

Course Title

Business Economics & International Business (EIB)

Knowledge Pillar	Level	Course Title	Course Code	Total Marks
Economics & Finance [EFIN]	Foundation Level	Business Economics & International Business (EIB)	EF113	100

Syllabus Structure

The syllabus comprises the following main topics with the relative study weightings:

Segment	Topics	Weight
A. Business Economics (50 Marks)	1. Introduction to Business Economics	5%
	2. Microeconomics	25%
	3. Macroeconomics	15%
	4. Bangladesh Economy	5%
B. International Business (50 Marks)	1. Introduction and Strategy	10%
	2. International Trade Policy & Foreign Direct Investment (FDI)	10%
	3. Payment & Finance Mechanism	20%
	4. Export & Import in Bangladesh perspective	10%

Course Description

This is the first course of the pillar, Economics & Finance. This course presents the fundamentals of different economic and international business concepts. The first part of the course, Business Economics, consists of microeconomics, macroeconomics and Bangladesh economy which portray the economic environment of business and different aspects of micro, macroeconomic forces and Bangladesh economic conditions that influence the business decision. Similarly, an understanding of international business is essential for aspiring professional accountants in today's interdependent global world. This course provides an overview of international business explaining how firms engage in conducting business crossing the local boundary, the key characteristics of the foreign environment that need to be taken into account, the typical challenges of daily operations in an MNC and the main strategic level decisions which a multinational corporation (MNC) must make and analyze.

Course Objectives

This course is designed to provide aspiring professional accountants with an understanding of the basic concepts & theories of economics and to show how competition, the behavior of markets and government economic policies can influence an organization's decisions regarding price determination and value maximization. Besides, this course will provide students with the knowledge, skills and abilities to understand the global economic, political, cultural and social environment within which the firms operate. It is expected that the knowledge of the course will enable an aspiring professional accountant to formulate and execute strategies, plans and tactics to succeed in local and international business ventures.

Course Learning Outcomes

On successful completion of this course, the aspiring professional accountants will be able to:

1. understand the economic environment in which an organization operates;
2. explain the fundamental concepts of economics and international business;
3. describe and apply different theories of economics and international trade;
4. illustrate the different macroeconomic aspects of Bangladesh;
5. evaluate and apply the international trade policies and procedures in business operation;
6. understand the regulatory requirements and international trade finance, import and export mechanisms; and
7. formulate strategies considering ethics, the local and global business environment.

DETAILED CONTENTS

Parts	Topics	Level of study required	Subtopics	Learning outcomes of topics	Probable weight
A. Business Economics (50 Marks)	A1. Introduction to Business Economics	R, U	<ul style="list-style-type: none"> • Basic concepts: Definitions and Relevance; Positive and Normative Economics; Scarcity; Opportunity Cost; Production Possibilities Frontier; • Schools of Economic Thoughts: Classical, Neo-Classical, Keynesian, Marxist; • Participating in the Dynamic Business Environment; • Understanding Evolving Economic Systems and Competition; • Making Ethical Decisions and Managing a Socially Responsible Business; • Competing in the Global Marketplace. 	Upon successful completion, students shall be able to: <ol style="list-style-type: none"> 1. understand the fundamental concepts of economics; 2. understand the primary features of the world's economic systems; 3. describe the implications of ethical decisions in the global market place. 	10%
	A2. Microeconomics	U, AP, AN, D	<ul style="list-style-type: none"> • Demand, Supply and Equilibrium Analysis: The Demand Curve; The Supply Curve; Competitive market; Market Equilibrium; Equilibrium Price and Quantity; Supply Shortage and Price Movement; Consumer Surplus; Producer Surplus; Total Surplus; • Market Regulation: Government Intervention in 	<ol style="list-style-type: none"> 4. conduct the basic demand, supply and equilibrium analysis; 5. link the relationship between consumer surplus with demand curve and the producer surplus with the supply curve; 	50%

