



## Victoria Management School

### MMBA577

## Open Macroeconomics: Operational Implications

Summer Trimester 2005

### COURSE OUTLINE

- Start Date:** 13 November, 2005
- Format:** Modular: Three Sundays of 6 hours each; One Sunday of 4 hours and Final Paper Presentations one Sunday, 2 hours
- Lecture Times:** Three Sundays, 9:00 am. - 4:00 pm. (Lunch 1-2 pm)  
One Sunday, 9:00 am. – 1:00 pm and  
One Final Sunday, 9:00 am. - 11:00 am
- Location:** **RHG04**
- Teaching Staff:** Paul Dickie
- Office: Rutherford 1003  
Email: [paul.dickie@vuw.ac.nz](mailto:paul.dickie@vuw.ac.nz)
- Telephone: 463-5085 Fax: 463-5084
- Textbook:\*** Fredick C. Mishkin ‘The Economics of Money, Banking, and Financial Markets’, Seventh Edition, Addison Wesley.

\* - In addition to the textbook, this course will rely on materials from a variety of sources, including government, practitioner and academic journals.

## **Course Objectives**

The Master of Business Administration Programme serves to produce professional managers capable of fulfilling strategic roles within corporate and government enterprises. Integral to this capability is an understanding of macroeconomics, especially in small, open economies like New Zealand and the impacts of those developments on business operations.

This course aims to provide students with a solid theoretical base upon which a practical framework for managing and succeeding in the workplace can be established. The scope of this course, being the initial macroeconomic offering in the MBA programme, is broad. All the principal areas of macroeconomics will be covered with the emphasis on open economy models involving national accounts, economic growth, fiscal, monetary and external policies together with their impacts on business operations. The emphasis will be on understanding the impacts of policy changes on an open economy and the resulting implications for business operations.

By the end of this course, you should:

1. Have an understanding of the major theories and concepts underlying open macroeconomics.
2. Have a sense of how policy makers will react to changing economic circumstances.
3. Have a strategic perspective with respect to the linkages and interrelationships between open economy macroeconomics and the operations of a business in that environment.

## **Course Assessment**

Take home midterm due 27 November	30%
Paper due 15 January (tentatively) with Presentations (9 – 11 am.)	60%
Class participation/presentation	10%

## Course Terms of Reference

### Late Assignments

In fairness to other students, work submitted after the deadline will be subject to a penalty of 5% of the total marks available per day of lateness. Assignments more than one week late will not be accepted. A “zero” mark will be applied. In the event of unusual, unforeseen circumstances (e.g., serious illness, family bereavement), students should discuss waiver of the penalty with the course controller prior to the deadline date.

### Passing the Course

In order to pass this course, students are required to obtain at least forty percent of the final examination marks available, and obtain at least fifty percent of the overall course marks available.

### Victoria MBA Grading Standards

- Victoria MBA - **Excellent** Category  
A (80 – 85%) to A+ (above 85%): The quality is performed to a very high level of proficiency, i.e. it is at a standard that makes it exceptional at Master’s level.
- Victoria MBA - **Very Good** Category  
B+ (70 – 74%) to A- (75 – 79%): The quality is performed at a high standard. Students have reached a level which clearly exceeds “competency”.
- Victoria MBA - **Good** Category  
B- (60 – 64%) to B (65 – 69%): The quality is clearly demonstrated without being exceptional in any way. Students can be thought of as competent in respect of this quality.
- Victoria MBA - **Satisfactory** Category  
C (50 – 54%) to C+ (55 – 59%): The quality is demonstrated to a minimally acceptable level. There may be flaws but these are not serious enough to “fail” the student on this quality.
- Victoria MBA - **Unsatisfactory** Category  
E (0 – 39%) to D (40 – 49%): The quality is absent or performed to a very low level, or the performance is seriously flawed in this respect.

### Individual Work

While the Victoria MBA programme has a tradition of study group collaboration, there are important elements in the assessment process that are strictly individual. Collaboration on individual assignments is not allowed beyond general discussion as to how one might interpret the nature of the assignment question. Please do not work together to formulate a response and do not loan out your completed assignments.

## Lecture Schedule – Modular MMBA 577 - 2005

Date	Topic	Basic Reading
13 November	Introduction and Exploration of National Accounts	Class Handouts
13 November	Growth Accounting - The Limits to Growth	Class Handouts
13 November	Fiscal Policy and Generational Accounts	Class Handouts
20 November	Financial Markets, Interest Rates and Investment	Chapters 4-7
20 November	Money - Its Nature and Significance	Chapters 1-3
20 November	Monetary Policy	Chapters 16-18
20 November	<i>Deadline for Approval of Paper Topic; Handout of Take Home Exam</i>	
27 November	<i>Deadline for Submission of Mid-Term Take Home Exam</i>	
27 November	Foreign Exchange Markets	Chapter 8
27 November	Balance of Payments and International Investment Position	Handouts
27 November	International Monetary System - Balance of Payments, International Reserve and Capital Markets	Chapter 20
4 December	Policy Impacts - Exchange Rate Policy & Interdependence with Monetary Policy	Chapters 22-25
4 December	Globalisation and Business Implications of Economic Policy	Class Handouts
4 December	<i>Paper Consultations and Review of Issues</i>	
Tentatively	Submission/Brief Presentations & Discussion of Topics	
15 January (9-11am)	Analysed in Papers	

**Faculty of Commerce and Administration Offices**

### Railway West Wing (RWW) - FCA Student Administration Office

The Student Administration Office is located on the ground and first floors of the Railway West Wing. The ground floor counter is the first point of contact for general enquiries and FCA forms. Student Administration Advisers are available to discuss course status and give further advice about FCA qualifications.

