



BUSINESS ECONOMICS & GLOBALIZATION

National University of Sciences & Technology
(NUST)

MBA
2K24

Course Details:

Course Title: Business Economics & Globalization

Credit Hours: 3

Course Code: MGT-853

Pre-requisite: nil

Program: MBA 2K24

Sections: A/B

Course Description:

Business Economics & Globalization is concerned with the application of economic principles to key management decisions within organizations. It provides guidance to increase value creation within organizations and allows a better understanding of the international business environment in which organizations operate. A primary purpose of the course is to develop tools useful in other courses: economics is a key foundation for much of what is taught in finance, marketing, business strategy, and virtually every other course in the MBA program. Economics is fundamentally a unique way of thinking about problems, issues, and decisions that managers face in each of the functional areas of their organization. This unique way of thinking stresses the importance of incentives as determinants of human behavior and performance and emphasizes the consideration of costs and benefits as an efficient method for reaching economic decisions.

Course Learning Outcomes:

Upon completion of the course,

- **CLO 1.** Students will be able to apply calculus to provide optimum solutions to a decision problem.
- **CLO 2.** Distinguish the basic forces governing the operation of competitive markets.
- **CLO 3.** Understand concepts and analyze issues related to the important macroeconomic indicators of the economy.
- **CLO 4.** Understand how the process of globalization and the international system functions.

Program Goals & Learning Objectives:

Goal 1: Students will be capable of critical thinking

- LO 1.1: Students will be able to solve problems with the application of business knowledge.
- LO 1.2: Students will be able to evaluate competing decision criteria and alternatives

Goal 2: Students will demonstrate leadership skills

- LO 2.1: Students will be able to develop the ability to lead and manage in teams
- LO 2.2: Students will be able to make sound decisions

Goal 3: Students will learn to communicate effectively

- LO 3.1: Students will be able to communicate effectively in oral presentations
- LO 3.2: Student will be able to create professional reports

Goal 4: Students will deal with the ethical dilemmas that arise in a business environment

- LO 4.1: Students will be able to identify ethical concerns emanating from a business situation
- LO 4.2: Students will be able to apply ethical guidelines to address business problems by

examining a set of alternatives.

Mapping with CLOs and Los

Learning Objective	LO 1.1	LO 1.2	LO 2.1	LO 2.2	LO 3.1	LO 3.2	LO 4.1	LO 4.2	Not Mapped	Evaluation Item
CLO 1								✓		Quiz/Exam
CLO 2								✓		Quiz/Exam
CLO 3								✓		Quiz/Exam
CLO 4								✓		Quiz/Exam

Legend: ✓ indicates mapped and assessed CLO, mapped but not assessed and x unmapped CLO.

Textbook (s):

- Principles of Economics by N. Gregory Mankiw published by Cengage (10th edition)
- Macroeconomics by N. Gregory Mankiw (9th edition)
- David K.H. Begg, Gianluigi Vernasca - Economics-McGraw Hill Higher Education (2011)
- International Business by Charles W. L. Hill (13th edition)

Course Evaluation:

Grading will be done as per NBS criteria. The breakup is as follows:

- | | |
|------------------------|------------|
| • Quizzes | 15% |
| • Assignment | 10% |
| • Project Presentation | 10% |
| • Mid-Term Exam | 25% |
| • Final Exam | 40% |

Details of Assessments:

Assignment & Project Presentation (20%)

You will make groups (the participant numbers will be decided in the class) to work on assignment and project presentation. Assignment will be given by the faculty. However, you can present your project on any topic of interest related to the course.

Quizzes (15%)

There will be three announced quizzes. No retakes.

Examination (65%):

The course will have two exams, i.e., Midterm (25%) and Final (40%), to measure Student's understanding of the subject.

