



CORPORATE AND ACADEMIC SERVICES

MODULE SPECIFICATION

Part 1: Basic Data					
Module Title	Economic Theory and Policy				
Module Code	UMED93-30-3	Level	3	Version	1.1
Owning Faculty	FBL	Field	Economics		
Contributes towards	BA (Hons) Economics				
UWE Credit Rating	30	ECTS Credit Rating	15	Module Type	Standard
Pre-requisites	Applied Microeconomics UMED8K-30-2, Macroeconomics: theory and applications UMED8L-30-2		Co- requisites	None	
Excluded Combinations	None		Module Entry requirements		
Valid From	September 2012		Valid to		

CAP Approval Date	QMAC Dec 11
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Part 2: Learning and Teaching	
Learning Outcomes	<p>On successful completion of this module students will be able to demonstrate the following:</p> <ul style="list-style-type: none"> ▪ Explain the concepts and assumptions underlying the models and theories considered in the module (Component A, Component B) ▪ A critical understanding of the strengths and weaknesses of alternative policies designed to address particular economic problems (Component B) ▪ Evaluation of how economic analysis and empirical findings can be used to examine topical issues (Component A, Component B) ▪ Engage in coherent critical discussion of some of the main economic policy issues currently facing Britain (Component A, Component B) ▪ A critical awareness of political economy factors mediating the relationship between theory and policy design (Component B) ▪ A reflective understanding of individual career path (Component B) <p>In addition the educational experience may explore, develop, and practise <u>but not formally discretely assess</u> the following:</p> <ul style="list-style-type: none"> • The ability of the student to communicate effectively • The capacity of the student to work in groups and independently (component B) • The student's flexibility of thought
Syllabus Outline	<p>The module typically will cover:</p> <ul style="list-style-type: none"> ▪ New Keynesian and New Classical theory and policy implications; supply-side

	<p>economics; new monetary policy; Taylor's rule.</p> <ul style="list-style-type: none"> ▪ Decision-making under conditions of risk and uncertainty; imperfect information in competitive markets; the market for insurance; principal-agent theories and the divorce of ownership and control; shareholder and stakeholder issues. ▪ Financial stability and crisis, micro and macroprudential regulation, new forms of financial intermediation (shadow banking). ▪ Macroeconomic policy design under normal and crisis conditions, quantitative and credit easing, theoretical foundations for policy coordination, capital account management. ▪ Employment and pricing of inputs in competitive and imperfectly competitive markets; labour market reform, training and education: The theory of human capital accumulation, Becker and beyond. General versus specific human capital and the role of government. Recent trends in the take-up of post-compulsory education, explanations of the trend. The expansion of higher education and the expected effect on future growth. ▪ Theoretical foundations for government intervention; public choice theory; Arrow's impossibility theory and its relevance; politico-economic models; the theory of the second best; government policy towards monopolies, mergers and takeovers; regulation of public utilities. Welfare economics and monopolies; government bodies and recent high-profile cases; intervention case studies: defence, education, health. ▪ Distribution of income theory; labour market structures and impact; inequality and poverty in Britain; alternative ways of measuring inequality and their significance; income tax and tax transfer policies. The time series nature of inequality in Britain; government measures to reduce inequality and poverty. ▪ Reform of the welfare state. Population projections and the pensions crisis. Unlimited wants and scarce resources, means testing revisited. The economics of take-up. Supply-side issues. Health Issues. ▪ The role of foreign direct investment in the UK economy. Theories of FDI and the development of MNCs; government policy and FDI; strategic aspects of firms' locational decisions, global value chain analysis. ▪ European and International Issues: The convergence criteria for euro membership and the scope for independent budgetary policy. Difficulties in establishing the fundamental equilibrium exchange rate. Exchange rate regimes. Structural differences between economies and the need for re-alignment. International policy co-ordination and the G7/8. ▪ Individual career planning and reflection
Contact Hours/Scheduled Hours	<p>There will be 72 hours scheduled contact on this module. 24 hours of contact will be in lectures. The remaining 48 hours will take form of seminars, tutorials, group presentations, practical classes, careers events and external speakers.</p>
Teaching and Learning Methods	<p>A variety of different approaches to learning will be used; this will depend on the part of the syllabus being covered, but a deep level of understanding and application of theory will be stressed consistently, rather than the memorisation of competing theories and technical analysis. Formal lectures will present theory and essential, core material. Seminars and tutorials will complement lectures and facilitate debate on the policy issues raised in lectures.</p> <p>Lectures: these will be used to explain various advanced micro- and macro-economic theories and models and their applications. Lectures will also provide an opportunity to outline and examine various policy approaches. Where appropriate, use will be made of videos and the internet to provide case-study material and contemporary illustrations. All lecture slides are made available to students prior to the lecture on Blackboard.</p> <p>Seminars: these will be based on a range of questions set out in advance in module handbook/Blackboard where all students prepare questions, either individually or in small groups, relevant to the lecture topic. On occasions, the seminars will be used for formal debates on issues of economic importance. Assessed presentations will be used as a starting point for consideration of the topics.</p> <p>In addition staff will be available during the semester during their office hours (2 hours a week) for face to face meetings.</p> <p>Queries and extended discussions with staff can also be approached virtually through e-mail.</p> <p>Extensive use will be made of Blackboard for weekly guided independent study work; to support</p>

