

School of Economics & Finance

Head of School Professor C Jensen-Butler

Degree Programmes

Graduate Diploma:	Environmental History (see School of History) Finance International Strategy and Economics
M.Litt.:	Environmental History (see School of History)
M.Phil.:	Environmental History (see School of History)
MSc:	Finance International Strategy and Economics

Programme Requirements

Finance

Graduate Diploma:	120 credits consisting of EC5601 – EC5605 and EC5606 or EC5607 or EC5608
M.Sc.:	120 credits as for the Graduate Diploma plus EC5699

International Strategy and Economics

Graduate Diploma:	EC5501, EC5502 and EC5503, plus a further 60 credits from EC5504 – EC5509
M.Sc.:	120 credits as for the Graduate Diploma plus EC5599

Modules

A set of formal generic research training modules are in preparation for the Social Sciences (Economics, Management, International Relations, Psychology, Geography and Social Anthropology) and details will be available at the beginning of session 2004/5.

EC5205 Environmental Economics

Credits:	20.0	Semester:	1
Prerequisite:	Available only to Students admitted to the M.Litt. in Environmental History.		
Programme(s):	Optional module for Environmental History Postgraduate Taught Programme.		
Description:	This module will examine the economic foundations of global warming, holes in the ozone layer, tropical deforestation, traffic congestion, acid rain, biodiversity, sustainable development, world food supply, international trade and the environment, disaster insurance and the incorporation of environmental values into the national accounts. Microeconomic tools will be used to outline causes, consequences and policy responses to environmental problems.		
Class Hour:	To be arranged.		
Teaching:	Fifteen lectures and three seminars per semester.		
Assessment:	Continuous Assessment = 100%		

Economics & Finance – 5000 Level Modules

EC5501 Thinking Strategically

Credits: 20.0 Semester 1

Programme(s): Compulsory module for MSc in International Strategy and Economics

Description: This module takes an issues based approach to strategic thinking, covering economics, politics and everyday life. Key topics are: decision trees, games, bargaining, strategic moves, credible commitments, brinkmanship, co-ordination, voting and incentives. The treatment will be supported by case studies.

Class Hour: To be arranged.

Teaching: Two lectures, one seminar.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

EC5502 The International Economy

Credits: 20.0 Semester: 1

Programme(s): Compulsory module for MSc in International Strategy and Economics

Description: This module is an issues based vehicle for developing analytical skills, as well as a familiarity with central issues of the international economy and their wider ramifications. Topics covered are: the global economy and the basis of trade; international organisations and agreements; international money; developing economies; foreign direct investment and multi-national enterprises.

Class Hour: To be arranged.

Teaching: Two lectures, one seminar.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

EC5503 Methods and Issues in International Strategy and Economics

Credits: 20.0 Semester: 1

Programme(s): Compulsory module for MSc in International Strategy and Economics

Description: This module is skills based, developing ability to handle the following, using Microsoft Excel: finance (statements, planning, control); investment decisions; sales and marketing; input-output; linear programming; trade flows.

Class Hour: To be arranged.

Teaching: Two lectures, one practical class.

Assessment: Continuous Assessment = 100%

EC5504 Growth and Economic Development

Credits: 20.0 Semester: 2

Programme(s): Optional module for MSc in International Strategy and Economics

Description: This module explores the theory of economic development, including dependency theory, immiserising growth and Prebisch. Problems of export instability, trade liberalisation, the debt crisis, sovereign default, the new international order. The role of theory and institutions in the context of industry and agriculture. The relationship between poverty, income inequality, and economic development.

Class Hour: To be arranged.

Teaching: Two lectures, one seminar.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

EC5505 Global and Local Issues of the Environment

Credits: 20.0 Semester: 2

Programme(s): Optional module for MSc in International Strategy and Economics

Description: The aim of this module is to introduce basic ideas and methods of environmental economics and policy without assuming any prior knowledge of economics. The geological background and current state of global warming is related to international efforts to control the problem and efforts by energy lobbies to undermine controls and misinform public opinion. A variety of topical issues that relate economic, environmental and public policy considerations will be discussed including international trade, tropical deforestation, transport, sustainability, the relationship between economic (material) growth, the environment and human happiness and welfare. Specific problems of developing countries and their relations to the developed world will be studied.

Class Hour: To be arranged.

