



Economics is concerned with the production, consumption and distribution of wealth, and aims to explain the reasons for and the consequences of decisions made by individuals, households, firms or governments.

Level 4 modules are introductory and cover microeconomics (concerned with the effects of individual decisions) and macroeconomics (concerned with large-scale or general economic factors, such as interest rates and economic growth). A module in mathematics and statistics provides the necessary quantitative foundations for the study of economics, while the Capitalism module develops the historical and intellectual background to modern economics

Level 5 modules are slightly more advanced with modules offered in microeconomics, macroeconomics, contemporary issues and mathematical and statistical techniques.

Level 6 modules offer an advanced treatment of macro- and microeconomic analysis in the Advanced Economic Analysis module. A range of other modules are available, according to specific interest/background, including business and financial economics topics.

Updated March 2024/PJW

Entry requirements: GPA of 2.75 or above (out of 4.0) or equivalent

Pre-requisites:

- There are no formal pre-requisites for level 4 modules, though knowledge of calculus is helpful.
- Level 5 modules require previous introductory university-level study of economics.
- Level 6 modules require substantial prior study of intermediate-level economics.

Taught at: Penrhyn Road campus

Key to Module Descriptors

Suitability of Module for Study Option:

1: indicates module is suitable for students visiting KU on Study Option 1 (Whole Year)

2: indicates module is suitable for students visiting KU on Study Option 2 (Autumn)

3: indicates module is suitable for students visiting KU on Study Option 3 (Spring)

Notes:

Study Option 1 = Whole Year
Study Option 2 = Autumn
Study Option 3 = Spring

1. All modules are at undergraduate level only.
2. Students enrolled on Study Option 1 are required to study the entire module.
3. Whilst the University makes every effort to ensure that this information is correct at the time of updating (March 2024), it cannot accept responsibility for omissions or subsequent changes. Module availability and content may be subject to change, as part of the University's policy of continuous improvement and development.
4. Details of assessment for students enrolled on either Study Option 2 or 3 where provided are **indicative** only and may also be subject to change as part of the above policy.

Module Code	Module Title	Suitability
LEVEL 4 (INTRODUCTORY)		
EC4002	Capitalism	1, 2, 3
EC4003	Economic Policy and Principles	1, 2, 3
EC4005	Introductory Mathematics and Statistics for Economics	1, 2, 3
LEVEL 5 (INTERMEDIATE)		
BE5001	Competition and the Firm	1, 2, 3
EC5001	Contemporary Issues in Economics	1, 2, 3
FE5001	Corporate Finance and Investment	1, 2, 3
EC5003	Macroeconomics	1, 2, 3
EC5004	Microeconomics	1, 2, 3
EC5005	Mathematical Economics and Econometrics	1, 2, 3
LEVEL 6 (ADVANCED)		
BE6002	Economics of Organizations and Strategy	1, 2, 3
EC6002	Advanced Economic Policy and Principles	1, 2, 3
FE6002	Finance, Risk Management and Instability	1, 2, 3
FE6003	Money, Banking and Financial Economics	1, 2, 3
EC6004	Development Economics	1, 2, 3
EC6007	International Trade and Finance	1, 2, 3

[EC6009](#)

Further Mathematical Economics and Econometrics

1, 2, 3

LEVEL 4 (INTRODUCTORY)

Module Code:	EC4002
Module Title	Capitalism
Credits	<ul style="list-style-type: none"> • Full Year: 8 (US) 15 (ECTS) • Single Semester: 4 (US) 7.5 (ECTS)
Level	4
Prerequisites	None
Suitability	<ul style="list-style-type: none"> • Open to Study Abroad/International Exchange students for Study Options 1 or 2 or 3. • Not open to Erasmus students (as Level 4)
Content	<p>This module offers a detailed survey of the origins and emergence of capitalism and the economic thinking that paralleled these developments. It will develop key aspects of the contemporary economy – firms and competition in the national and international environment and the role of the state in national and supra-national contexts. It will then proceed with an introduction to the role of finance in capitalism and the nature and causes of financial crises.</p> <p>Topics covered include:</p> <ul style="list-style-type: none"> • The origins and emergence of capitalism • The first and second industrial revolutions • The gold standard and imperialism • Twentieth century wars and crises • Post war globalisation • Firms and competition in the UK and globally • The role of the UK state, the EU and trans global institutions in economic regulation • The role of finance in capitalism • The nature and causes of financial crises

