



INTRODUCTION TO ECONOMICS

INSTITUTE FOR PROFESSIONAL AND EXECUTIVE DEVELOPMENT

United Kingdom

UNIT SPECIFICATION

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Unit Title

Introduction to Economics

Credit value

The credit value for this unit is 30

30 credits equivalent to 300 hours of teaching and learning
(10 hours is equivalent to 1 credit)

Guided learning hours (GLH) = 50 hours

GLH includes lectures, tutorials and supervised study. This may vary to suit the needs and requirements of the learner and/or the approved centre of study.

Directed learning = 50 hours: This includes advance reading and preparation, group study, and undertaking research tasks.

Self-managed learning = 200 hours: This includes completing assignments and working through the core and additional reading texts. It also includes personal research reading via other physical and/or electronic resources.

<p>3.0 Understand how resources are allocated in competitive markets</p>	<p>2.6 Distinguish between economies of scale and return to scale</p> <p>2.7 Examine the role of new technology and incentives in economic growth</p> <p>2.8 Examine the law of diminishing returns</p> <p>2.8.1 Explain what causes the law of diminishing returns</p> <p>2.8.2 Analyse how the law of diminishing returns may be offset</p> <p>2.9 Explain what is meant by short run and long run in economics</p> <p>2.9.1 Explain why the law of diminishing returns is considered a short run</p> <p>2.10 Analyse the law of increasing costs</p> <p>2.10.1 Explain what is meant by a Production Possibility Frontier (PPF)</p> <p>2.10.2 Analyse a PPF for a given production schedule with respect to the law of increasing costs</p> <p>2.11 Explain the terms opportunity cost and sunk cost</p> <p>2.12 Examine the nature of international trade</p> <p>2.12.1 Evaluate the implication of globalization on international trade</p> <p>2.12.2 Evaluate the causes for the differences in PPFs in different countries</p> <p>2.12.3 Evaluate the benefits of international trade</p> <p>2.12.4 Examine the limits or barriers to trade</p> <p>2.13 Examine the principles of comparative advantage and absolute advantage</p> <p>2.13.1 Evaluate the implications of absolute and comparative advantage on exchange rates</p> <p>3.1 Give an account on the price system</p> <p>3.1.1 Illustrate the price system showing the critical importance of</p>
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<p>4.0 Understand the nature of elasticities of demand and supply</p>	<p>prices as connecting or communicating mechanism between consumers and producers</p> <p>3.2 Examine the nature of demand</p> <p>3.2.1 Explain what is meant by demand</p> <p>3.2.2 Identify the 3 elements of demand; price, quantity and time</p> <p>3.2.3 Distinguish between ex-ante demand and ex-post demand</p> <p>3.2.4 Examine the determinants of demand</p> <p>3.2.5 Construct and analyse a demand curve</p> <p>3.2.6 Analyse the effect of income on demand</p> <p>3.2.7 Analyse the exceptions to the law of demand</p> <p>3.3 Examine the nature of supply</p> <p>3.3.1 Explain the meaning of supply</p> <p>3.3.2 Construct and analyse a supply curve</p> <p>3.3.3 Examine the principles of supply</p> <p>3.3.4 Explain what is meant by extension of supply and contraction of supply</p> <p>3.3.5 Examine the determinants of supply</p> <p>3.3.6 Describe the nature of regressive supply curves</p> <p>3.4 Examine the nature of equilibrium prices</p> <p>3.4.1 Explain the meaning of an equilibrium price</p> <p>3.4.2 Examine how equilibrium price is determined</p> <p>3.4.3 Construct and analyse a graph on equilibrium price</p> <p>3.4.4 Evaluate the implication of shifts in demand and supply on equilibrium price</p> <p>4.1 Examine elasticity of demand</p> <p>4.1.1 Define elasticity of demand</p> <p>4.1.2 Distinguish between elastic demand and inelastic demand</p>
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	<ul style="list-style-type: none"> 4.1.3 Explain what is meant by unitary elasticity 4.2 Examine a firm's pricing decision with respect to inelastic demand and elastic demand 4.3 Calculate price elasticity of demand 4.4 Explore the factors determining price elasticity of demand 4.5 Calculate arc elasticity and point elasticity 4.6 Explain the meaning of income elasticity <ul style="list-style-type: none"> 4.6.1 Calculate income elasticity of demand 4.6.2 Examine the categories of income elasticity of demand 4.6.3 Evaluate the importance of income elasticity 4.7 Examine cross elasticity of demand <ul style="list-style-type: none"> 4.7.1 Define cross elasticity of demand 4.7.2 Calculate cross elasticity of demand 4.7.3 Analyse the categories of cross elasticity of demand 4.8 Examine price elasticity of supply <ul style="list-style-type: none"> 4.8.1 Explain the meaning of price elasticity of supply 4.8.2 Calculate price elasticity of supply 4.8.3 Construct and analyse a price elasticity of supply curve 4.8.4 Discuss the importance of elasticity of supply 4.8.5 Discuss the determinants of price elasticity of supply
<p>5.0 Understand the nature of markets in movement</p>	<ul style="list-style-type: none"> 5.1 Examine the changes in market price <ul style="list-style-type: none"> 5.1.1 Evaluate the four basic movements in equilibrium with respect to the possible changes in demand and supply 5.2 Analyse the effect of time on prices <ul style="list-style-type: none"> 5.2.1 Explain what is meant by time lag 5.2.2 Distinguish between one-period time lag and distributed time lag 5.3 Give an account on government interference with equilibrium