students' learning; to facilitate interactions between students e.g. for group project work and to provide feedback with quizzes and forums.

Students will also be directed towards the University Library online Study Skills resources for the development of skills appropriate to the level and style of the module. In addition a number of e-learning resources will also be used

Key Information Sets Information

Key Information Set - Module data

Number of credits for this module 15

Hours to be allocated	Scheduled learning and teaching study hours	Independent study hours	Placement study hours	Allocated Hours
150	72	78	0	150



The table below indicates as a percentage the total assessment of the module which constitutes a -

- Written Exam:** Unseen written exam, open book written exam, In-class test
- Coursework:** Written assignment or essay, report, dissertation, portfolio, project
- Practical Exam:** Oral Assessment and/or presentation, practical skills assessment, practical exam

Please note that this is the total of various types of assessment and will not necessarily reflect the component and module weightings in the Assessment section of this module description:

Total assessment of the module:	
Written exam assessment percentage	40%
Coursework assessment percentage	60%
Practical exam assessment percentage	0%
	100%

Reading Strategy

All students will be encouraged to make full use of the print and electronic resources available to them through membership of the University. These include a range of electronic journals and a wide variety of resources available through websites and information gateways. The University Library web pages provide access to subject relevant resources and services and to the library catalogue. Many of these resources can be accessed remotely. Students will be presented with opportunities within the curriculum to develop their information retrieval and evaluation skills in order to identify such resources effectively. The module stresses the effective deployment of literature.

Students will be directed and expected to undertake essential reading throughout the module. However, depending upon specific topics addressed over the course of the module, students will be expected to undertake additional reading for themselves. A list of indicative textbooks and relevant journals is provided below but students are expected to recognise that these may be starting points only and that they should extend their reading as widely as is necessary to demonstrate a comprehensive knowledge.

Blackboard – This module is supported by Blackboard, where students will be able to find all necessary module documentation, including guidance on Further Reading within the module handbook/outline. Direct links to information resources will also be provided from within Blackboard

UWE Libraries – Engagement with online resources available through the library will be a core

