

## Subject Description Form

<b>Subject Code</b>	AF1603
<b>Subject Title</b>	Foundations of Economics
<b>Credit Value</b>	3
<b>Level</b>	1
<b>Pre-requisite / Co-requisite/ Exclusion</b>	None
<b>Role and Purposes</b>	This subject contributes to the achievement of the BBA Outcomes by enabling students to <u>apply fundamental economic concepts</u> to analysis of real world economic activities, and <u>communicate effectively</u> . It also requires students to <u>work effectively with and through others</u> .
<b>Subject Learning Outcomes</b>	Upon completion of the subject, students will be able to: <ul style="list-style-type: none"> <li>a. <u>explain the fundamental economic concepts</u>.</li> <li>b. <u>use appropriate tools</u> to apply the fundamental economic concepts to analysis real world situations.</li> <li>c. <u>evaluate</u> basic economic data.</li> </ul>
<b>Subject Synopsis/ Indicative Syllabus</b>	<p><b>What is Economics?</b> Scarcity and opportunity cost, The role of the market, Positive and normative, Relation with other subject disciplines.</p> <p><b>Demand and Supply Analysis</b> Determinants of the demand curve, Determinants of the supply curve, Market equilibrium.</p> <p><b>Perfect Competition</b> The quest of profits and the equilibrium in a competitive market.</p> <p><b>The Income and Output of Nations</b> National income accounting, output determination, Economic growth, fiscal policy and aggregate demand, monetary policy and aggregate demand.</p> <p><b>Inflation and Unemployment</b> The causes and costs of inflation, the causes and costs of unemployment</p> <p><b>International Trade</b> Exchange rates and the balance of payments, Foreign trade and output determination</p>
<b>Teaching/Learning Methodology</b>	<p>Lectures will introduce the fundamental economic concepts, with specific reference to the analysis on common economic activities.</p> <p>Tutorials provide students with the opportunity to deepen their understanding of the concepts taught in lectures. The activities in tutorials include student presentations and discussions of problems sets.</p>

<b>Assessment Methods in Alignment with Intended Learning Outcomes</b>	Specific assessment methods/tasks	% weighting	Intended subject learning outcomes to be assessed (Please tick as appropriate)				
			a	b	c		
	<b>Continuous Assessment</b>	<b>50%</b>					
	1. Attendance	5%	√	√	√		
	2. Participation	5%	√	√	√		
	3. Oral presentation	15%	√	√	√		
	4. Midterm examination	25%	√	√			
	<b>Final Examination</b>	<b>50%</b>	√	√			
Total	100 %						
To pass this subject, students are required to obtain Grade D or above in <b>both</b> the Continuous Assessment and Examination components.							
<b>Student Study Effort Expected</b>	Class contact:						
	▪ Lectures		28 Hrs.				
	▪ Tutorials		14 Hrs.				
	Other student study effort:						
	▪ Self study & preparation		42 Hrs.				
	Total student study effort		84 Hrs.				
<b>Reading List and References</b>	Stanley L. Brue and Campbell R. McConnell (2007), <i>Essentials of Economics</i> , 1 <sup>st</sup> Edition, McGraw-Hill, U.S.A.						