	<p>➤ Autumn Semester: Capitalism and the History of Economic Thought from the 16th to late Twentieth Century</p> <ul style="list-style-type: none"> • Introduction: Why Study Capitalism and the History of Economic Thought? • The Great Transformation: The Birth of Capitalism and Expansion of Europe • The Originators 1: Mercantilism and the Economics of National Power • The Originators 2: From the Physiocrats to Smith • Adam Smith: The Wealth of Nations • Malthus and Ricardo: The Industrial Revolution & Classical Political Economy • Marx I: The Critique of Political Economy • Marx II: Marxism and the 'Imperialist Stage' of Capitalism • The Marginal Revolution and Birth of Neoclassical Economics • Keynes, the Great Depression and Post-War Policy Consensus • The Neoliberal Counter-Revolution <p>➤ Spring Semester: Capitalism - a Subaltern view from the Global South</p> <ul style="list-style-type: none"> • Racial capitalism, Stratification economics & the Wealth of Nations • Subaltern theory • Imperialism • Development of underdevelopment • Neoliberal globalisation & capital accumulation in the Global South • Critical Race Theory • Financial innovation, Environmental racism Big data & Health inequality
Teaching	Weekly 3-hour workshops
Assessment	<p>Study Option 1:</p> <ul style="list-style-type: none"> • 2000-word preliminary essay (50%) • 2000-word final essay (50%)
	<p>Study Option 2:</p> <ul style="list-style-type: none"> • 2000-word essay (100%)
	<p>Study Option 3:</p> <ul style="list-style-type: none"> • 2000-word essay (100%)
Last Updated:	03/04/24 PJW

[Return to top](#)

Module Code	EC4003
Module Title	Economic Policy and Principles
Credits	<ul style="list-style-type: none"> • Full Year: 8 (US) 15 (ECTS) • Single Semester: 4 (US) 7.5 (ECTS)
Level	4
Prerequisites	<ul style="list-style-type: none"> • None for study options 1 or 2; • For study option 3, successful completion of a course of introductory microeconomics is essential.
Suitability	<ul style="list-style-type: none"> • Open to Study Abroad/International Exchange students for Study Options 1 or 2 or 3 • Not open to Erasmus students (as Level 4)
Content	<p>This module provides an introduction to principles and policies in economics – the toolkit of economists. We will use real world economic problems and policy issues to introduce key elements of this toolkit.</p> <p>The Autumn semester focuses on microeconomics. Students will examine decisions of consumers and firms, the functioning of markets and market imperfections that require government intervention.</p> <p>In the spring semester, the focus is on macroeconomics. Students will learn how aggregate economic activity is measured, what drives growth and how income is distributed. Students will examine how shocks get amplified and lead to boom and bust cycles, and how fiscal and monetary policies can mitigate these cycles. Labour markets and unemployment are covered as well as financial markets and inflation.</p> <p>➤ Autumn Semester: Microeconomics</p> <ul style="list-style-type: none"> • Microeconomics: introduction to first principles and models; trade-offs and trade • Supply and demand; consumer and producer surplus • Price controls and quotas • Elasticities and taxes • Decision making by individuals and firms • Rational consumers • Behind the supply curve: perfect competition and the supply curve • Monopoly, oligopoly and monopolistic competition • Externalities, public goods and common resources <p>➤ Spring Semester: Macroeconomics</p> <ul style="list-style-type: none"> • Measuring and tracking the economy

[Return to top](#)

	<p>➤ Spring Continued:</p> <ul style="list-style-type: none"> • National accounts, growth rates, economic instability • Sources of economic instability: consumption and investment; multiplier effects • Fiscal policy; government debt • Inflation and monetary policy • Inflation and unemployment
Teaching	Weekly three-hour workshop of lectures and seminars
Assessment	<p>Study Option 1:</p> <ul style="list-style-type: none"> • Two 1.5-hour in-class tests (50% each)
	<p>Study Options 2 & 3:</p> <ul style="list-style-type: none"> • In-class test (100%)
Last Updated:	03/04/24 PJW

[Return to top](#)

Module Code	EC4005
Module Title	Introductory Mathematics and Statistics for Economics
Credits	<ul style="list-style-type: none"> • Full Year: 8 (US) 15 (ECTS) • Single Semester: 8 (US) 15 (ECTS)
Level	4
Prerequisites	None
Suitability	<ul style="list-style-type: none"> • Open to Study Abroad/International Exchange students for Study Options 1 or 2 or 3 • Not open to Erasmus students (as Level 4)
Content	<p>This module provides an introduction to mathematical and statistical techniques; students are prompted to appreciate how mathematical reasoning is used in economics and develop skills in the numerical, graphical and statistical analysis of economic data.</p> <p>The course starts with a review of material that may have been encountered in previous studies, and moves on to developing their knowledge, understanding and ability to apply quantitative concepts, of particular relevance for microeconomics, macroeconomics and econometrics.</p> <p>Topics:</p> <ul style="list-style-type: none"> • Introductory maths and basic algebra: arithmetic operators, concept of numbers, algebraic manipulations, exponents, logs, sets. • Linear functions: graphs, calculating from co-ordinates, points of intersection, simultaneous equations. • Applications of linear equations in economics: budget constraints, demand and supply analysis, taxes & subsidies, cost and revenue break even. • Non-linear equations: plotting curves, quadratic equations, roots. • Calculus: derivatives as slopes, power rule, turning points for optima, second order conditions, differentiating a range of functions, economic examples. • Sources of data and sampling methodologies. • Introduction to descriptive and inferential statistics. • Calculation and interpretation of measures of location and variation. Raw and grouped data along with various graphical representations. • Introduction to the normal probability distribution. Inferential statistics; hypothesis testing and Confidence Intervals. Student's t distribution. • Probability theory and statistical inference. Expected values. The application and analysis of; joint, marginal and conditional probabilities and the concepts of; statistical independence, covariance and correlation. • The application of elementary smoothing and decomposition methods to time-series data. • Construction and interpretation of index numbers.