Teaching: Two lectures, one seminar.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

EC5506 International Entrepreneurship

Credits: 20.0 Semester: 2

Programme(s): Optional module for MSc in International Strategy and Economics

Description: This module involves the analysis of entrepreneurial activity, including risk and uncertainty bearing, co-ordination, arbitraging and innovating, covering both national and international dimensions. The elements of small business strategy, including its application in global markets, covering approaches of Porter and Minzberg. Small business, including its trans-national form.

Class Hour: To be arranged.

Teaching: Two lectures, one seminar.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

EC5507 European Economic Integration

Credits: 20.0 Semester: 2

Programme(s): Optional module for MSc in International Strategy and Economics

Description: The purpose of this module is to examine a number of issues relevant to European economic integration, and to expose students to the techniques and arguments developed in connection with these issues. We will make use of both macroeconomic and microeconomic theory to look at the rationale behind a number of (past and present) EU policies. Where appropriate, we will also use theory and present empirical evidence in order to evaluate the effectiveness of these policies. Although the emphasis of the course is primarily upon the economics of the EU we will also look at the political and historical processes that influenced a number of EU policies.

Class Hour: To be arranged.

Teaching: Two lectures, one seminar.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

EC5508 Regions and Global Cities

Credits: 20.0 Semester: 2

Programme(s): Optional module for MSc in International Strategy and Economics

Description: The module examines urban and regional growth in an increasingly globalised economy. Policy options, both urban and regional, are examined and international comparisons are made. The point of departure is economic theory, but elements of theory from other social sciences will be used. Relevant methods for forecasting and policy analysis in use in different countries will be examined. Key elements of the urban economy, such as housing and transport will be considered, again in an international and comparative context.

Class Hour: To be arranged.

Teaching: Two lectures, one seminar.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

Economics & Finance – 5000 Level Modules

EC5509 Comparative Economic Systems

Credits: 20.0 Semester: 2

Programme(s): Optional module for MSc in International Strategy and Economics

Description: This is a cross-disciplinary course in comparative economics focusing on east and west comparison. It introduces basic economic principles/rules governing different economic systems, and relates economic performance to culture and political backgrounds. In particular students will learn about fundamental features of major economic powers, namely USA, Europe, Japan, China and Russia. The course will emphasize industrial structure and policies. The issues addressed will include the implications of the 'Asian Crisis', analysis of economic reform, and transition in Eastern and Far Eastern economies.

Class Hour: To be arranged.

Teaching: Two lectures, one seminar.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

EC5599 International Strategy and Economics Dissertation

Credits: 60.0 Semester: Whole Year

Programme(s): Compulsory module for MSc in International Strategy and Economics

Description: A dissertation in the form of an extended essay/project of typically 10 thousand words, but no more than 15 thousand words. Each written under 'light' supervision (three individual supervision meetings; three group supervision meetings), and based on a topic chosen from an assigned lists of potential topics and corresponding readings.

Class Hour: At times to be arranged with supervisor.

Teaching: Individual Supervision.

Assessment: Dissertation = 100%

EC5601 Investment Analysis

Credits: 20.0 Semester: 1

Co-requisites: EC5602, EC5603

Programme(s): Compulsory module for MSc in Finance

Description: This module introduces the basic concepts of investment value analysis. The ultimate aim is to provide the student with a standard approach to define, measure and predict value of investments in a world of uncertainty. The standard notion of risk versus return is defined and analytical economic models of how risks and returns are determined and traded in financial markets are applied to solve any investment analysis problem. The usual valuation problems covered in this module involve corporate investments, a wide array of corporate liabilities such as shares and bonds and associated financial contracts such as options.

Class Hour: To be arranged.

Teaching: Two lectures, one seminar.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

EC5602 Financial Modelling

Credits: 20.0 Semester: 1

Co-requisites: EC5601, EC5603

Programme(s): Compulsory module for MSc in Finance

Description: This module introduces the student to the basic concepts of financial modelling on computers in spreadsheets. The aim is to have the student understand some standard spreadsheet programming techniques that are used repeatedly in a wide range of financial modelling problems. The student should learn how to obtain and create financial data for use in a spreadsheet and then analyse that data via simple mathematical manipulation and statistical analysis. It is important to understand the process by which large models are conceived and then implemented in a spreadsheet model. It is equally important to understand how analysis is effectively reported in a spreadsheet.

Class Hour: To be arranged.

Teaching: One lecture, one hour lab work.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

EC5603 Financial Markets and Institutions

Credits: 20.0 Semester: 2

Co-requisites: EC5601, EC5602

Programme(s): Compulsory module for MSc in Finance

Description: This module will consist of lectures covering institutional material on financial markets and institutions in the UK and elsewhere, together with seminars at which students will make presentations on a range of the key issues currently under discussion in the financial sector.