Weekly Schedule:

Week	Lecture No. and Topic	Preparation Material	Session Outcomes (Students should be able to...)
1	LECTURE 1: Introduction <ul style="list-style-type: none"> Ten Principles of Economics Thinking like an economist 	<i>Mankiw (POE) Chapter 1&2</i> <i>David K.H. Begg, Gianluigi Vernasca – Economics Chapter 1</i>	CLO #1
2	LECTURE 2: Recap of Economics basics <ul style="list-style-type: none"> Utility Law of Diminishing Marginal Utility Indifference Curve Analysis Consumer choice and demand decisions Consumer optimum 	<i>David K.H. Begg, Gianluigi Vernasca – Economics Chapter 5</i>	CLO #1
3	LECTURE 3: Demand and Supply/Elasticities <ul style="list-style-type: none"> The market demand curve The market supply curve Market equilibrium Elasticities 	<i>Mankiw (POE) Chapter 4 & 5</i>	CLO #2
4	LECTURE 4: Supply, Demand, Govt. Policies & Efficiency of Markets <ul style="list-style-type: none"> Price Controls Tax Incidence CS and PS 	<i>Mankiw (POE) Chapter 6 & 7</i>	CLO #2
5	LECTURE 5: Production and the Costs of Production: <ul style="list-style-type: none"> Short-Run Production Relationships Long-Run Production Relationships Different Forms of Costs Shapes of cost curves 	<i>Mankiw (POE) Chapter 14</i>	CLO #2
6	LECTURE 6: Market Structures- Part-1 <ul style="list-style-type: none"> Perfect Competition (PC) Monopoly Price Discrimination 	<i>Mankiw (POE) Chapter 15&16</i>	CLO #2

7	LECTURE 7: Market Structures- Part-2 <ul style="list-style-type: none"> • Monopolistic Competition • Oligopoly 	<i>Mankiw (POE)</i> <i>Chapter 17 & 18</i>	CLO #2
8	LECTURE 8: Measuring the value of economic activity and Determination of NI <ul style="list-style-type: none"> • Gross Domestic Product • Measuring the cost of living • The Consumer Price Index • Determination of NI 	<i>Mankiw (Mac)</i> <i>Chapter 2 & 3</i>	CLO #3
9	LECTURE 9: The Monetary System & Inflation <ul style="list-style-type: none"> • Money • Role of Banks • QTM • Inflation & Interest Rates 	<i>Mankiw (Mac)</i> <i>Chapter 4 & 5</i>	CLO #3
10	Mid Exam		
11	LECTURE 11: AD/AS in Classical vs. Keynesian Setup <ul style="list-style-type: none"> • AD/AS Classicals • IS-LM Framework • AD/AS Keynesians 	<i>Mankiw (Mac)</i> <i>Chapter 10, 11, & 12</i>	CLO #3
12	LECTURE 12: AD/AS in Classical vs. Keynesian Setup (continued) <ul style="list-style-type: none"> • AD/AS Classicals • IS-LM Framework • AD/AS Keynesians 	<i>Mankiw (Mac)</i> <i>Chapter 10, 11, & 12</i>	CLO #3
13	LECTURE 13: Globalization <ul style="list-style-type: none"> • Globalization of markets & production • Global institutions • Drivers of globalization 	<i>Hill</i> <i>Chapter 1</i>	CLO #4
14	LECTURE 14: International Trade Theory & Forex Market <ul style="list-style-type: none"> • Mercantilism • Absolute advantage • Comparative Advantage • NER, RER, PPP 	<i>Hill</i> <i>Chapter 6 & 10</i> <i>Mankiw (Mac)</i> <i>Chapter 6</i>	CLO #4
15	LECTURE 15: The International Monetary System <ul style="list-style-type: none"> • The gold standard • The Bretton woods system • Fixed vs floating ER regime 	<i>Hill</i> <i>Chapter 11</i>	CLO #4

16	LECTURE 15: The International Monetary System (Continued) The gold standard The Bretton woods system Fixed vs floating ER regime Student Presentations	<i>Hill</i> <i>Chapter 11</i>	CLO #4
17	Student Presentations Revision <i>All Course/Concepts</i>		
18	<u>FINAL EXAM WEEK</u>		