



NORTH SOUTH UNIVERSITY

Center of Excellence in Higher Education

The first private university in Bangladesh

SCHOOL OF BUSINESS AND ECONOMICS

MBA Program

Course Name	Economic Conditions Analysis
Course Code & Section No	BUS 530, Section 4
Semester	Spring 2020

INSTRUCTOR AND DEPARTMENT INFORMATION

1. Instructor Name	Dr. Asad Karim Khan Priyo
2. Office Room	NAC 831 (A)
3. Office Hours	W: 1:45 – 4:45 pm, R: 10 – 11:45 am & 6 – 7 pm, A: 10:45 am – 12 pm & 6 – 7 pm
4. Office Phone	+8802-55668200, Ext – 1812
5. Email Address	asad.priyo@northsouth.edu
6. Department	Department of Economics, School of Business and Economics
7. Important Links	North South University Website: www.northsouth.edu Dept. of Economics Website: www.northsouth.edu/economics Faculty Website: asadpriyo.weebly.com

COURSE INFORMATION

Class Time & Location	Saturday: 7 pm - 10:10 pm, Room: NAC 501
Course Prerequisite(s)	BUS 501, BUS 511, BUS 525
Course Credit Hours	3.0
Course Description	Business decisions and outcomes depend critically on the state of the economy and how economic conditions change over time. The purpose of this second economics course in the MBA program is to provide the students with an understanding of the economic indicators that describe the conditions of an economy and the factors that influence these indicators. Thus, the focus of this course will be on economy-wide phenomenon such as national income, unemployment, inflation, aggregate demand and aggregate supply, fiscal and monetary policy, economic growth, international trade etc. The course will involve studying the definition and measurement of these concepts, their determinants and interrelationship, and how they are affected by public policies. The working of the overall economy will be examined both in the context of short-run and long run and will incorporate the role of the external sector and links with the global economy in influencing both the stability and growth of domestic economies.

Course Objectives	The objectives of this course are to introduce key macroeconomic concepts to students and equip them with useful tools so that they learn to analyze the complex interaction between today's business world and economic conditions.
Student Learning Outcomes (SLO)	By successfully completing this course, students should be able to: <ol style="list-style-type: none"> 1. Compute and explain the basics of the major macroeconomic measures such as GDP, real GDP, unemployment and inflation. 2. Apply both aggregate demand/supply and aggregate expenditure analyses to determine aggregate output. 3. Evaluate the role of fiscal and monetary policy in bringing about changes to aggregate output and price level. 4. Explain gains from trade and provide arguments for and against trade restrictions. 5. Explain the working of the foreign exchange market and determination of the exchange rate. 6. Utilize economic data to analyze economic situation that has implications for business prospect.

SUGGESTED TEXT BOOKS

Suggested Texts:

- Arnold, Roger A. 2019. *Macroeconomics*. 13th Edition. Cengage Learning.
- Mankiw, Gregory N. 2013. *Macroeconomics*, 8th Edition, Macmillan - International Edition.
- Parkin, Michael. 2014. *Economics* 11th Edition. Pearson - Global Edition.

TEACHING STRATEGY

For each topic, I will prepare lecture slides that the students can download from my Website (PDF version) as well as the Resource drive (PPT version). During lectures, I will use these slides to explain the topics in as much detail as possible. I will often present additional materials that will not be in the lecture slides and therefore, students are expected to take notes to supplement the lecture slides. Students are encouraged to ask questions and participate actively in class. The tentative lecture plan is given below:

Lecture No.		Date	Day	Topic	Relevant Chapters (A: Arnold, M: Mankiw, P: Parkin)
1	1 st half	Jan 25	Saturday	0. Introduction & General Discussion	-
	2 nd half			1. Measures of Unemployment and Inflation	A: 6, M: 2, P: 22
2	1 st half	Feb 8	Saturday	Cont... 1. Measures of Unemployment and Inflation	A: 6, M: 2, P: 22
	2 nd half			2. National Income Accounts, GDP and Real GDP	A: 7, M: 2, P: 21
3	1 st half	15	Saturday	Cont... 2. National Income Accounts, GDP and Real GDP	A: 7, M: 2, P: 21
	2 nd half			3. Aggregate Demand and Aggregate Supply	A: 8, M: 10, P: 27
4	1 st half	22	Saturday	Cont... 3. Aggregate Demand and Aggregate Supply	A: 8, M: 10, P: 27
	2 nd half			4. Short-run and Long-run equilibria in the AD-AS model: Flexible Wages and Prices	A: 9, M: 10, P: 27
5	1 st half	29	Saturday	<u>Quiz 1</u> + Cont... 4. Short-run and Long-run equilibria in the AD-AS model: Flexible Wages and Prices	A: 9, M: 10, P: 27
	2 nd half			5. Sticky Wages and Prices: Aggregate Expenditure and the Multiplier	A: 10, M: 11, P: 28
6	1 st half	Mar 7	Saturday	Exam 1	Topic 1 – 4
	2 nd half			Cont... 5. Sticky Wages and Prices: Aggregate Expenditure and the Multiplier	A: 10, M: 11, P: 28
7	1 st half	14	Saturday	Cont... 5. Sticky Wages and Prices: Aggregate Expenditure and the Multiplier	A: 10, M: 11, P: 28
	2 nd half			Cont... 6. Government Budget and Fiscal Policy	A: 11, M: 19, P: 30

Lecture No.		Date	Day	Topic	Relevant Chapters (A: Arnold, M: Mankiw, P: Parkin)
8	1 st half	21	Saturday	Cont... 6. Government Budget and Fiscal Policy	A: 11, M: 19, P: 30
	2 nd half			7. Money, Financial System and the Economy	A: 12+14, M: 4+5, P: 25
9	1 st half	28	Saturday	<u>Quiz 2</u> + Cont... 7. Money, Financial System and the Economy	A: 12+14, M: 4+5, P: 25
	2 nd half			Cont... 7. Money, Financial System and the Economy	A: 12+14, M: 4+5, P: 25
10	1 st half	Apr 4	Saturday	Exam 2	Topic 5 – 7
	2 nd half			8. Monetary Policy	A: 15, M: 4+18, P: 31
11	1 st half	11	Saturday	9. Building and applying the IS-LM Model	M: 11+12
	2 nd half			Cont... 9. Building and applying the IS-LM Model	M: 11+12
12	1 st half	18	Saturday	<u>Quiz 3</u> + 10. Economic Growth	A: 17, M: 8+9, P: 23
	2 nd half			Cont... 10. Economic Growth (Submission of group research project)	A: 17, M: 8+9, P: 23
Final Exam				Final Exam Syllabus: Topic 8-10	

Note: The instructor reserves the right to make changes to the course outline and the syllabus if necessary.

EXAM SYLLABUSES

Quiz 1: Topic 1-3

Exam 1: Topic 1-4

Quiz 2: Topic 5-6

Exam 2: Topic 5-7

Quiz 3: Topic 8-9

Final Exam: Topic 8-10

GUIDELINE FOR GROUP RESEARCH PROJECT

Topic: Economic Conditions of Bangladesh during 1972 - 2018

- Students will form groups of 4-5 members. You MUST send me the group name, members' names, student Ids, members' email addresses and cell numbers by email within February 15, 2020.
- The group will obtain/construct data on real GDP, consumption, investment, government expenditures, export and import for Bangladesh from the World Bank for the reference period (1972-2018). The data are available at: <http://databank.worldbank.org/data/reports.aspx?source=world-development-indicators>
- The group will analyze the collected data and reflect on the economic conditions of Bangladesh for the reference period. You should perform at least the following tasks for your analysis:
 - Look at the evolution of real GDP of Bangladesh during the reference period. You should report (graphically) the actual data, the trend and the business cycles. To obtain the trend and cyclical component from the actual data series, you can use the Hodrick-Prescott (HP) filter. You can download the free excel add-in for HP filter (which also contains an example showing how to use the HP filter add-in in Excel):

http://www.web-reg.de/hp_addin.html

Note: For any variable X , use: $\frac{X - X_T}{X_T}$ as the cyclical component of X where X is the actual value and X_T is the trend component.