Parts	Topics	Level of study required	Subtopics	Learning outcomes of topics	Probable weight
			<p>Markets – Price and Quantity Control; Price Ceiling; Price Floor; Quota and Tax; Change in Consumer Surplus and Producer Surplus after Regulation;</p> <ul style="list-style-type: none"> Elasticity: Price Elasticity of Demand; Income Elasticity of Demand; Price Elasticity of Supply; Cross-price Elasticity; factors influencing the Size of various Elasticity; Theory of Production and Cost: The production Function; Types of Costs; Marginal Cost; Average Cost; Short-Run Vs Long-Run Costs; Cost Curves; Economic of Scale; Market Structure and Equilibrium Price and Output Levels: Perfectly Competitive Market and Imperfectly Competitive Markets (Monopoly, Oligopoly and Monopolistic Markets); Determination of Equilibrium Price and Output in Different Markets; Price Discrimination and Distortions; Anti-Trust Laws. 	<p>6. describe forms of government intervention in the market;</p> <p>7. explain the implication of market intervention;</p> <p>8. explain the importance and effects of various types of elasticity;</p> <p>9. develop the relationship between the quantity of inputs and outputs;</p> <p>10. analyze different costs and production functions;</p> <p>11. analyze market structures and its impact on profit.</p>	
	A3. Macroeconomics	R, U, AN, E, D	<ul style="list-style-type: none"> Definition of Macroeconomics; Basic Concepts and Data; Importance and Relevance of Macro-Economics for Business Students; Gross Domestic Product (GDP), Gross National Product (GNP), Net National Product (NNP) & National Income (NI); The Monetary System, virtual money and digital currency; Inflation: Factors resulting in Inflation, Measurement; 	<p>12. understand and determine different economic measures;</p> <p>13. understand the economic health of a nation;</p> <p>14. understand tools government use to achieve macroeconomic goals.</p>	30%

Parts	Topics	Level of study required	Subtopics	Learning outcomes of topics	Probable weight
B. International Business (50 Marks)			<ul style="list-style-type: none"> • Unemployment and the Labor Market. 		
	A4. Bangladesh Economy	R, U, E	<ul style="list-style-type: none"> • Economic Policies in Bangladesh; • Bangladesh's Current Economic Indicators; • Trend of Prices of Consumer Goods and other Goods in Bangladesh; • Growth, Structure & Performance of Bangladesh Economy; • Current Economic Affairs. 	15. analyze the growth and structure of the bangladesh economy.	10%
	B1. Introduction and Strategy	R, U	<ul style="list-style-type: none"> • Definition of International Business; • International trade theories; • Current trends and historical patterns of international trade; • Globalization in World Trade and World Economy; • International strategic planning; • Entry Strategy and Strategic Alliances; • Assessing competitive dynamics and advantages, disadvantages in international business; • Global dynamics, political and country risks in international business; • Ethics, corporate sustainability and corporate social responsibility. 	16. understand the implications of different trade theories; 17. explain the business practices which are being influenced by the international business environment; 18. evaluate and apply the strategies to negotiate effectively within various cultural & economic environments; 19. apply strategies to support sustainability, CSR and ethics in an organization's integrative trade initiatives.	20%
B2. International Trade policy & Foreign Direct Investment	R, U, AP, AN, E, D	<ul style="list-style-type: none"> • Framework of international trade policy; • Trade policy tools; • Development and current role of the WTO; • Trade policy: tariffs, trade 	20. describe the factors and their implications for viable global trade and investment environment; 21. evaluate different	20%	

