



Course Syllabus

Course Name: **Business Economics**

CEC2 532-761 – Tuesdays - Winter 2012

CRN:2039

Instructor: **Kenneth N. Matziorinis, B.A, M.A, Ph.D., C.M.C.**
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Location: **Burnside Hall Building, Room 306**

Course Objectives: The objectives of this course are three:

1. Introduce the student to the fundamentals of micro and macro economic theory and practice as they are applied to business in a managerial context.
2. Provide the student with the basic analytical skills, insights and managerial decision-making tools required for sound business decisions.
3. Explain the forces that shape the external environment of the firm such as aggregate demand, economic cycles, inflation, interest rates, exchange rates, and the role that demand management policies play in the economy and their impact on the firm's operations.

Course Description: Introductory micro and macro economic theory and practice in profit and non-profit organizations from a managerial perspective. Topics include: demand and supply analysis, production costs, firms' pricing and output determination, aggregate demand and supply, national income, output and employment determination, inflation, interest rate, exchange rate determination, fiscal and monetary policies.

Required Textbook: The required textbook for the course is:

Kenneth N. Matziorinis, *Business Economics: Theory and Practice, 5th Edition*, Canbek Publications, 2008, ISBN: 978-0-9695506-2-4

Kenneth N. Matziorinis, *The Canadian Economic Chart Book: 1909-2009, A Graphic View of Canada's Economic History*, Canbek Publications, 2009, ISBN: 978-0-9695506-5-5

The books are sold at *Paragraphe Bookstore*, Both books, shrink-wrapped edition: \$71.50; Chart book is also available separately, price: \$14.95
2220 McGill College Ave. and Sherbrooke Street. Open 7 AM – 9 PM, 7/7

Resource Material: It is recommended that you read on a regular basis the financial pages of media sources such as the *Globe & Mail*, *The National Post*, *Business Week*, *Financial Times*, *The Economist* and *Bloomberg.com*. All of these sources are accessible through the Internet. You can also make use of the instructor's web site at: www.canbekeconomics.com

On the *McGill Courses* page you will find the course syllabus, the assignments, multiple-choice practice questions and other material pertinent to the course. The Solutions to the two assignments will be also posted there for consultation before the mid-term and final exams as well as the final grades breakdown. On the *Economic & Finance Links* page of this site you will find a multitude of useful economics and business links relevant to this course as well as your other courses in the program, your career and work environment.

Evaluation: Your performance in the course will be evaluated on the basis of two assignments worth **20%**, a mid-term exam worth **40%** and a final exam worth **40%** of your final grade.

Assignments should be executed exclusively on **Graph 4-1" quad paper** unless done entirely by computer software. This requirement is appropriate to the nature of economics material which requires a wide use of graphs, tables, mathematical calculations and text. Assignments not done on quad paper will be penalized. Late assignments cannot be accepted because the solutions will be posted the day following the due date. The quality of presentation is also considered. Assignments that are overly messy or disorganized will be penalized. Hard copies should be submitted. You should avoid sending assignments via e-mail unless you are out-of-town on business and there is no other alternative to meet the deadline. While the first assignment will be returned, you should make a copy of the second as there will not be an opportunity to meet after the last class. If you want your assignment returned include a self-addressed stamped envelope to you instructor.

For the exams, students are responsible for all material in the textbook, whether or not it was covered in class. Exams are a combination of multiple choice questions and problems. Reviewing the solutions to the assignment questions and problems is the best way to prepare for the exam problems. Exam question sheets are not returned with the exam booklets. No make-up exams or make-up assignments are allowed in this course.

Course Material: Only non-programmable, no-tape, noiseless calculators are allowed. Calculators capable of storing text are not permitted in examinations. Handheld devices capable of storing text and having calculator functionality (e.g. Palm, etc.) are not permitted. Language dictionaries are permitted.

Language Policy: *Right to Submit in English or French written work that is to be graded*

In accordance with McGill University's Charter of Students' Rights, students in this course have the right to submit in English or in French any written work that is to be graded.

Academic Integrity: *Code of Student Conduct*

McGill University values academic integrity. Therefore all students must understand the meaning and consequences of cheating, plagiarism and other academic offences under the Code of Student Conduct and Disciplinary Procedures (see www.mcgill.ca/integrity for more information).

Final Exam Policy:

Regulations

Students should not make other commitments during the final exam period. Vacation plans do not constitute valid grounds for the deferral or the rescheduling of examinations. See the Centre Calendar for the regulations governing Examinations:

<http://www.mcgill.ca/conted-students/exams/regulations/>

Students are required to present their I.D. Card (with photo) for entrance to their examination.

