Course Code:  BMGT E1035  
Title:  Business Economics  
Aim:  To; (i) provide relevant knowledge of economic theories and concepts and economic relationships in human behaviour;  
(ii) develop analytical and economic decision making skills in order to find solutions to economic problems confronted at individual, business and society levels.  

Learning Outcomes:  
On competition of this course unit, students should be able to;  

- Identify and describe the basic concepts and analytical tools of business economics  
- Describe and explain the rationale for economic decisions made by individuals, firms, and the society  
- Apply the economic theories in managerial decision making.  

Content:  
price leadership model cartel, Kinked Demand Curve. National Income; Basic Concepts, Circular flow of national income, Methods of measuring national income: output method, income method, and expenditure method, Keynesian theory of national income determination: Consumption (C) savings (S), Investment (I) relating to different economies. Goods Market and Money Market (IS-LM model); The goods market and the IS curve, The money market and the LM curve, Simultaneous equilibrium of the Good and Money markets, Changes in the IS-LM equilibrium. Aggregate Demand and Aggregate Supply; Aggregate Demand, Aggregate Supply, Equilibrium of the economy and changes in equilibrium. Fiscal and Monetary Policies; Fiscal policy, how fiscal policy works, Monetary policy, how monetary policy works, Crowding out. Inflation and Unemployment; Inflation: Definition, Causes, and Controlling, Trade –Off between Inflation and Unemployment, Unemployment: Definition, Types of unemployment, Full employment. Open Economy Macroeconomics; The balance of payments and Exchange Rates, Perfect capital mobility.

Method of Teaching and Learning:
Lectures, Seminars.

Scheme of Evaluation:
Examination, Assignments

Recommended Readings:

