



Economics-II

Department of Govt & Public Policy

**NUST School of Social Science
and Humanities (NS3H)**

National University of Sciences & Technology (NUST)

BSPA – 2k20

Course Details

Course Title: Economics -II

Course Code: ECO-111

Credit Hours: 3

Program: BS Public Administration

Course Faculty

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Course Description

This course will offer a relatively advanced understanding of the field of economics both at micro and macro level. The course is divided into two parts: First, we will cover some advanced concepts in Micro-Economics that remain important for understanding of public policies and governance. The second part will focus on Macro-economics which facilitate the understanding of how an economy works as a coordinated whole. It aims to provide a simple yet rigorous framework for understanding real macroeconomic events. Students are expected to be able to apply the tools listed in the course in order to analyze relatively simple macroeconomic issues.

Course Objectives

The purpose of this course is to introduce students to advanced concepts and theories in economics that are fundamental to the understanding of how an economy works in both short and long run.

Learning Outcomes

After completion of course, students shall be able to:

- To introduce students with externalities and Market Failure
- To understand the market structure and different economic policies of government.
- To reflect on the basic concepts and principles of macroeconomics.
- Use different economic indicators and models to explain economic phenomena.
- Assess macroeconomic issues and approaches and analyze effectiveness of government economic policy.
- To prepare students for advanced tools in the analysis of market and public policies.

Required Course Material

Reference book:

1. Economics, 3rd Edition, N. Gregory Mankiw and Mark P. Taylor, Publisher: Andrew Ashwin
2. Glencoe/McGraw-Hill, ECONOMICS: PRINCIPLES AND PRACTICES, Reading Essentials and Study Guide,
3. Selected Case Studies and Papers to be assigned in the due course of time.

Course Evaluation (Grade Breakup)

Follow following criteria for evaluation:

Finals

50-60

*Given the DL or FTF mode of teaching uncertainty due to COVID19, mid-term exam can be substituted with research projects or assignments/quizzes. The above criteria are therefore tentative and may change time to time.

Course Content (Weekly)

Week	Lecture Topic	Reading
1	<ul style="list-style-type: none"> • Externalities and market failure <ul style="list-style-type: none"> ○ Externalities and market inefficiency ○ Private solutions to externalities ○ Public policies towards externalities 	Text 1: Chapter 11
2	<ul style="list-style-type: none"> • Public goods, common resources and merit goods <ul style="list-style-type: none"> ○ The different kinds of goods ○ Public goods ○ Common resources ○ Merit goods 	Text 1: Chapter 10
3	<ul style="list-style-type: none"> • Market Structure I: Monopoly <ul style="list-style-type: none"> ○ Imperfect competition ○ Why monopolies arise ○ How monopolies make production and pricing decisions ○ The welfare cost of monopoly ○ Price discrimination ○ Public policy towards monopolies 	Text 1: Chapter 14
4	<ul style="list-style-type: none"> • Market structures II: Monopolistic competition <ul style="list-style-type: none"> ○ Competition with differentiated products ○ Advertising and branding ○ Contestable markets 	Text 1: Chapter 15
5	<ul style="list-style-type: none"> • Market structures III: Oligopoly <ul style="list-style-type: none"> ○ Characteristics of oligopoly ○ Game theory and the economics of cooperation ○ Models of oligopoly ○ Public policy toward oligopolies 	Text 1: Chapter 16
6	<ul style="list-style-type: none"> • Employment, Labor, and Wages <ul style="list-style-type: none"> ○ The Labor Movement ○ Resolving Union and Management Differences ○ Labor and Wages 	Text 2: Chapter 8

7	<ul style="list-style-type: none"> • Sources of Government Revenue <ul style="list-style-type: none"> ○ The economics of Taxation ○ Federal Government Tax ○ Provincial Government Tax 	Text 2: Chapter 9
8	<ul style="list-style-type: none"> • Mid Term 	
9	<ul style="list-style-type: none"> • Government Spending <ul style="list-style-type: none"> ○ The Economics of Government Spending ○ Federal Government Expenditures 	Text 2: Chapter 10
10	<ul style="list-style-type: none"> • Monetary Policy and Central Banking <ul style="list-style-type: none"> ○ The Monetary Policy ○ Money Growth & Inflation 	Readings TBA
11	<ul style="list-style-type: none"> • Income inequality and poverty <ul style="list-style-type: none"> ○ The measurement of inequality ○ The political philosophy of redistributing income 	Text 1: Chapter 18
12	<ul style="list-style-type: none"> • Measuring a nation's income <ul style="list-style-type: none"> ○ The measurement of gross domestic product ○ The components of GDP ○ Real versus nominal GDP ○ GDP and economic well-being 	Text 1: Chapter 20
13	<ul style="list-style-type: none"> • Production and growth <ul style="list-style-type: none"> ○ Economic growth around the world ○ Growth theory ○ Productivity: Its role and determinants ○ Economic growth and public policy 	Text 1: Chapter 22
14	<ul style="list-style-type: none"> • Keynesian economics and IS-LM analysis <ul style="list-style-type: none"> ○ The Keynesian cross ○ The multiplier effect ○ The IS and LM curves ○ General equilibrium using the IS-LM model 	Text 1: Chapter 31
15	<ul style="list-style-type: none"> • Aggregate demand and aggregate supply 	Text 1: Chapter 32
	<ul style="list-style-type: none"> • Final Exam Week 	

Course Policies

Class Participation:

Students are encouraged to actively take part in the class discussion.