Parts	Topics	Level of study required	Subtopics	Learning outcomes of topics	Probable weight
			<p>wars, trade agreements and the WTO;</p> <ul style="list-style-type: none"> • Economic Integration with global and regional trade bodies; • The International trade policy and Monetary System; • Definition and methods of Foreign direct investment; • Benefits of Foreign Direct Investment; • Disadvantages of FDI; • Types and Examples of Foreign Direct Investment; • What to consider investing in Bangladesh; 	<p>trade-related policies and their effect on national policies;</p> <p>22. explain different political views on FDI;</p> <p>23. identify ways of attracting and process of bringing FDI in Bangladesh.</p>	
	B3. Payment and Finance Mechanism	R, U, AP, AN, E, D	<ul style="list-style-type: none"> • Mode of payment: Various payment methods in international trade; Risks issues in international trade payment; Identifying frauds in international payments; Various risks and mitigating procedures in the international secured payment mechanism; • Documentary credits (DC): What is documentary credit; Types of DC; Documentations of DC; Rules and procedures governing DC; Settlement procedure and retirement of DC; Uniform Customs and Practice for Documentary Credits (UCPDC); International Commercial Terms (Incoterms); • Trade finance mechanism: Financing arrangement through the export country –Export credit agency (ECA), buyer’s credit; Financing through Letter of Credit; Usance mechanism and international factoring; Local Banks import financing 	<p>24. identify and explain the implications of different payment modes in international trade;</p> <p>25. understand different forms and procedures of payment through L/C;</p> <p>26. understand the negotiation of interest rates, deferred payment, loan, etc. with local and intermediary banks.</p>	40%

Parts	Topics	Level of study required	Subtopics	Learning outcomes of topics	Probable weight
	B4. Export & Import in Bangladesh	U, AP, E	Export – Procedure and regulation: Export from Bangladesh; Procedures to export; Regulations and guidelines to export; Export tariffs duty drawback procedures; Export incentives and process of realization Import – Procedure and regulation: Import to Bangladesh; Procedures of import; Regulations and guidelines of import; Import tariffs and input credit facility; Various import restrictions.	27. understand the requirements to import/export in/from Bangladesh; 28. understand the import/export process of Bangladesh.	20%

Here, R = Remembering; U = Understanding; AP = Applying; AN = Analyzing; E = Evaluating; C = Creating; D = Decision making; are the seven levels of learning developed based on the Bloom's Taxonomy.

Recommended Books and Learning Materials

Primary Textbook

1. ICMAB. (2021). ICMAB Learning Manual for Business Economics.
2. ICMAB. (2021). ICMAB Learning Manual for International Business.

Recommended Textbook (Latest Edition)

1. Gitman, L., & McDaniel, C. (2009). *The future of business: The essentials*. (4th ed.). Thomson.
2. Samuelson, P. A., & Nordhaus, W. D. (2010). *Economics* (19th ed.). McGraw- Hill/Irwin.
3. Wild, J. J., & Wild, K. L. (2019). *International business: The challenges of globalization (What's new in management)*. (9th ed.). Pearson.
4. Griffin, R. W., & Pustay, M. W. (2019). *International business: A managerial perspective*. (9th ed.). Pearson.

Reference Books/Other Learning Materials (Latest Edition)

1. Krugman, P., & Wells, R. (2020). *Microeconomics*. (6th ed.). Worth Publishers.
2. Dornbusch, R., Fischer, S., & Startz, R. (2018). *Macroeconomics*. (13th ed.). McGraw-Hill/Irwin.
3. Blanchard, O. (2021). *Macroeconomics* (8th ed.). Pearson.
4. Hill, C. (2021). *International business: Competing in the global market place* (13th ed.). McGraw- Hill Education.
5. Daniels, J. D., Radebaugh, L. H., & Sullivan, D. P. (2019). *International business, environment and operation* (16th ed.). Pearson.

EIB Course Mapping

PrOs		POs		CLOs		TLOs	
PrO1	1	PO1	1, 2, 3, 4	CLO1	1, 6, 7, 17,		
PrO2	1, 2	PO2	2, 3, 5, 6, 7	CLO2	2, 4, 5, 8, 9, 24, 25, 26		
PrO3	-	PO3	-	CLO3	4, 6, 8, 10, 16,		
PrO4	7	PO4	-	CLO4	12, 13, 14, 15		
PrO5	7	PO5	-	CLO5	20, 21, 22, 23		
PrO6	1, 2, 7	PO6	-	CLO6	22, 25, 27, 28		
PrO7	7	PO7	7	CLO7	2, 3, 11, 18, 19, 22		

Here, PrOs = Program Objectives; POs = Pillar Objectives; CLOs = Course Learning Outcomes; TLOs = Topic Learning Outcomes