

Assessment Information and Rubric

Subject Code	ECO100
Subject Name	Economics for Business
Assessment Number and Title	Assessment 3 (Individual) Case Study
Assessment Type	Individual: Report
Length / Duration	Assessment 3 (Individual) Case Study Report:1500 words
Weighting %	Assessment 3 (Individual) – 20%
Total Marks	100
Due Date	Week 10, Sunday 11:59pm
Mode	Individual
Format	Report

Assessment Description and Instructions

Assessment 3: Individual Analysis of Economic Cases (20%)

Context:

Economic Case 01: GDP and Unemployment

Given the following hypothetical economy.

Case Study: Economic Growth and Labor Market Dynamics

A developing nation has witnessed a significant economic turnaround due to various reformative measures over the past year, resulting in a GDP growth rate increase from 3% to 5%. Concurrently, the unemployment rate has decreased from 10% to 8%. The country's labour force is consistently reported at around 50 million individuals.

Questions:

1. Calculate the absolute change in the unemployment rate over the last year.
2. Determine the number of individuals who found employment over the past year assuming a constant labour force.

3. Discuss how improvements in GDP might influence labour market conditions, given that the reformative measures included initiatives aimed at enhancing job creation in key sectors.

Economic Case 02: Aggregate Demand and Supply Model

Case Study: Response to an Oil Price Shock

Following a significant rise in global oil prices, a country noted an increase in domestic fuel prices impacting transportation costs across all sectors. This event caused shifts in both Aggregate Demand (AD) and Short-Run Aggregate Supply (SRAS), affecting the economy's overall price level and output.

Questions:

1. Illustrate with a graph how an increase in oil prices might shift the SRAS and AD curves, discussing the likely impacts on the price level and real GDP.
2. Calculate the potential impact on consumer expenditure if the average transportation cost constitutes 20% of consumer expenses and has increased by 30% due to the oil price hike.
3. Analyse how these shifts could affect employment and inflation levels in the short term.

Economic Case 03: Monetary and Fiscal Policy

Case Study: Tackling Recession through Policy Interventions

A country facing a recession with increasing inflation rates decides to use a combination of monetary and fiscal policies to stabilize its economy. The central bank opts to reduce the interest rates from 5% to 3.5%, while the government announces a stimulus package increasing government spending by 15%.

Numeracy Questions:

1. Calculate the new level of government spending if the original budget was \$500 billion.
2. Using the multiplier effect (assuming a multiplier of 1.5), estimate the potential increase in GDP from the increased government spending.
3. Discuss the short-term and long-term effects of these combined policies on the economy's inflation and unemployment rates.

Instructions

The students are required to compose an overall report for all of the cases totalling 1,500 words. Therefore, they are limited to a maximum of 500 words for each case.

Feedback: Economic Case 01, 02 and 03

Marks and feedback with comments will be provided to students within 2 weeks after submission. This will be used to mark and provide feedback to students.

The purpose of these assessment(s) is to:

- The ability to critically analyse relevant concepts to understand practice in business and related professions in a global workplace.
- Locate and critically evaluate relevant data and literature to address business problems through a research approach.
- Apply critical and creative thinking to address issues in business.
- Convey information clearly and fluently in high-quality written form to the appropriate audience.
- Demonstrate and critically reflect on how individuals work in teams in a business environment.

Marking Rubrics:

ECO100: Economics for Business					
Marking Criteria	Fail (0-49%)	Pass (50% – 64%)	Credit (65% – 74%)	Distinction (75% – 84%)	High Distinction (85% - 100%)
Accuracy of Numerical Calculations (20%)	Many errors in calculations, results are incorrect or not presented.	Many errors in calculations, results are incorrect or not presented.	Many errors in calculations, results are incorrect or not presented.	Many errors in calculations, results are incorrect or not presented.	Many errors in calculations, results are incorrect or not presented.
Understanding of Economic Concepts (30%)	Shows limited or incorrect understanding of basic economic concepts.	Shows limited or incorrect understanding of basic economic concepts.	Shows limited or incorrect understanding of basic economic concepts.	Shows limited or incorrect understanding of basic economic concepts.	Shows limited or incorrect understanding of basic economic concepts.
Application and Analysis (30%)	Fails to apply economic theories to analyse the scenarios effectively.	Fails to apply economic theories to analyse the scenarios effectively.	Fails to apply economic theories to analyse the scenarios effectively.	Fails to apply economic theories to analyse the scenarios effectively.	Fails to apply economic theories to analyse the scenarios effectively.
Clarity and Structure of Writing (10%)	Writing is unclear and poorly structured, making it difficult to understand.	Writing is unclear and poorly structured, making it difficult to understand.	Writing is unclear and poorly structured, making it difficult to understand.	Writing is unclear and poorly structured, making it difficult to understand.	Writing is unclear and poorly structured, making it difficult to understand.
Use of Evidence and Examples (10%)	Uses little to no relevant examples or evidence to support analysis.	Uses little to no relevant examples or evidence to support analysis.	Uses little to no relevant examples or evidence to support analysis.	Uses little to no relevant examples or evidence to support analysis.	Uses little to no relevant examples or evidence to support analysis.