- Look at the evolution of consumption, investment, government expenditure, export and import in Bangladesh during the reference period. You should report (graphically) the actual data, the trends and the cyclical components of consumption, investment, government expenditure, export and import.
 - Analyze and report how business cycles (cyclical component of real GDP) are related to the cyclical components of the other variables.
 - For analyzing the relationships, the ideal method would be to run multivariate regression analyses of the dependent variables (business cycle) on the independent variables. Multivariate linear regressions can easily be run using Excel (see, e.g., <http://cameron.econ.ucdavis.edu/excel/ex61multipleregression.html>).
 - If you cannot run regressions, then in the least, you should report and analyze based on the correlation-coefficients between the dependent variables and the other variables.
 - Try to provide alternative reasons for the major business cycle movements in Bangladesh during the reference period.
- The Research Project should be limited to approximately 2000 words excluding Tables and Charts.
 - The paper will be graded on the basis of the following rubric:
 - Extent of analysis: 40%
 - Quality of analysis: 40%
 - Format of report, presentation and quality of writing: 20%
 - A hard copy of the group project must be submitted on the last day of class. A soft copy must be submitted via email by midnight of the same day.
 - **Be very careful about plagiarism.**

EVALUATION CRITERIA

The weights on each component of the overall course grade are as follows:

ASSESSMENT STRATEGY AND GRADING SCHEME	
Grading tool	% contributing towards the final score
Attendance	5%
Quiz	10%
Group Research Project	10%
Exam 1	25%
Exam 2	25%
Final	25%
Total	100%

GRADING POLICY

Grades will be assigned according to NSU grading policy. Performance of the whole class will be taken into account.

ATTENDANCE POLICY

5% of the final score has been assigned to attendance. This is to give the students an additional incentive to attend classes since attending lectures is of paramount importance if one wants to do well in this course. Just by attending all classes, a student can obtain these points. No point will be deducted if a student misses only one class. After that, for each class one misses, 1 point (that is 1% of the final score) will be deducted. For example, if a student misses 2 classes, s/he will receive 4/5 for attendance; if a student misses 3 classes, s/he will receive 3/5 for attendance and so on. Students are expected to arrive at the lectures on time. If anyone is late for an unavoidable situation, then s/he must let the instructor know about it at the end of the class to ensure the attendance.

POLICY ABOUT MAKE-UP EXAMS

There will be no make-up quizzes. Make-up examination is possible only in cases of documented illness or extreme personal emergencies. Students with such cases will be allowed to take make up only for one of the midterms i.e. if anyone misses both the midterms, s/he will be assigned zero in one of them. The only make up exam will be scheduled on a suitable date after the 2nd midterm and prior to the final exam. The syllabus of the makeup midterm will be cumulative of Midterm 1 and Midterm 2. There will be NO makeup of the makeup exam.

CLASSROOM RULES OF CONDUCT

A student can use her/his laptop in the class for class related work, e.g., taking notes. Use of laptop for non-class related work or in any manner that will be distracting to other students or the instructor is strictly prohibited. Students should keep all their communication devices (such as mobile devices, pagers, iPod, beepers etc.) turned off during the class. If someone needs to use one of these, then s/he should go outside of the classroom.

ACADEMIC INTEGRITY POLICY

School of Business does not tolerate academic dishonesty by its students. At a minimum, students must not be involved in cheating, copyright infringement, submitting the same work in multiple courses, significant collaboration with other individuals outside of sanctioned group activities, and fabrications. Students are advised that violations of the Student Integrity Code will be treated seriously, with special attention given to repeated offences. For details, refer to NSU Student CODE OF CONDUCT at: www.northsouth.edu/student-code-of-conduct.html

APPROPRIATE USE POLICY

All members of the North South University community must use electronic communications in a responsible manner. The University may restrict the use of its computers and network systems for electronic communications subject to violations of university policies/codes or local laws or national laws. Also, the university reserves the right to limit access to its networks through university-owned or other computers, and to remove or limit access to material posted on university-owned computers.

Wish you all the best. Let's hope to have a wonderful semester!!!