Teaching	Weekly 3-hour workshops
Assessment	<p>Study Option 1:</p> <ul style="list-style-type: none"> • In Class test (90 minutes) (50%) • Quantitative Report (1,500 words) (50%) <p>Study Options 2/3:</p> <ul style="list-style-type: none"> • A version of Study Option 1
Last Updated:	03/04/24 PJW

[Return to top.](#)

LEVEL 5 (INTERMEDIATE)

Module Code	EC5001
Module Title	Contemporary Issues in Economics
Credits	<ul style="list-style-type: none"> • Full Year: 8 (US) 15 (ECTS) • Single Semester: 4 (US) 7.5 (ECTS)
Level	5
Prerequisites	Previous university-level study of introductory economics
Suitability	Study Options 1 or 2 or 3
Content	<p>The module aims to develop the student’s ability to apply economic analysis to a range of contemporary economic problems and policies. The module consists of four related parts split between the autumn semester and spring semesters. Topics may vary annually and what is shown below are past examples only.</p> <p>➤ Autumn Semester:</p> <p>Part 1: Financial Crises, Causes and Consequences</p> <p>Exploration of the reasons behind several large bubbles and crashes since the Great</p>

Study Option 1 = Whole Year
 Study Option 2 = Autumn
 Study Option 3 = Spring

	<p>Depression and why the capitalist economy suffers more instability than expected by neoclassical theory, stressing in particular the insufficient understanding of money and finance in neoclassical theory. We will discuss alternative models, in particular the works of Hyman Minsky and the Post-Keynesian School.</p> <p>Part 2: Neoclassical economics and macroeconomic policy advice</p> <p>Discussion of the relevance of textbook models in informing major areas of macro-economic policy making including managing the fruits of technological progress and responding to the financial crisis (austerity and quantitative easing).</p> <p>Part 3: Neoclassical economic and microeconomic policy advice</p> <p>Critical discussion of the limitations to the application microeconomic theory when it comes to informing major microeconomic policy fields, including housing, public health and labour markets.</p> <p>➤ Spring Semester:</p> <p>Part 4: The City in global capitalism</p> <p>This part of the module focuses on the role and future of the “City” of London in global capitalism and covers much of the same material with “Leila Simona Talani, (2011) Globalization, Hegemony and the Future of the City of London, Palgrave MacMillan”. The City of London has long controlled British economic policy-making, and has taken the lead as a domestic actor as well as making its mark on global financial markets. The course analyses the causes and consequences of this hegemony, and the implications that this has had for politics, socioeconomic interest groups, and the exceptional nature of British capitalist development.</p> <ul style="list-style-type: none"> • The City of London-British Exceptionalism • The City of London-Economic Policies 1960s-1980s • The City of London-European Monetary Integration • The City of London-Impact of the Global Financial Crisis • The City of London-Globalisation • The City of London-Dirty Money • The City of London-Brexit (1) • The City of London-Drop Box City • The Future
<p>Teaching:</p>	<p>Lectures, seminars and workshops</p>
<p>Assessment:</p>	<p>➤ Study Option 1:</p> <ul style="list-style-type: none"> • 1,500-word essay on Economics of Sustainable Development or Economics of the European Union (50%)

	<ul style="list-style-type: none"> • 2-hour exam (50%) ➤ Study Option 2: <ul style="list-style-type: none"> • 1,500-word essay (100%) ➤ Study Option 3: <ul style="list-style-type: none"> • 2 x essays (1,250 words, 1000 words)
Last Updated:	03/04/24 PJW

[Return to top](#)

Module Code	FE5001
Module Title	Corporate Finance and Investment
Credits	<ul style="list-style-type: none"> • Full Year: 8 (US) 15 (ECTS) • Single Semester: 4 (US) 7.5 (ECTS)
Level:	5
Prerequisites	Previous university-level study of introductory university-level economics
Suitability	Study Options 1 or 2 or 3
Content	<p>This module provides an introduction to corporate finance and the financial system. We will examine key principles of financial decision making, the functioning of financial institutions and markets and asset pricing. Students will learn about recent trends in global financial markets and do hands-on exercises in financial decision making.</p> <p>➤ Autumn Semester content:</p> <ul style="list-style-type: none"> ❖ <i>Introduction to Firms, Financial Statements and Investment Decisions</i> <ul style="list-style-type: none"> • Different types of firm; overview of corporate finance; corporate governance • Introduction to financial statements • Public corporate reporting and financial statement analysis • Discounted cash flow techniques for investment decision making • Share valuation and pricing: theories and models • Valuation of real investment projects ❖ <i>Firms' Financial Decisions</i> <ul style="list-style-type: none"> • the fundamental differences between equity and debt financing; • the question of whether the form of financing - equity or debt - matters when capital

