	9th edition, Pearson Education
ISBN	

Notes

This module introduces to microeconomic and macroeconomic concepts and theories that help understanding financial markets.

Whilst the microeconomic content introduces to concepts that are understood as a foundation for further study, the second part will develop a structured understanding of the macroeconomic environment within which firms and financial markets operate.

In contrast to more general economics classes, this module will always relate to banking and finance.

Formative feedback will be provided with tutorials and the coursework; summative feedback will be provided with coursework and examination.

Economics uses scientific methods to describe and understand the ownership, exchange, valuation and use of resources to solve the problem of scarcity. The nature of economics. Economics is the scientific study of the ownership, use, and exchange of scarce resources often shortened to the science of scarcity. Economics is regarded as a social science because it uses scientific methods to build theories that can help explain the behaviour of individuals, groups and organisations. Economics, social science that seeks to analyze and describe the production, distribution, and consumption of wealth. Economics was formerly a hobby of gentlemen of leisure, but today there is hardly a government, international agency, or large commercial bank that does not have its own staff of economists. Article Contents. Introduction. Definition. Historical development of economics. The unintended effects of markets. Construction of a system. Economics (/É·kÉ™Ē^ñÉ'mÉ^ks, iĒkÉ™-/) is the social science that studies how people interact with value; in particular, the production, distribution, and consumption of goods and services. Economics focuses on the behaviour and interactions of economic agents and how economies work. Microeconomics analyzes basic elements in the economy, including individual agents and markets, their interactions, and the outcomes of interactions. Individual agents may include, for example, households, firms, buyers, and