### Easterfield (EA) - FCA/Law Kelburn Office

The Kelburn Campus Office for the Faculties of Commerce & Administration and Law is situated in the Easterfield Building - it includes the ground floor reception desk (EA005) and offices 125a to 131 (Level 1). The office, will be open from 9:00 am to 12 noon during the Summer Trimester, and offers the following:

- Duty tutors for student contact and advice.
- Information concerning administrative and academic matters.
- FCA Student Administration forms (e.g. application for academic transcripts, requests for degree audit, COP requests).
- Examinations-related information during the examination period.

### **General University Policies and Statutes**

Students should familiarise themselves with the University's policies and statutes, particularly those regarding assessment and course of study requirements, and formal academic grievance procedures.

### **Student Conduct and Staff Conduct**

The Statute on Student Conduct together with the Policy on Staff Conduct ensure that members of the University community are able to work, learn, study and participate in the academic and social aspects of the University's life in an atmosphere of safety and respect. The Statute on Student Conduct contains information on what conduct is prohibited and what steps can be taken if there is a complaint. For queries about complaint procedures under the Statute on Student Conduct, contact the Facilitator and Disputes Advisor. This Statute is available in the Faculty Student Administration Office or on the website at: [www.vuw.ac.nz/policy/StudentConduct](http://www.vuw.ac.nz/policy/StudentConduct).

The policy on Staff Conduct can be found on the VUW website at: [www.vuw.ac.nz/policy/StaffConduct](http://www.vuw.ac.nz/policy/StaffConduct).

### **Academic Grievances**

If you have any academic problems with your course you should talk to the tutor or lecturer concerned or, if you are not satisfied with the result of that meeting, see the Head of School or the Associate Dean (Students) of your Faculty. Class representatives are available to assist you with this process. If, after trying the above channels, you are still unsatisfied, formal grievance procedures can be invoked. These are set out in the Academic Grievances Policy which is published on the VUW website:

[www.vuw.ac.nz/policy/AcademicGrievances](http://www.vuw.ac.nz/policy/AcademicGrievances).

# Academic Integrity and Plagiarism

Academic integrity is about honesty – put simply it means **no cheating**. All members of the University community are responsible for upholding academic integrity, which means staff and students are expected to behave honestly, fairly and with respect for others at all times.

Plagiarism is a form of cheating which undermines academic integrity. Plagiarism is **prohibited** at Victoria.

The University defines plagiarism as follows:

Plagiarism is presenting someone else's work as if it were your own, whether you mean to or not.

*'Someone else's work' means anything that is not your own idea, even if it is presented in your own style. It includes material from books, journals or any other printed source, the work of other students or staff, information from the Internet, software programmes and other electronic material, designs and ideas. It also includes the organization or structuring of any such material.*

***Plagiarism is not worth the risk.***

Any enrolled student found guilty of plagiarism will be subject to disciplinary procedures under the Statute on Student Conduct ([www.vuw.ac.nz/policy/studentconduct](http://www.vuw.ac.nz/policy/studentconduct)) and may be penalized severely. Consequences of being found guilty of plagiarism can include:

- an oral or written warning
- suspension from class or university
- cancellation of your mark for an assessment or a fail grade for the course.

Find out more about plagiarism and how to avoid it, on the University's website at: [www.vuw.ac.nz/home/studying/plagiarism.html](http://www.vuw.ac.nz/home/studying/plagiarism.html).

**Students with Disabilities**

The University has a policy of reasonable accommodation of the needs of students with disabilities. The policy aims to give students with disabilities an equal opportunity with all other students to demonstrate their abilities. If you have a disability, impairment or chronic medical condition (temporary, permanent or recurring) that may impact on your ability to participate, learn and/or achieve in lectures and tutorials or in meeting the course requirements, then please contact the Course Coordinator as early in the course as possible. Alternatively you may wish to approach a Student Adviser from Disability Support Services to confidentially discuss your individual needs and the options and support that are available. Disability Support Services are located on Level 1, Robert Stout Building, or phoning 463-6070, email: [disability@vuw.ac.nz](mailto:disability@vuw.ac.nz). The name of your School's Disability Liaison Person can be obtained from the Administrative Assistant or the School Prospectus.

### **Student Support**

Staff at Victoria want students' learning experiences at the University to be positive. If your academic progress is causing you concern, please contact the relevant Course Co-ordinator, or Associate Dean who will either help you directly or put you in contact with someone who can.

The Student Services Group is also available to provide a variety of support and services. Find out more at [www.vuw.ac.nz/st\\_services/](http://www.vuw.ac.nz/st_services/) or email [student-services@vuw.ac.nz](mailto:student-services@vuw.ac.nz).

VUWSA employs two Education Coordinators who deal with academic problems and provide support, advice and advocacy services, as well as organising class representatives and faculty delegates. The Education Office is located on the ground floor, Student Union Building, phone 463 6983 or 463 6984, email [education@vuwsa.org.nz](mailto:education@vuwsa.org.nz).

### **Maori and Pacific Mentoring Programme (Manaaki Pihipihinga)**

This is a free programme of mentoring for Maori and Pacific students doing first year courses within the Faculty of Commerce and Administration. Weekly one hour mentoring sessions: drafting and editing assignments/discussing any questions that you might have from tutorials or lectures and going over every aspect of essay writing, either in small group sessions or on a one-to-one basis.

This includes:

- A computer suite hooked up to cyber commons for students to use to produce their assignments.
- Regular skill-based workshops with a learning adviser from Student Learning Support Services.
- Networking with other Maori and Pacific support groups throughout the university.

For more information please contact:

Melissa Dunlop, Programme Coordinator

Ph: 463 6015 or Email: [Maori-Pacific-Mentoring@vuw.ac.nz](mailto:Maori-Pacific-Mentoring@vuw.ac.nz)