Conflicts

If you are unable to write your final examination due to scheduling conflicts, you must submit a Final Exam Conflict Form with supporting documentation at least **one month** before the start of the final examination period. Late submissions will not be accepted. For details, see

<http://www.mcgill.ca/conted-students/exams/conflicts/>

Exam Timetable

Examination schedules are posted at the Centre and on the following page approximately 6-8 weeks before the examination period commences

<http://www.mcgill.ca/conted-cms/exams/>

The Centre cannot provide examination dates over the telephone.

Classroom Rules:

All electronic devices (cell phones and beepers) must be turned off during class time.

Email Policy:

E-mail is one of the official means of communication between McGill University and its students. As with all official University communications, it is the student's responsibility to ensure that time-critical e-mail is accessed, read, and acted upon in a timely fashion. If a student chooses to forward University e-mail to another e-mail mailbox, it is that student's responsibility to ensure that the alternate account is viable.

Please note that to protect the privacy of the students, the University will only reply to the students on their McGill e-mail account.

General Grading System: The grading will be as follows;

Graduate Level (please note that the highlighted area is average grade range).

A	(85-100%)	Pass
A-	(80-84%)	
B+	(75-79%)	
B	(70-74%)	
B-	(65-69%)	
F	(0-64%)	Failure
P		Pass

Undergraduate Level (please note that the highlighted area is average grade range).

A	(85-100%)	Satisfactory Pass
A-	(80-84%)	
B+	(75-79%)	
B	(70-74%)	
B-	(65-69%)	
C+	(60-64%)	
C	(55-59%)	Conditional Pass
D*	(50-54%)	
F	(0-49%)	Failure
P		Pass

* Although D is a passing grade, it will not permit entry into a subsequent course for which it is a prerequisite, nor will it be recognized if the course is a compulsory course in your program.

Grade Point Average

Letter grades are assigned grade points according to the following table:

A	4.0
A-	3.7
B+	3.3
B	3.0
B-	2.7
C+	2.3
C	2.0
D	1.0
F	0

Standing in a department will be determined on the basis of the Cumulative Grade Point Average (CGPA) computed by adding the product for each course of the course credits times the grade points, and dividing by the total course credits attempted:

$$CGPA = \frac{\text{sum (course credits x grade points)}}{\text{sum (course credits attempted)}}$$

Grades of D or F continue to be used in the calculation of the CGPA even after the course is repeated or a supplemental examination is taken.

Grades of J and KF count as 0 grade points in the CGPA. Courses with a grade of W, WF, WL or KK are not included in the calculation.

For details, see <http://www.mcgill.ca/conted-students/grades/>

Computing Resources: The McGill Association of Continuing Education Students, MACES (www.maces.mcgill.ca), at 3437 Peel, 2nd floor, tel. (514) 398-4974 has a computer lab available for all students of Centre for Continuing Education.

Students Rights and Responsibilities:

Regulations and policies governing students at McGill University can be downloaded from the website:

<http://www.mcgill.ca/deanofstudents/rights/>

Students Services and Resources:

Various services and resources, such as email access, walksafe, library access, etc., are available to Continuing Education students:

<http://www.mcgill.ca/conted-students/services/>

Minerva for Students: <http://www.mcgill.ca/minerva-students/>

Schedule of Lectures, Topics and Readings

SEE BELOW

Schedule of Lectures, Topics and Readings

CLASS	DATE	CHAPTERS	TOPICS
1	Jan 10	1	Introduction to Economics
2	Jan 17	2	Demand and Supply
3	Jan 24	2,3	The Market Mechanism and Price and Output Determination
4	Jan 31	3	Demand Analysis, Elasticity and Applications
5	Feb 7	4	Production Principles and Productivity Measurement Costs of Production and Cost Relationships
6	Feb 14	5	Managerial Decision-Making Rules: Break-Even Analysis, Profit Maximization, Loss Minimization, Contribution Margin and Relevant Cost Pricing FIRST ASSIGNMENT IS DUE
	Feb 20-24	1-5	Mid-term STUDY BREAK
7	Feb 28		Three-Hour MID-TERM EXAM (Closed book)
8	March 6	6	The Measurement and Interpretation of Macroeconomic Activity: GDP, Unemployment, Inflation and Growth Rates
9	March 13	6	Indicators of Macroeconomic Performance: Standard of Living, Productivity Growth Rate, Investment and Saving Rates, Economic Cycles
10	March 20	7	Short-term Determinants of Aggregate Economic Activity: Output, Employment, Income and Prices
11	March 27	7 10, Sections 1-5	Model of National Income Determination, The Income Multiplier and Output Gap
12	April 3	8	Fiscal Policy, Budget Balance and Public Debt
13	April 10	9 10, Section 12	Money, Financial Markets, Interest Rate Determination, Central Banking and Monetary Policy SECOND ASSIGNMENT IS DUE
	Apr 12-30 TBA	6-10	Three-Hour FINAL EXAM (Closed Book)