	<p>requirement of this module. This includes mySkills/iSkills zone, and the Skills4Study resources.</p> <p>There is no no essential reading on this module, instead the module will rely on journal articles and published policy documents. All students are encouraged to make full use of the print and electronic resources available to them through membership of the University. These include a range of electronic journals and a wide variety of resources available through web sites and information gateways. The University Library's web pages provide access to subject relevant resources and services, and to the library catalogue. Many resources can be accessed remotely. Students will be presented with opportunities within the curriculum to develop their information retrieval and evaluation skills in order to identify such resources effectively.</p>
<p>Indicative Reading List</p>	<p>The following list is offered to provide validation panels/accrediting bodies with an indication of the type and level of information students may be expected to consult. As such, its currency may wane during the life span of the module specification. CURRENT advice on additional reading will be available via the module guide or Blackboard pages.</p> <p>Camerer, C. and Lowenstein G. (2003) "Behavioural Economics. Past, Present, Future." in Camerer, C., Lowenstein G. and M. Rabin (eds.) Behavioural Economics, Princeton: Princeton University Press.</p> <p>Cecchetti, SG, Mohanty MS and F. Zampoli (2010) The future of public debt: prospects and implications. BIS working papers 300.</p> <p>Chortareas, G. (2008) "Monetary policy rules in the run-up to the EMU" <i>Metroeconomica</i>, 59 (4) pp. 687-712.</p> <p>Crotty (2009) Structural causes of the global financial crisis: a critical assessment of the 'new financial architecture'. <i>Cambridge Journal of Economics</i> 33, 563–580.</p> <p>de la Dehes, G. (2007) <i>What Do We Know About Globalization? Issues of Poverty and Income Distribution</i>, Blackwell Publishing, Oxford.</p> <p>Downard, P and Mearman, A (2008) "Decision Making at the Bank of England: A Critical Appraisal", <i>Oxford Economics Papers</i> 60 (3): 385-409</p> <p>Fischer, S. (1998) Capital account liberalization and the role of the IMF. In <i>Should the IMF pursue capital account convertibility? Princeton Essays in International Finance</i>, No 207.</p> <p>Fontana, G. (2009) 'Whither New Consensus Macroeconomics? The Role of Government and Fiscal Policy in Modern Macroeconomics'. Working paper No. 563. Leeds: The Levy Economics Institute of Bard College.</p> <p>http://lodel.ehess.fr/cemi/docannexe.php?id=1797</p> <p>Foster, J. (2005) "From simplistic to complex systems in economics", <i>Cambridge Journal of Economics</i> 29(6), 873-892</p> <p>Gabor, D. (2010a) <i>Central banks and financialization: a Romanian account of how Eastern Europe became sub-prime</i>. Basingstoke: Palgrave Macmillan. (Chapter 2)</p> <p>Gabor, D (2010b) "(De)Financialization and crisis in Eastern Europe." <i>Competition and Change</i>, 14(3-4).</p> <p>Gala, P. (2008) "Real exchange rate levels and economic development: theoretical analysis and econometric evidence". <i>Cambridge Journal of Economics</i>, 32, 273-288.</p> <p>Gereffi, G., Humphrey, J. and Sturgeon, T., (2005) 'The Governance of Global Value Chains' <i>Review of International Political Economy</i> 12(1), 2005, p. 78-104.</p> <p>Ostry, J. Ghosh, A., Habermeier, K., Chamon, M., Qureshi, M. and D. Reinhart (2010) <i>Capital Inflows: the Role of Controls</i>. IMF Staff Position Note.</p> <p>Pozsar, Z., Tobias, A., Ashcraft, A., and Boesky, H. (2010) <i>Shadow banking</i>. Federal Reserve Bank of New York Staff Reports, No 458 (New York: Federal Reserve Bank of New York).</p>

Part 3: Assessment

Assessment Strategy	<p>This module deploys a mix of formative and summative assessment. Formative assessment takes various forms and will occur throughout the module; it may include peer feedback on informal activities.</p> <p>Formative feedback and feedforward will be provided both during tutorials and through VLEs. Students will develop presentation skills via presentations of the pool of examination papers; this will involve formative feedback. Summative assessment will be multi-faceted. The different elements of the assessment are intended to test different skills and competencies. These include: knowledge of the course material; an ability to analyse some contemporary economic problems and issues in an advanced manner and to evaluate and criticise various economic theories and policies; an ability to write concisely and to answer questions in a structured way, making appropriate use of analysis and evidence; an ability to apply threshold concepts and core economic theories to specific situations; an ability to present information, clearly, coherently and analytically, both in writing and through dialogue.</p> <p>The first opportunity for summative assessment is one assignment, written and presented in report format. This will occur relatively early in the module to provide feedback on what is required at this level. A second coursework opportunity is one assessed discussion (which may take the form of a debate on a contemporary policy issue). Students are divided into groups which argue for and against a statement provided by the tutor. They present their arguments and then engage in a moderated debate or discussion. As part of this the students must produce a 1,000 word reflective piece on how engaging in the assessed discussion (including our feedback) has contributed to their personal and professional development.</p> <p>The examination will assess the entire module content and will occur at the end of the module. In the end of year examination, students will be expected to answer 3 out of 7 questions based on academic papers discussed during seminars/tutorials. Exams are time-constrained and require time-management skills; while the assignment reports and assessed discussions encourage students to develop communication and employability skills vital to a future career in business or elsewhere.</p>
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Identify final assessment component and element	Component A	
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% weighting between components A and B (Standard modules only)	A:	B:
	40%	60%

First Sit

Component A (controlled conditions) Description of each element	Element weighting
1. Examination 3 hours.	100%
Component B Description of each element	Element weighting
1. A 2,000 word written assignment report.	60%
2. Assessed discussion (including 1,000 reflective report)	40%

Resit (further attendance at taught classes is not required)

Component A (controlled conditions) Description of each element	Element weighting
1. Examination 3 hours.	100%
Component B Description of each element	Element weighting
1. A 3000 written assignment report.	100%
If a student is permitted an EXCEPTIONAL RETAKE of the module the assessment will be that indicated by the Module Description at the time that retake commences.	