Attendance:

- In the event of a missed session, it is the student's responsibility to consult LMS and their class mates for missed content.

- Class attendance will be taken in first 15 minutes of the class. Do not be late for class otherwise you will be marked **ABSENT** for the session(s).
- If you are away on official NUST duty¹, it is the student's responsibility to inform the instructor on time with an official notice². Consequently, the student will still be marked as present, but as "On Duty". **AIESEC events and activities related duties don't qualify for "On Duty" status unless instructed by Dean/Principal NS3H.**
- It is the student's responsibility to continuously monitor his/her attendance. **DO NOT ask the instructor to change/modify the attendance**, unless there has been an accidental oversight. In such an event, the student should inform the instructor of the error (with proof) **before** the month ends.

Quizzes:

Surprise Quiz and Class Activities: There could be surprise (unannounced quizzes) during the class. Students are advised to ensure their presence in the class particularly, when we are having a hybrid system of teaching.

There will be no make-up quizzes under any circumstances. For this reason, students shall be given the advantage of availing N-1 policy **only for quizzes.**

Academic Dishonesty:

Students need to carefully consider NUST policies regarding plagiarism. Group-work is encouraged but any form³ of plagiarism is a crime and will not be tolerated. Strict action will be taken against any student(s) found plagiarising any material and submitting it as his/her own.

You are responsible for knowing and enacting academic conduct that is in line with the University's statement entitled "Academic Dishonesty" available at:

<http://www.nust.edu.pk/usr/showContents.aspx?mdl=1839>

The statement highlights examples of unacceptable behavior which include, but are not limited to, the following:

- **Cheating:** Intentionally using or attempting to use unauthorized materials, information, or study aids in any academic exercise; copying from another student's examination; submitting work prepared in advance for an in-class examination; taking an examination for another person or conspiring to do so.
- **Plagiarism:** Intentionally or knowingly representing the words or ideas of another as one's own in any academic exercise; failure to attribute direct quotation, paraphrase, or borrowed facts or information.

It is expected that all work that is handed will be your own. Any ideas or content that come from another source must be properly cited (including any content taken from the Internet, books, articles and lectures). It is expected from you that all your work (project, assignment and presentations) are referenced using this handout.

Moreover, **Turn-It-In** will be used as the plagiarism software to evaluate all your submissions. Any acts of plagiarism and cheating will be dealt strictly and in accordance with the policy in place by the University.

¹ Duties include representing NUST at any forum both at national and international level and being assigned duties by NUST societies/authorities for NUST/ S³H level events.

²An application duly signed by the Principal/Dean of S³H

³ For example submitting someone else's work, past projects or direct material from the internet/books (unless outlined or referenced) as you own

Things to Remember

- The dates/weeks provided below are an estimate of due dates for quizzes, assignments and project related material submission. These may be subject to modification by the instructor due to unforeseen circumstances/minor modifications in course. However, until informed so, please consider these dates/weeks as final.

Week	Date	Item Due

Bear in mind that it is the responsibility of the student to continuously keep track of these dates/weeks/lecture outline and any student not prepared for the class will be marked negatively in CP as well as the relevant class activity.

- Do's and Don'ts of Class

DO	DONT
Come to class <u>on time</u> and having completed the reading material.	Submit assignments, quizzes late. Such assignments and quizzes will be cancelled.
Take notes during the lectures.	<u>Cause disturbance</u> in class. If you have a question, address it to the instructor.
Ask questions that are relevant to the topic being discussed and participate actively in class discussions and activities.	Walk in and out of class during the lecture as you please. If you have an emergency, let the lecturer know.
Let the lecturer know in advance if you need to miss a class.	Come to class <u>without your own copy of reading material</u> assigned for that week.
Respect your classmates opinions regarding topics under discussion	Ask the lecturer to reschedule deadlines.
Constantly monitor the course outline and <u>check the deadlines.</u>	<u>Ask the lecturer to change attendance details.</u>
Research topics and news items for constructive (and respectful) in-class debates.	Eat/Drink food in class.
<u>Switch off your phones</u> during class.	<u>DO NOT forget to write some form of identification on each document that is due for submission of any kind.</u>