	<p>markets are perfect; specifically, whether a firm's financing choices affect its value and cost of capital;</p> <ul style="list-style-type: none"> • theories of firms' financing choices under more realistic assumption, i.e., when capital markets are not perfect; • specific forms of equity and debt financing. • Mergers and Acquisitions - motivations and process <p>➤ Spring Semester content:</p> <p>❖ <i>Commercial banking, Credit and Money Creation</i></p> <ul style="list-style-type: none"> • banks: what they do and what they do not do • credit and money creation: historical perspective • banks balance sheets • credit and money creation in the modern economy • liquidity and solvency • bank capital, profitability and risk <p>❖ <i>Central banking, Monetary Policy, Financial Stability and Government Finance</i></p> <ul style="list-style-type: none"> • origin of central banking: banks' bank and government's bank • central bank's balance sheet • monetary policy and inflation targeting • monetary policy and exchange rates • government finance • quantitative easing • independent central banks: pros and cons • central bank as lender of last resort • micro- & macro-prudential regulation • supervision and crisis management • deposit insurance
Teaching	Weekly 3-hour sessions (lectures, seminars and workshops)
Assessment	<p>Study Option 1:</p> <ul style="list-style-type: none"> • Business investment appraisal – case study 1000 words (25%) • Capital Structure – 1000 words (25%) • 2-hour unseen exam (50%)
	<p>Study Option 2:</p> <ul style="list-style-type: none"> • Business investment appraisal – case study 1000 words (50%)

	<ul style="list-style-type: none"> • Capital Structure – 1000 words (50%)
	<p>Study Option 3:</p> <ul style="list-style-type: none"> • Report on evaluation of financial viability of two business projects (100%)
Last Updated:	03/04/24 PJW

[Return to top](#)

Module Code	EC5005
Module Title	Mathematical Economics and Econometrics
Credits	<ul style="list-style-type: none"> • Full Year: 8 (US) 15 (ECTS) • Single Semester: 4 (US) 7.5 (ECTS)
Level	5
Prerequisites	<ul style="list-style-type: none"> • Previous study of mathematical and statistical economics such as EC4005 (or equivalent) • For Study option 3, good prior knowledge of maths and statistics is essential.
Suitability	<ul style="list-style-type: none"> • Study Options 1 or 2 or 3

Content:	<p>This module will extend knowledge of mathematical and statistical techniques acquired previously acquired and will introduce multivariate techniques in mathematics and statistics.</p> <p>This module will encourage students to understand the benefits of using a mathematical and statistical vocabulary and reasoning to analyze economic models.</p> <p>Topics:</p> <ul style="list-style-type: none"> • Multivariate calculus – partial derivatives, total differential, total derivative. • Optimisation – multivariate functions – first and second order conditions. • Constrained Optimisation – applications to consumer and producer theory • Exponential and log functions – mathematics of finance • Introduction to basic rules of matrix algebra. Solving systems of linear equations. • Integration • Statistical Inference and properties of estimators • Basic linear regression model – estimation and testing. • Multiple Regression model • Autocorrelation and dynamic models. • Model specification errors
Teaching:	Three-hour workshop weekly
Assessment:	<ul style="list-style-type: none"> ➤ Study Option 1: <ul style="list-style-type: none"> • 2-hour In-class test (50%) • Group Data handling report (3000 words plus summarised results) (50%) ➤ Study Option 2: <ul style="list-style-type: none"> • In-class test (100%) ➤ Study Option 3: <ul style="list-style-type: none"> • Group Data handling report (100%)
Last Updated:	03/04/24 PJW

[Return to top](#)

Module Code	EC5003
Module Title	Macroeconomics

Study Option 1 = Whole Year
Study Option 2 = Autumn
Study Option 3 = Spring

Credits	<ul style="list-style-type: none"> • Full Year: 8 (US) 15 (ECTS) • Single Semester: 4 (US) 7.5 (ECTS)
Level	5
Prerequisites	university-level study of introductory micro- and macro-economics
Suitability	Study Options 1 or 2 or 3
Content	<p>This module aims to develop and build mainly on knowledge acquired at introductory level in EC4003 Economic Policy and Principles (or similar). It provides fundamental knowledge on the key areas of macroeconomic theory and policy in the short-run and long-run and within both closed and open economy settings. Real world applications are signposted at the earliest opportunity.</p> <p>On completion of the module students will be able to comprehend key macroeconomic theories and policies and illustrate the application of macroeconomic models and principles in the context of policymaking.</p> <p>➤ Autumn Semester:</p> <ul style="list-style-type: none"> • Neoclassical Theory of Production • Neo-classical Growth Theory: The Solow Growth Model • Endogenous Growth Theory • Neo-classical Theory of Income Distribution and Unemployment • Inflation: The neo-classical approach • IS Curve • Monetary Policy and Phillips Curve <p>➤ Spring Semester:</p> <ul style="list-style-type: none"> • Stabilisation Policy: the AS-AD model • Open Economy • Monetary Unions • Stabilisation Policy Debates
Teaching	Weekly three-hour workshop (lecture and seminar)
Assessment	<p>Study Option 1:</p> <ul style="list-style-type: none"> • In-class test (2 hours) (50%) • Exam (2 hours) (50%)
	<p>Study Option 2:</p> <ul style="list-style-type: none"> • In-class test (2 hours) (100%)

