



Unit Outline: BE922

Economics of Globalisation

School/Division: Business

Unit Title: Economics of Globalisation

Unit Code: BE922

Level: Advanced

Pre-requisites: BE402/903 Business Economics or BL 911 Managing the Legal Environment. BS942 International Business

Co-requisites: Nil

Exclusions: Nil

Credit Points: 15

ASCED Code: 080101

Students completing this unit should:

Objectives:

Knowledge

- international trade theory, describe the basis and the gains from international trade and outline the role of economic factors who conduct international trade
- international trade policy, describe the reasons for and the effect of trade restrictions and recognise the importance of the international trading system and understand the significance of institutions that facilitate international trade
- the balance of payments, describe a nation's total receipts from the total payment to the rest of the world
- foreign exchange markets, understand the institutional framework for the exchange of one national currency for others
- mechanisms of adjustment in the balance of payments disequilibria, understand the relationship between the internal and the external sectors of economy of a nation and how they are interrelated and interdependent with the rest of the world economy.



Skills

- possess the ability to evaluate problems which must be addressed by managers wishing to engage in international commercial activity
- apply the principles of economics and finance to international commerce
- enhance oral and written communication skills

Attitudes and values

- Develop a critical and analytical approach to the economics of international commerce
 - Acquire the techniques of economic reasoning in oral and written form
 - Develop a continuing interest in international commerce
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Content:

Part 1 Introduction: Why study the economics of international business; economic systems and development: balance of payments

Part 2 International Trade Theory: Mercantilism, absolute advantage, comparative advantage, Heckscher-Ohlin theory, international product life cycle, new trade theory.

Part 3 International Trade Policy: International trade policies examining trade restrictions: tariffs and non-tariffs, discussion on the justification given for trade restrictions.

Part 4 International Trade and Investment Relations: International economic integration, relationship between international trade and economic growth, effects of international movement of economic resources and multinational corporations.

Part 5 The Balance of Payments, Foreign Exchange Markets, and Exchange Rates: Balance of payments of a nation, operation of foreign exchange markets and determination of exchange rate.

Part 6 Open-economy Macroeconomics: Fiscal and monetary policies for achieving economic growth without inflation and sustainable balance of payment and exchange rates.

Part 7 The Global Monetary System: International financial markets; the price adjustment mechanism; International monetary systems



Learning Tasks & Assessment:

Learning Task	Assessment	Weighting
“Economics of Globalisation Watch” This task to completed on an individual basis	Written evaluation of current articles from the financial press.	20%
Essay- identifying, researching and writing an academic paper.This task to be completed on an individual basis	Essay	30%
Examination*- A formal supervised written examination	Examination*	50%

Note on Assessment

Requirements for attendance and information relating to assessable tasks that must be passed needs to be clearly outlined for each unit.

The School has adopted a policy that a minimum of 50% of assessable tasks will be required to be Verifiable Assessment. Verifiable Assessment refers to assessment which is conducted under the supervision of an academic staff member, e.g. an exam, presentation etc.

The assessment tasks deemed as verifiable are denoted with an asterisk. Students must achieve 50% in the verifiable tasks **in total** in order to pass the unit.

You are strongly advised to attempt ALL assessment tasks, as well as achieving 50% in total for the verifiable assessment component. Failure to attempt all tasks may result in you being ineligible for Supplementary Assessment as outlined in 1.11 of the Unit Description, and students who do not submit a task(s) or fail a task(s) in the teaching period will be identified as a ‘student at risk’ of unsatisfactory academic progress (outlined in 1.17 in the Unit Description) and will be directed to the School’s Intervention Program.

Adopted Reference Style

- APA
- Australian
- MLA
- Chicago
- Other (please specify)

The link to the library website for more information is: [UB Library - Citation guides](#)

Prescribed Text

Salvatore, D.(2005) Introduction to International Economics. New York:Wiley