Class Hour: To be arranged.

Teaching: Two lectures, one seminar.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

EC5604 Corporate Finance

Credits: 20.0 Semester: 2

Prerequisites: EC5601 – EC5603

Co-requisites: EC5605, EC5606 *or* EC5607 *or* EC5608

Programme(s): Compulsory module for MSc in Finance

Description: In this module we investigate the problem of how a collection of corporate liabilities are affected in value by corporate actions. Possible actions include corporate investment decisions, decisions regarding the firm's financial structure, changes in management rules and compensation and changes in the scope, specialisation and legal environment of the corporation's business. As in the prerequisite module, EC5516, we emphasise standard methods for solving problems under economic uncertainty. At the end of this module the student will have a good working knowledge of institutions and the theory and valuation methods used worldwide in major corporations and financial institutions.

Class Hour: To be arranged.

Teaching: Two lectures, one seminar.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

EC5605 Monetary Policy and International Finance

Credits: 20.0 Semester: 2

Prerequisites: EC5601 – EC5603

Co-requisites: EC5604, EC5606 *or* EC5607 *or* EC5608

Programme(s): Compulsory module for MSc in Finance

Description: This module will cover key issues in monetary policy and international finance with particular reference to their implications for financial markets. Topics will include inflation targeting and other monetary frameworks; the conduct of monetary policy in leading countries; the determination of interest rates at different maturities; the determination of exchange rates; and international capital flows.

Class Hour: To be arranged.

Teaching: Two lectures, one tutorial.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

EC5606 Further Topics in Finance

Credits: 20.0 Semester: 2

Prerequisites: EC5601 – EC5603

Co-requisites: EC5604, EC5605

Programme(s): Optional module for MSc in Finance

Description: Three key components: (1) risk management; (2) financial management; and (3) corporate governance. Detailed content may vary year by year, but typically would include: (1) insurance, hedging, foreign exchange, international investment, political risk; (2) financial planning, cash budgeting, credit management, cash management; (3) mergers, takeovers, corporate control, governance, and financial architecture.

Class Hour: To be arranged.

Teaching: Two lectures, one tutorial.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

Economics & Finance – 5000 Level Modules

EC5607 Options and Derivatives

Credits: 20.0 Semester: 2

Prerequisites: EC5601 – EC5603

Co-requisites: EC5604, EC5605

Programme(s): Optional Module for MSc in Finance

Description: The application of mathematical methods to financial instruments. The emphasis is on the mathematical characterisation of risk and return, as a means of pricing contracts and options. Topics as follows. Probability theory. Brownian motion, Wiener processes, It's Lemma. Black-Scholes option pricing, replicated portfolios, no-arbitrage conditions. European and American options. Second derivatives: delta, gamma etc. forms; their roles in creating risk free portfolios. Analytical solutions. Binomial methods. Monte Carlo methods to simulate stochastic processes. Government & corporate bond pricing. Limitations of Black- Scholes.

Class Hour: To be arranged.

Teaching: Three lectures.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

EC5608 Financial Intermediation

Credits: 20.0 Semester: 2

Prerequisites: EC5601 – EC5603

Co-requisites: EC5604, EC5605

Programme(s): Optional module for MSc in Finance

This module will cover the main theoretical issues involved in banking, from the existence of financial intermediaries through credit rationing and optimal contracts to bank runs, central banks and regulation. The module will concentrate on analytical models, but there will be some reference to current issues in existing financial systems.

Class Hour: To be arranged.

Teaching: Two lectures, one tutorial.

Assessment: Continuous Assessment = 60%, 2 Hour Examination = 40%

EC5699 Finance Dissertation

Credits: 60.0 Semester: Summer

Prerequisites: EC5601-EC5605 and EC5606 *or* EC5607 *or* EC5608

Programme(s): Compulsory module for MSc in Finance

Description: This module will enable students on the MSc in Finance to undertake a sustained project or essay of at least 8,000 words (and no more than 12,000) on a relevant topic. A selection of topics will be identified by members of staff and it is expected that most students will choose one of these topics. Some supervision will be available, notably to agree topics and basic outlines, but students will be expected to work largely on their own initiative.

Class Hour: At times to be arranged with supervisor.

Teaching: Individual Supervision.

Assessment: Dissertation = 100%