	Study Option 3:
	<ul style="list-style-type: none"> Two essay questions – 1,500 words (100%)
Last Updated:	03/04/24 PJW

[Return to top](#)

Module Code	EC5004
Module Title	Microeconomics
Credits	<ul style="list-style-type: none"> Full Year: 8 (US) 15 (ECTS) Single Semester: 4 (US) 7.5 (ECTS)
Level	5
Prerequisites	<ul style="list-style-type: none"> For study options 1 and 2, previous university-level study of introductory microeconomics. For study option 3, prior successful study of consumer and producer theory is required.
Suitability	Study Options 1 or 2 or 3.
Content	<p>Microeconomic theory explains the behaviour of economic agents (consumers and producers), confronting their choices and the constraints of the market place. Microeconomics lies at the heart of economic analysis, providing the foundations of macroeconomics and of the subject specific areas of study such as those offered in optional modules in your degree programmes.</p> <p>This module will develop the model building techniques encountered at introductory level (4), and extend the scope of these models to a wider range of problems. It will show the use of microeconomic models in a problem solving context and provide an analytical basis for subsequent elective modules.</p> <p>➤ Autumn Semester: Producer Theory</p> <ul style="list-style-type: none"> Technology, Production Functions and Costs Perfect Competition Monopoly Under Uniform Pricing Monopoly Under Non-Uniform Pricing Monopolistic Competition Oligopoly

	<p>➤ Spring Semester: Consumer Theory</p> <ul style="list-style-type: none"> • Introduction: Demand and Supply • The Consumer's Decision Problem: preferences and utility function • Budget constraint • Solving the Consumer's Decision Problem • Expected Utility • Ambiguity and Prospect Theory • General Equilibrium: Edgeworth Box and Robinson Crusoe Economy • Asymmetric Information: Opportunistic Behaviour • Policy Implications: The Social Market Economy
Teaching:	Weekly two-hour lectures and one-hour seminar
Assessment:	<p>Study Option 1:</p> <ul style="list-style-type: none"> • 2 essays 1000 words each (25% each) • 2-hour final exam (50%)
	<p>Study Option 2:</p> <ul style="list-style-type: none"> • 2 coursework essay 1000 words each (100%)
	<p>Study Option 3:</p> <ul style="list-style-type: none"> • TBC
Last Updated:	03/04/24 PJW

[Return to top](#)

LEVEL 6 (ADVANCED)

Module Code:	BE6002
Module Title:	Economics of Organisations and Strategy
Credits:	<ul style="list-style-type: none"> • Full Year: 8 (US) 15 (ECTS) • Single Semester: 4 (US) 7.5 (ECTS)
Level:	6

Study Option 1 = Whole Year
Study Option 2 = Autumn
Study Option 3 = Spring

Prerequisites:	Substantial university-level study of intermediate-level financial economics
Suitability:	Study Options 1 or 2 or 3
Content:	<p>This module develops pluralist approaches to understanding the aims, methods and outcomes of organisations. The module offers an introduction to game theory. It then expands on the theories of the firm covered in BE5001 and traces their emergence into the discipline of strategic management. In addition, the module looks deeply into key strategy case studies across a range of sectors and countries.</p> <p>Topics:</p> <p>➤ Autumn Semester: Strategic Behaviour of Contemporary Firms</p> <p>Focus on the strategies of contemporary firms within specific sectors: the platform economy, pharmaceutical manufacturing, electronics manufacturing and firms from emerging markets. With specific investigation about what characteristics and drives their businesses strategies but also what are the wider social and economic effects of their competitive behaviour and what is the role of public policy in (re)shaping firm behaviour.</p> <ul style="list-style-type: none"> • The Platform Economy: Strategies of Digital Value Creation and Extraction • Pharmaceutical Manufacturing: Strategies of Patented Value Creation and Extraction • EXCEL Session • Electronics Manufacturing: The Disintegration of Firms in Global Value Chains • Strategies of MNCs from Emerging Economies • Transcending the Corporation <p>➤ Spring Semester: Game Theory, Markets and Strategic Behaviour</p> <p>This topic aims to introduce students to the notions of 'strategic behavior' in understanding the economics of strategy. In doing so, the topic first revisits conventional and alternative market theories (mostly self/happy-read topics). Emphasis is put on the nature of interdependence between firms in monopolistic competition and oligopolistic markets giving rise to strategic behaviour on the part of the firms. The topic explores in depth the key models of collusive and non-collusive oligopoly to understand aspects of 'strategic behaviour' and 'corporate strategy' in oligopolistic markets.</p> <ul style="list-style-type: none"> • The Nature of Industry • Managing in Competitive, Monopolistic, and Monopolistically Competitive Markets • Basic Oligopoly Models • Game Theory: Inside Oligopoly • Pricing Strategies for Firms with Market Power • The Economics of Information • Advanced Topics in Business Strategy • A Manager's Guide to Government in the Marketplace

