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| **Module Name** | **Principles of Economics (Macroeconomics & Microeconomics)** | |
| **Module Code** | **ECMA211** | |
| **Status** | Compulsory | |
| **Credits** | 4 | |
| **Year** | 1 | |
| **Stage** | 3 | |
| **Pre-requisites** | - | |
| **Description** | This **Principle of Economics** course will introduce to you what it means to “think like an economist” and provides a broad range of economic concepts, theories and analytical techniques, which divided into two divisions: (1) **Macroeconomics** - concerns with how the overall economy works. It studies such things as employment, gross domestic product, inflation and government policy debates; (2) **Microeconomics** - concerns with how supply and demand interact in the households and firms for goods and services.  In this course, the use of a market supply and demand model will be the fundamentals in which trade-offs and choices will be considered through comparison of costs and benefits of actions. Production and market structure will be analyzed at the firm level. Besides, broad range of macroeconomic issues such as interaction of goods and services markets, labor and money at an aggregate level, the role of government policy to address the microeconomic market and macroeconomic objectives will be discussed. | |
| **Objective** | 1. To introduce the essential economics principles for an understanding of fundamental economic problems. 2. To provide orderly and objective way of thinking and analyze about the economic policy problems and social issues. 3. To provide an understanding of the market mechanism as a means of allocating scarce resource. | |
| **Learning Outcome** | 1. Enable to describe how macroeconomic principles can be used to analyze the economy as a whole. 2. Describe how microeconomic principles can be used to consider fundamental economic choices of households and firms. 3. Describe how government policy influences microeconomic choices and macroeconomic outcomes. 4. Interpret and apply the economic models, diagrams and tables to analyze economic situations. | |
| **Lecture/ Tutorial Hours** | * Lecture Hours | 48 |
| * Tutorial Hours | 20 |
| * **Total Hours** | **68** |
| **Assessment** | * Continuous Assessment 1 (Test) | 25% |
| * Continuous Assessment 2 (Attendance) | 25% |
| * Final Written Examination | 50% |
| * **Total Assessments** | **100%** |
| **Main References** | 1. Dean Karlan, Jonathan Morduch, *Macroeconomics*, 1st Edition, McGraw-Hill Companies, 2017. 2. Dean Karlan, Jonathan Morduch, *Microeconomics*, 1st Edition, McGraw-Hill Companies, 2017. | |
|  | **BASIC OF ECONOMICS** | |
| Week 1 | **Introductory Chapter: Basic of Economics (Synopsis of Chap. 1-4)**   * Economics and Life * Specialization and Exchange | |
| Week 2 | **Introductory Chapter: Basic of Economics (Synopsis of Chap. 1-4)**   * Markets: Demand and Supply * Price Elasticity | |
|  | **MACROECONOMICS** | |
| Week 3 | 1. **Measuring the Wealth of Nations**  * Valuing an Economy * Approaches to Measuring GDP | |
| Week 4 | **Chapter 7: Measuring the Wealth of Nations**   * Using GDP to Compare Economies * Limitations of GDP Measures | |
| Week 5 | 1. **The Cost of Living**  * The Cost of Living * Measuring Price Changes over Time * Using Price Indexes * Accounting for Price Differences across Places | |
| Week 6 | 1. **Unemployment and the Demand for Labor**  * Defining and Measuring Unemployment * Equilibrium in the Labor Market * Categories of Unemployment * Public Policies and Other Influences on Unemployment | |
| Week 7 | 1. **Aggregate Demand and Aggregate Supply**  * Aggregate Demand * Aggregate Supply | |
| Week 8 | **Chapter 11: Aggregate Demand and Aggregate Supply**   * Economic Fluctuations * The Role of Public Policy | |
| Week 9 | 1. **Money and the Monetary System**  * What Is Money? * Banks and the Money-Creation Process | |
| Week 10 | **Chapter 14: Money and the Monetary System**   * Managing the Money Supply: The Federal Reserve * The Economic Effects of Monetary Policy | |
|  | **MICROECONOMICS** | |
| Week 11 | 1. **Perfect Competition**  * Perfect Competitive Market * Profits and Production Decisions * Deciding When to Operate | |
| Week 12 | **Chapter 13: Perfect Competition**   * Firm and Market Supply Curve * Long-run Supply and Economic Profits | |
| Week 13 | 1. **Monopoly**  * Monopoly Revenue & Profit Maximization * Problems with Monopoly | |
| Week 14 | **Chapter 14: Monopoly**   * Public Policy Responses * Market Power & Price Discrimination | |
| Week 15 | 1. **The Factors of Production**  * Land, Labor and Capital * Labor Markets and Wages * Demand & Supply of Labor * Rental Markets for Land and Capital | |
| Week 16 | 1. **International Trade**  * Comparative Advantage * From Autarky to Free Trade * Restriction on Trade * WTO, Trade Mediation and Import Standards | |