<p>6.0 Understand key issues relating to the mixed economy; market failure and government failure</p>	<p>prices</p> <p>5.4 Analyse the shortcomings of supply and demand analysis</p> <p>5.5 Analyse areas of conflict between markets and government objectives</p> <p>6.1 Explain what is meant by a mixed economy</p> <p>6.2 Differentiate between socialism and capitalism</p> <p>6.3 Examine the origins of mixed economy</p> <p>6.3.1 Explain the main ideas of economists who have influenced thinking in mixed economy (such as Adam Smith)</p> <p>6.4 Identify the various roles of government in the economy</p> <p>6.5 Relate the growth of government involvement in the economy to both economic ideas and events in history</p> <p>6.6 Identify the main causes of market failure and government failure</p> <p>6.7 Apply the concepts of efficiency and equity to economic problems</p> <p>6.8 Explain what is meant by comparative statics</p> <p>6.9 Examine the cobweb theorem</p> <p>6.9.1 Analyse the factors modifying the cobweb</p>
<p>7.0 Understand the nature of market structures</p>	<p>7.1 Examine the different types of competition</p> <p>7.1.1 Describe the characteristics of perfect competition and imperfect competition</p> <p>7.1.2 Discuss the nature and sources of monopoly</p> <p>7.1.3 Examine the nature of oligopoly</p> <p>7.1.4 Distinguish between duopoly, perfect oligopolies and imperfect oligopolies</p> <p>7.1.5 Explain what is meant by monopolistic competition</p>

<p>8.0 Understand the nature of the macro economy</p>	<p>8.1 Define macro economics 8.1.1 Distinguish between micro economics and macro economics 8.2 Describe the historical and theoretical background to the development of macro economics 8.3 Explain how the insights of Keynes's General Theory changed economic policy</p>
<p>9.0 Understand key issues in measuring the macro economy</p>	<p>9.1 Examine the four macroeconomic policy targets: - Balance of payments - Inflation - Growth - Unemployment 9.1.1 Outline how the macroeconomic policy targets are measured and explain why they are important 9.2 Analyse the circular flow of national income 9.3 Examine the components of national income 9.4 Examine the nature of national income accounts</p>
<p>10.0 Understand the nature of international interdependencies and globalization</p>	<p>10.1 Explain the term globalization 10.2 Evaluate the factors that have contributed to globalization 10.3 Analyse the implications of globalization on both developed and developing economies</p>

Recommended learning resources

Indicative reading	John Beardshaw et al 2001. Economics; A student's guide. Prentice Hall ISBN: 9780273651406 <ul style="list-style-type: none">• For a full list of textbooks and publications relevant to this unit, please contact IPED - UK.
Learning Aid	A learning resource material is provided to guide the learner/tutor and to serve as a quick reference point for contents of the programme. The student is advised not to be over reliant on the study guide but to access the relevant textbooks or other academic materials as much as possible to help him/her with the course.