Teaching:	Weekly two-hour lectures
Assessment:	Study Option 1: <ul style="list-style-type: none"> • 1,500-word essay (50%) • Unseen Exam – Spring semester content only (50%)
	Study Option 2: <ul style="list-style-type: none"> • 1,500-word essay (50%)
	Study Option 3: <ul style="list-style-type: none"> • TBC
Last Updated:	03/04/24 PJW

[Return to top](#)

Module Code:	EC6002
Module Title:	Advanced Economic Policy and Principles
Credits:	<ul style="list-style-type: none"> • Full Year: 8 (US) 15 (ECTS) • Single Semester: 4 (US) 7.5 (ECTS)
Level:	6
Prerequisites:	Substantial university-level study of intermediate-level micro- and macroeconomics
Suitability:	Study Options 1 or 2 or 3
Content:	<p>This module considers recent developments in micro and macroeconomic theory and policy. Inter alia this involves the incorporation of market imperfections and institutions into formal models and the use of more advanced techniques in economics.</p> <p>The interaction between models and data in macroeconomics is emphasised where appropriate.</p> <p>➤ Autumn Semester: Macroeconomics</p> <ul style="list-style-type: none"> • Preliminaries - A brief history of macroeconomic thought • Deriving the 3-equation model: Part 1 – The demand side

Study Option 1 = Whole Year
Study Option 2 = Autumn
Study Option 3 = Spring

	<ul style="list-style-type: none"> • Deriving the 3-equation model: Part 2 – The supply side • Deriving the 3-equation model: Part 3 – The monetary policy rule • Integrating the 3-equation model with the banking system • The 3-equation model and (conventional) macroeconomic policy • Fiscal policy, debt and debt dynamics • Supply side policies in the 3-equation framework from labour markets to long-run output growth? • Supply-side policy II: Technological Progress and Labour Productivity <p>➤ Spring Semester: Macroeconomics</p> <ul style="list-style-type: none"> • Introduction and Summary Microeconomics • Adverse selection: Quality Differences and Market Breakdown • Adverse selection: Price Differentiation of the Second Degree • Adverse selection: Competition in Insurance Contracts • Moral Hazard: Optimal Risk Sharing with Choice of Effort • Moral Hazard: Incentive Contracts for Managers • Moral Hazard: Optimal Incentive Intensity • Introduction to Misreporting: the Standard Debt Contract
Teaching:	Weekly 3-hour workshops
Assessment:	<p>Study Option 1:</p> <ul style="list-style-type: none"> • Reflective integrated exercise and groupwork essay (50%) • 2-hour exam (50%)
	<p>Study Option 2:</p> <ul style="list-style-type: none"> • Individual assignment: 2 x 1,500 word essays (100%)
	<p>Study Option 3:</p> <ul style="list-style-type: none"> • TBC
Last Updated:	03/04/24 PJW

[Return to top](#)

Module Code:	FE6002
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Module Title:	Finance, Risk Management and Instability
Credits:	<ul style="list-style-type: none"> • Full Year: 8 (US) 15 (ECTS) • Single Semester: 4 (US) 7.5 (ECTS)
Level:	6
Prerequisites:	Substantial university-level study of intermediate-level economics/finance
Suitability:	Study Options 1 or 2 or 3.
Content:	<p>This module introduces students to modern approaches in finance, corporate finance, and risk management. Students become familiar with some of the main topics in financial theory including risk and uncertainty, financial markets, and financial institutions. The module also covers the key instruments of derivatives markets.</p> <p>It will further deal with advanced aspects of finance, corporate finance, behavioural finance, and risk management. It will conclude by addressing the policy responses in the context of a contemporary world characterized by increasing financial instability.</p> <p>➤ Autumn Semester: Introduction To Financial Markets; Symmetric Information Financial Risk Management: Derivatives</p> <p>❖ Financial Markets: Symmetric Information</p> <ul style="list-style-type: none"> • Expected Utility • (In-)Complete Financial Markets • The Capital Asset Pricing Model • The Modigliani-Miller Theorem <p>❖ Financial Risk Management: Derivatives</p> <ul style="list-style-type: none"> • Forwards • Futures • Hedging with Futures • Options and Combinations • Swaps <p>➤ Spring Semester: Behavioural Finance Advanced Financial Risk Management: Options Financial Intermediaries: Asymmetric Information</p> <p>❖ Behavioural Finance</p> <ul style="list-style-type: none"> • Incalculable Risk and Prospect Theory • Can Irrational Noise Traders Thrive?

