

Course Outline 2017

ECON 151G: UNDERSTANDING THE GLOBAL ECONOMY (15 POINTS)

Semester 2 (1175)

Course Prescription

Economics affects our daily lives and the global environment in many ways. Through the media we are constantly made aware of price increases, interest rate changes, exchange rate movements and balance of payments problems, growth and recessions, standard of living comparisons, regional trading agreements. What does it all mean and how does it all work?

Programme and Course Advice

Restriction: May not be taken by students with a concurrent or prior enrolment in Economics courses.

Goals of the Course

The course content will be accessible to students with no prior exposure to economic concepts or frameworks. Since this is a one-semester introductory course in economics, the focus will be on the major economic issues and phenomena that are routinely encountered in daily discussion of events in the media.

Learning Outcomes

By the end of this course it is expected that the student will:

1. understand and apply the basic tools of demand and supply;
2. be able to apply the basic theory of demand and supply to a range of economic issues;
3. understand the concepts of GDP (Gross Domestic Product) and CPI (Consumer Price Index);
4. understand the interaction between savings and investment and their impact on interest rates;
5. understand movements in exchange rates and the benefits of international trade;
6. understand trends and current issues in the globalisation debates;
7. understand the role of monetary and fiscal policies in addressing recessions and problems of unemployment;
8. possess a broad understanding of the workings of the economy and an ability to read critically and interpret articles on economic issues published in the popular press.

Content Outline

- Week 01: Introduction to thinking like an economist
- Week 02: Demand and supply and the concept of market equilibrium
- Week 03: Demand and supply and the concept of market equilibrium (Continued)
- Week 04: The concept of elasticity and its applications
- Week 05: Measuring a nation's income and the cost of living
- Week 06: Saving and investment in a closed economy
- Week 07: Nominal and real exchange rates
- Week 08: Saving and investment in an open economy
- Week 09: Open economy macroeconomics
- Week 10: Monetary and fiscal policies
- Week 11: Monetary and fiscal policies
- Week 12: Inflation and unemployment

Learning and Teaching

The course will be taught in the second semester. There will be 3 one-hour lectures per week. Please consult SSO for exact days, times and lecture location.

Teaching Staff

Mr Gamini Jayasuriya

Office: OGGB 692

Tel: 923 3900 (ext 83900)

Email: g.jayasuriya@ auckland.ac.nz

Learning Resources

There is no required textbook for the course. A Coursebook containing a comprehensive set of lecture slides will be available for purchase at the beginning of the semester, from the Business and Economics Student Bookshop, Level 0, Owen G. Glenn Building.

However students who are interested in supplementing these slides with a textbook can consult any of the following textbooks:

Case, Karl and Ray Fair, *Principles of Economics*, 5th edition, Prentice Hall.

Mankiw, Gregory N. *Principles of Economics*, 3rd edition, Thomson South-Western.

Stiglitz, J. and C. Walsh, *Principles of Economics*, 4th edition, W.W.Norton.

Any other textbook on introductory economics as well as older/newer editions of the above mentioned textbooks would also be fine. There is no need to buy any of these. The library should have plenty of books either in their regular holdings or on short loan.

Assessment

Plussage applies: The Final Grade will be the better of

EITHER (i) Coursework/40 (1 Test) + Exam mark/60

OR (ii) Exam mark/100

Mid Semester Test Date	
Semester 2	Monday, 2 nd October 2017

More details will be provided at lectures and on CANVAS.

There is no requirement to qualify for plussage by achieving any specific mark in the test.

Learning Outcome	Test	Final Examination
1	X	X
2	X	X
3	X	X
4	X	X
5	X	X
6		X
7		X
8		X