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| COURSE TITLE | ECONOMICS FOR DECISION MAKING |
| COURSE CODE | 04MB1111 |
| COURSE CREDITS | 3 |

Course Outcomes: After completion of this course, student will be able to:

- 1 Explain and apply fundamental economic principles to analyze real-world business and policy scenarios.
- 2 Compare various market structures and evaluate their implications for pricing strategies, output levels, and consumer welfare.
- 3 Interpret key macroeconomic indicators and assess their relevance in evaluating overall economic performance.
- 4 Analyze the impact of fiscal and monetary policies on economic activity, growth, and stability.
- 5 Critically evaluate contemporary economic challenges and formulate strategic recommendations for business managers and policymakers.

Pre-requisite of course: Awareness of basic terms like demand, supply, inflation, GDP, etc.

Teaching and Examination Scheme

| Theory Hours | Tutorial Hours | Practical Hours | ESE | IA | CSE | Viva | Term Work |
|---------------------|-----------------------|------------------------|------------|-----------|------------|-------------|------------------|
| 3 | 0 | 0 | 50 | 30 | 20 | 0 | 0 |

| Contents : Unit | Topics | Contact Hours |
|------------------------|---|----------------------|
| 1 | Introduction to Economics Definition and scope of economics, Microeconomics vs. Macroeconomics, Basic Economic Concepts: Scarcity and choice, Opportunity cost, Production possibilities frontier, Supply and Demand: Market forces, Determinants of demand and supply, Market equilibrium; Elasticity: Price elasticity of demand, Income elasticity and cross-price elasticity; Consumer and Producer Surplus: Concepts and calculations, Efficiency and equity | 9 |
| 2 | Production and Market Structures Short-run, long run determinants of production, scale and scope economies, Perfect Competition: Characteristics, Short-run and long-run equilibrium, Monopoly, Sources of monopoly power, Price discrimination; Monopolistic Competition and Oligopoly: Market characteristics and behaviour: , Game theory basics; Labour market and wage determination: efficiency wage theory, Monopsony and Oligopsony; Market Failures: Externalities, Public goods, Asymmetric information | 9 |

| Contents : Unit | Topics | Contact Hours |
|--------------------|---|------------------|
| 3 | Macroeconomic Principles Introduction to Macroeconomics: Key concepts and indicators, GDP and its components; Economic Growth; Factors influencing growth, Long-run growth theory; Business Cycles: Phases and characteristics, Economic indicators; Unemployment and Inflation: Types of unemployment, Measuring inflation (CPI and PPI); Fiscal Policy: Government spending and taxation, Budget deficits and public debt | 9 |
| 4 | Monetary System and Policy Money and Banking: Functions of money, Types of financial institutions; Tools of monetary policy, Monetary Policy: Objectives and effectiveness, Interest rates and money supply; Inflation and Monetary Policy: Causes of inflation, Strategies for controlling inflation; International Trade and Finance: Balance of payments, Exchange rates and trade policies | 9 |
| 5 | Contemporary Economic Issues Globalization and Trade: Benefits and challenges, Trade agreements and tariffs, Economic Development: Measuring development, Growth strategies in developing countries, Environmental Economics, Economic impact of environmental policies, Sustainability and resource management. | 9 |
| Total Hours | | 45 |

Textbook :

- 1 Principle of Economics, N. Gregory Mankiw, Cengage Learning Custom Publishing, 2018
- 2 Microeconomics, Pindyck, Robert S., and Rubinfeld, Daniel L, Pearson, 8th Edition, , 2017
- 3 Macroeconomics, Gordon, Robert J., Pearson, 14th Edition,, 2018

References:

- 1 Microeconomics Theory and Policy,, Microeconomics Theory and Policy,, D N Dwivedi, , Tata McGraw-Hill, , 2015

Suggested Theory Distribution:

The suggested theory distribution as per Bloom's taxonomy is as follows. This distribution serves as guidelines for teachers and students to achieve effective teaching-learning process

Distribution of Theory for course delivery and evaluation

| Remember / Knowledge | Understand | Apply | Analyze | Evaluate | Higher order Thinking / Creative |
|-------------------------|------------|-------|---------|----------|--|
| 10.00 | 10.00 | 20.00 | 20.00 | 30.00 | 10.00 |

Instructional Method:

- 1 Case studies , Simulation and role playing , Group Discussion

Supplementary Resources:

- 1 https://www.coursera.org/learn/illinois-tech-business-economics-and-game-theory-for-decision-making?utm_source=chatgpt.com
- 2 <https://www.federalreserveeducation.org/teaching-resources/economics/decision-making/the-art-of-decisionmaking>
- 3 <https://econedlink.org/resources/decision-making/>
- 4 <https://www.open.edu/openlearn/money-business/leadership-management/making-decisions/content-section-0/>