	<ul style="list-style-type: none"> ❖ Advanced Financial Risk Management: Options <ul style="list-style-type: none"> • Put-Call Parity and Option Pricing Models • Applying the Black-Scholes Equation • Real Options ❖ Financial Intermediaries: Asymmetric Information <ul style="list-style-type: none"> • Introduction to Financial Intermediaries: Asymmetric Information • The Financial System • The Standard Debt Contract • Capitalisation • Delegated Monitoring • Equity, Collateral, and Crises • Credit Risk and Dilution Costs
Teaching:	Weekly two-hour lectures and one-hour seminars.
Assessment:	<p>Study Option 1:</p> <ul style="list-style-type: none"> • Reflective Integrated Exercise and Essay (50%) • Unseen 2-hour exam (50%)
	<p>Study Option 2:</p> <ul style="list-style-type: none"> • Reflective Integrated Exercise & essay – two 1,500 word essays (100%)
	<p>Study Option 3:</p> <ul style="list-style-type: none"> • unseen 2-hour exam (100%)
Last Updated:	03/04/24 PJW

[Return to top](#)

Module Code:	FE6003
Module Title:	Money, Banking and Financial Markets

Study Option 1 = Whole Year
Study Option 2 = Autumn
Study Option 3 = Spring

Credits:	<ul style="list-style-type: none"> • Full Year: 8 (US) 15 (ECTS) • Single Semester: 4 (US) 7.5 (ECTS)
Level:	6
Prerequisites:	Substantial previous university-level study of micro- and macroeconomics, such as EC5003 and EC5004 or equivalent
Suitability:	Study Options 1 or 2 or 3 .
Content:	<p>This module focuses on understanding the monetary and financial sectors of the global economy, using institutional approaches. Tracing the evolving role of financial intermediaries and financial markets in different geographical spaces will lay the foundations for understanding the ensuing topics: the nature of banking and the banking system; tools of monetary policy and the interaction between money and the economy; financial innovation, crisis and regulation at the domestic level and the international financial and monetary system.</p> <p>Topics covered include:</p> <ul style="list-style-type: none"> • Intro to the financial system, and comparative financial systems • Types of financial intermediaries, costs and benefits of intermediation • Understanding balance sheets • Money, credit, banking and the banking system • The key financial markets, financial institutions and financial instruments • Innovations in finance: emergence of shadow banking • Financial crisis in the US, and theories of financial instability • The international monetary and financial systems and their history • Global financial instability and financial regulation <p>➤ Autumn Semester: Money Financial Markets Financial Institutions</p> <ul style="list-style-type: none"> • Financial Markets • Intermediaries • Banks Balance Sheets • Risk • Intermediation and the real economy • The Bank • Money • Deposit and loans • The Central bank <p>➤ Spring Semester: Innovation, Financial Crisis & Regulation; Global Crisis & Regulation</p>

	<ul style="list-style-type: none"> ❖ <i>Innovation, Financial Crisis & Regulation</i> <ul style="list-style-type: none"> • Financial markets and Instruments • Evolution of financial regulation • Momentous market innovations • The Global Financial Crisis • GFC: the aftermath ❖ <i>Global Crisis and Regulation</i> <ul style="list-style-type: none"> • Different financial and monetary systems • Capital account liberalisation and exchange rate systems • Emerging market currency and financial crises • Non-Bank Financial Intermediation • Retrospective: Theorising Finance • Contemporary developments and challenges
Teaching:	Weekly lectures and seminars
Assessment:	Study Option 1: <ul style="list-style-type: none"> • Integrated Exercise and 1,250-word essay (50%) • Integrated Exercise and essay (50%)
	Study Option 2: <ul style="list-style-type: none"> • Integrated Exercise and 800-word essay (100%)
	Study Option 3: <ul style="list-style-type: none"> • 1,500-word case study (100%)
Last Updated:	03/04/24 PJW

[Return to top](#)

Module Code:	EC6004
Module Title:	Development Economics

Study Option 1 = Whole Year
Study Option 2 = Autumn
Study Option 3 = Spring

Credits:	<ul style="list-style-type: none"> • Full Year: 8 (US) 15 (ECTS) • Single Semester: 4 (US) 7.5 (ECTS)
Level:	6
Prerequisites:	Substantial previous university-level study of economics
Suitability:	Study Options 1 or 2 or 3
Content:	<p>This module will introduce the economic structure of developing countries, the specific challenges they face and their position in world economy today. It should interest all students who wish to acquire a good background in issues of growth and development in lower income countries and their significance for world economy.</p> <p>The module will start by introducing theories of economic development and measurement issues. It will examine some problems affecting all or groups of these countries, such as population growth, poverty, environment, income distribution, structural adjustment and volatile capital flows. It will also deal with policy issues specific to developing countries.</p> <p>➤ Autumn Semester: Concepts and Theories of Development The Process of Structural Transformation</p> <p>❖ Concepts and Theories of Development:</p> <ul style="list-style-type: none"> • The Meaning, Measurement and Determination of Development • Theories of economic development and shifting policy paradigms 1: Theories of cumulative causation and uneven development • Paradigms 2: Neoclassical growth theory and the advent of the Washington Consensus • Paradigms 3: emergence of the Post-Washington Consensus • Paradigms 4: from market failure and state failure to good institutions <p>❖ The Process of Structural Transformation:</p> <ul style="list-style-type: none"> • Agricultural transformation • Trade and industrial policy • Inequality, poverty and social policy • Population and labour • Funding development, the balance of payments • Finance and financialization <p>➤ Spring Semester: Critical issues for sustainable development in the 21st century</p> <p>❖ Critical issues for sustainable development in the 21st century</p> <ul style="list-style-type: none"> • Population Growth

