

University of the Punjab, Lahore

Hailey College of Banking & Finance

Course Outline

(Core Course / Auxiliary Course /Special Course)

Program	BBA	Course Instructor	
Years/Semester		Email	
Name of the Course	Economics		
Course No.	BHBF317		
Credit Hours	3		
Prerequisites	None		
Follow Up	Managerial Economics, Econometrics		
Category	Core Course		
Course Description	The course will cover the concepts of demand and supply, the price determination in the market, firm behavior and the structure of the markets.		
Learning Objectives	This course aims at imparting knowledge of basic economic principles to the business students. After completing this course students will be able to understand the key elements involved in business, the economics factors influencing the consumer behavior and performance of firms and industry, the strategies of the firm and the nature of market, pricing strategies and the competitive environment. This course also aims at giving students knowledge about the working of a mixed economy at the aggregate level under pinning of aggregate output and income determination, key macro-economic problems and major policy debate. The basic themes are extended to find out how the disciplines of national income, macroeconomics in closed and open economy, macroeconomic stabilization policies, macro-economic components (consumption, saving, private investment, interest etc.), public finance, money and banking link up with conventional macroeconomics.		
Syllabus Before Mid-Term Examinations			
WEEK 01	The Nature and Scope of Economics: Definition of economics, Different Schools of Thoughts, Micro vs Macro Economics, Positive & Normative Economics, Scarcity and Choice, Trade Offs, efficiency and Equity, The Opportunity Cost, The Production Possibilities Frontier		

WEEK 02 & WEEK 03	<p>Some Mathematical and Statistical Concept: Variables and Constants, Different Types of Graphs, Curves & Equation.</p> <p>Demand: Demand, Law of Demand, Demand Schedule, Demand Curve, Individual Vs Market Demand, Determinants of Market Demand, Shift in Market Demand.</p> <p>Supply: Supply, law Of Supply, Supply Schedule, Supply Curve, Individual Vs Market Supply, Determinants of Market Supply, Shifts in Market Supply</p> <p>Market Equilibrium: Market Equilibrium, Effect of Changes in supply and demand on Equilibrium Price and Quantity</p>
WEEK 04	<p>Elasticity of Demand and Supply: Price Elasticity of demand, Calculation of Price Elasticity, Determinants of Price elasticity of demand, Price Elasticity and Total Revenue, Income and Cross-Price Elasticity of Demand, Price Elasticity of Supply and Determinants of Price elasticity of Supply. Consumer surplus, Producer surplus and Economic Efficiency</p>
WEEK 05 & WEEK 06	<p>Costs of Production: Economics Costs, Economic Profit, Short Run and Long Run time period, short run Production relationships, short run production cost analysis, Long run production costs analysis, Concept of Revenue</p>
WEEK 07	<p>Market Models, Pure competition: Characteristics, Profit Maximization in short run & long run, the supply curve in the competitive market.</p>
WEEK 08	<p>Monopoly: Features, Demand curve for the Monopolist, Profit Maximization and Equilibrium in Monopoly, Price Discrimination, Dumping</p>
<p>Syllabus After Mid-Term Examinations</p>	
WEEK 09	<p>Monopolistic Competition: Features of the market, Short-run Equilibrium, Long-run equilibrium .</p> <p>Oligopoly: Characteristics of Oligopoly, Behavior of a firm in an Oligopolistic market, Mutual Interdependence, Collusive and Non-collusive models of Oligopoly</p>
WEEK 10	<p>MACRO ECONOMICS Key Concepts of Macro Economics: History of Macro Economics, Objectives and Instruments of Macro Economics.</p>
WEEK 11	<p>Measuring Economics Activities: Gross Domestic Product, Expenditure Approach, Income Approach and Other Social Accounts.</p>

WEEK 12	<p>Concept of Real GDP, Index No's & their use in calculation of Real GDP.</p> <p>Economic Growth: Meaning, Sources, Factors that affect Economic growth</p> <p>Business Cycle: The Historical Record, Phases of the Cycle, Causation a First Glance, Non-Cycle Fluctuations, Cyclical Impact: Durables and Nondurable, Forecasting Business Cycles.</p>					
WEEK 13	<p>Unemployment: Types of Unemployment, Defining "Full Employment"</p> <p>Measuring Unemployment, Economics Cost of Unemployment, Non-Economic Cost of Unemployment</p>					
WEEK 14	<p>Inflation: Definition and Types of Inflation, Measuring Inflation and Its Causes, Effects of Inflation on Economy</p>					
WEEK 15	<p>Consumption and Investment:</p> <p>Consumption, Income and saving, Consumption Function, Saving Function, The Marginal Propensity to Consume and Average Propensity to consume, The Marginal Propensity to Save and Average Propensity to save, Determinants of Consumption, Determinants of Investment (Rate of interest, MEC)</p> <p>Multiplier and accelerator: Investment Multiplier, Tax multiplier, foreign trade multiplier and super multiplier.</p>					
WEEK 16	<p>Fiscal Policy: Expansionary Fiscal Policy, Concretionary Fiscal Policy, Financing Deficits and Disposing of Surpluses, Policy Options G or T.</p> <p>Monetary Policy: (a) Tools of Monetary Policy (b) Monetary Policy, Real GDP and Price Level</p>					
Text Books	<ol style="list-style-type: none"> 1. Brue, McConnel, Economics (International Edition). 2. Samuelson Nordhaus, Economics 3. Prof. Dr. Khawaja Amjad Saeed, The Economy of Pakistan 4. Campbell R. McConnel and Stanley L. Bruce. Economics (Principles, Problems and Policies) 					
Reference Material	<ol style="list-style-type: none"> 1. Quarterly Review Reports by the Board of Directors of State Bank of Pakistan 2. Annual Report of the State Bank of Pakistan 3. Pakistan Economic Survey <p>Daily Business Recorder, Daily The Dawn,</p>					
Instructional Aids/Resources	<ul style="list-style-type: none"> • Smart Projector • Video Lectures • Online Case Study Database Access (Harvard) • Turnitin 					
Teaching strategies	<p>Participatory lectures, assignments, workshop sessions, presentations, term papers</p>					
Assessment	<table border="1"> <tr> <td>Marks in %</td> <td>Sessional</td> <td>Mid</td> <td>Final</td> <td>Total 100%</td> </tr> </table>	Marks in %	Sessional	Mid	Final	Total 100%
Marks in %	Sessional	Mid	Final	Total 100%		

	Criteria	25	35	40	100	
Governing Rules	<ul style="list-style-type: none"> There will be a closed-book mid-term exam (minimum duration 1 hour) and final-term exam (minimum duration 1.5 hours) in which material from lectures, assigned readings/handouts, and the textbook will be covered. The exams will test your understanding of the course material and your ability to apply the concepts learned. Prior Preparation, Regular Attendance, and Professional Participation in all classes is expected and rewarded. Come to the Class prepared to lead the class discussion for analytical interpretations, alternative strategies, and persuasive solutions. 					
Attendance Requirements	<ul style="list-style-type: none"> Students failing to maintain a minimum attendance of 75% will not be allowed to sit in Exams <p>It is strongly recommended that students attend every class session.</p>					
Classroom Behavior	<p>In class all cell phones must be turned off or set on "silent mode." During lectures use of mobile phone or other gadgets without the permission of instructor is not allowed</p>					
Honesty Policy	<p>A Participant found in cheating on any exam/ assignment/ project will receive no credit (i.e. no grade) for that exam/ assignment/ project</p>					