	<ul style="list-style-type: none"> • Rural-urban migration • Education and Health • The Environment and Development <p>❖ Financing Development</p> <ul style="list-style-type: none"> • Balance of payments, debt and financial crises • Foreign Finance 1– Aid debates • Foreign Finance 2 – FDI and Transnational Corporations in Economic Development • Domestic sources of finance 1 – Financial systems and financial sector development • Domestic sources of finance 2 - Taxation and fiscal policy for development • Domestic sources of finance 3 - Remittances
Teaching:	Lectures, seminars and presentations
Assessment:	<p>Study Option 1:</p> <ul style="list-style-type: none"> • 1,500-word essay (50%) • 1,500-word essay (50%) <p>Study Options 2 and 3:</p> <ul style="list-style-type: none"> • 1,500-word essay (100%)
Last Updated:	03/04/24 PJW

[Return to top](#)

Module Code:	EC6007
Module Title:	International Trade and Finance
Credits:	<ul style="list-style-type: none"> • Full Year: 8 (US) 15 (ECTS) • Single Semester: 4 (US) 7.5 (ECTS)
Level:	6
Prerequisites:	<i>Substantial university-level study of intermediate-level microeconomics and macroeconomics is essential.</i>
Suitability:	Study Options 1 or 2 or 3
Content:	This module introduces students to past and present developments in international trade and finance and to models that seek to explain patterns of trade, movements in exchange

Study Option 1 = Whole Year
 Study Option 2 = Autumn
 Study Option 3 = Spring

	<p>rates and balance of payments crises. Students will learn about trade arrangements and policies, exchange rate regimes and policies, crisis management, and the implications of openness to trade and financial flows for macroeconomic policies.</p> <p>➤ Autumn Semester: International Trade – Facts and Models; Trading Arrangements & Policies</p> <p>❖ <i>International Trade – Facts and Models</i></p> <ul style="list-style-type: none"> • Free trade and its critics • What to trade? Factor endowments and economies of scale • State Strategies Old and New • Dependency, imperialism and unequal exchange • International trade and intra-national inequality <p>❖ <i>Trading Arrangements & Policies</i></p> <ul style="list-style-type: none"> • Trade and the environment • Global value chains and corporate restructuring • Negotiating Trade Openness: 1. From GATT to the WTO • Negotiating Trade Openness: 2. Regional and preferential agreements • Globalisation this time: the rise of trade, the rise of China and the persistence of uneven development <p>➤ Spring Semester: Introduction to international finance and exchange rates; Exchange rates, capital mobility, crises and models</p> <p>❖ <i>Introduction to international finance and exchange rates</i></p> <ul style="list-style-type: none"> • The Foreign Exchange Market • Balance of payments, exchange rates • Exchange rates: foreign exchange instruments; arbitrage and covered interest parity (CIP); uncovered interest parity (UIP) and carry trade • purchasing power parity (PPP); empirical evidence on PPP; PPP exchange rates and international comparisons <p>❖ <i>Exchange rates, capital mobility, crises and models</i></p> <ul style="list-style-type: none"> • Exchange rate regimes and capital mobility • elasticity approach to the current account • The 'Bretton Woods' system; absorption approach to the current account • The Mundell-Fleming model - then and now • The monetary approach to the balance of payments
Teaching:	Weekly three-hour workshops

Assessment:	<p>Study Option 1:</p> <ul style="list-style-type: none"> • Mixed test 1 – in-class (50%) • Mixed test 2 – in-class (50%)
	<p>Study Option 2:</p> <ul style="list-style-type: none"> • Mixed test 1 - in-class (100%)
	<p>Study Option 3:</p> <ul style="list-style-type: none"> • Mixed test 2 – in-class (100%)
Last Updated:	03/04/24 PJW

[Return to top](#)

Module Code:	EC6009
Module Title:	Further Mathematical Economics and Econometrics
Credits:	<ul style="list-style-type: none"> • Full Year: 8 (US) 15 (ECTS) • Single Semester: 4 (US) 7.5 (ECTS)
Level:	6
Prerequisites:	Prior study of intermediate-level mathematical economics and econometrics such as EC5005 or equivalent.
Suitability:	Study Options 1 or 2 or 3
Content:	<ul style="list-style-type: none"> • Review of elementary calculus • Introduction to linear and non-linear dynamic equations • Heteroscedasticity, multicollinearity, dummy variables, structural stability, and endogeneity. • Use of computer software to produce results for the quantitative methods taught. • Selection, summary, presentation, and discussion of salient quantitative results.
Teaching:	Weekly three-hour workshops

Assessment:	<ul style="list-style-type: none">➤ Study Option 1:<ul style="list-style-type: none">• 2-hour test (50%)• Quantitative report (2000 words) (50%)➤ Study Options 2/3:<ul style="list-style-type: none">• One of the above assessments
Last Updated:	03/04/24 PJW

[Return to top](#)