



FOR APPROVAL

PUBLIC

OPEN SESSION

TO: UTSC Academic Affairs Committee

SPONSOR: Prof. William Gough, Vice-Principal Academic and Dean
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DATE: March 18 for March 25, 2020

AGENDA ITEM: 6

ITEM IDENTIFICATION:

Undergraduate Curricular Minor Modifications - Management

JURISDICTIONAL INFORMATION:

University of Toronto Scarborough Academic Affairs Committee (AAC) “is concerned with matters affecting the teaching, learning and research functions of the Campus” (*AAC Terms of Reference, Section 4*). Under section 5.6 of its terms of reference, the Committee is responsible for approval of “Major and minor modifications to existing degree programs.” The AAC has responsibility for the approval of Major and Minor modifications to existing programs as defined by the University of Toronto Quality Assurance Process (*UTQAP, Section 3.1*).

GOVERNANCE PATH:

1. UTSC Academic Affairs Committee [For Approval] (March 25, 2020)

PREVIOUS ACTION TAKEN:

No previous action in governance has been taken on this item.

HIGHLIGHTS:

This package includes minor modifications to undergraduate curriculum, submitted by the Department of Management, which require governance approval. Minor modifications to curriculum are understood as those that do not have a significant impact on program or course learning outcomes. They require governance approval when they modestly change the nature of a program or course.

- The Department of Management (Report: Management)
 - 1 new course
 - MGEC08H3

FINANCIAL IMPLICATIONS:

There are no net implications to the campus operating budget.

RECOMMENDATION:

Be It Resolved,

THAT the minor modifications to undergraduate programs, submitted by UTSC undergraduate Department of Management, as described in Undergraduate Minor Curriculum Modifications for Approval, Report: Management, dated March 25, 2020, and recommended by the Vice-Principal Academic and Dean, Professor William Gough, be approved to be effective as of Fall 2020 for the academic year 2020-21.

DOCUMENTATION PROVIDED:

1. 2020-21 Curriculum Cycle: Undergraduate Minor Curriculum Modifications for Approval Report: Management, dated March 25, 2020

2020-21 Curriculum Cycle

Undergraduate Minor Curriculum Modifications for Approval

Report: Management

March 25, 2020

Management (UTSC), Department of

1 New Course:

MGEC08H3: Economics of Markets and Financial Decision Making

Description:

This course covers key concepts and theories in both microeconomics and macroeconomics that are relevant to businesses and investors. Topics to be covered include the market structures; the economics of regulations; the foreign exchange market; economic growth; and policy mix under different macro settings. Aside from enhancing students' understanding of economic analyses, this course also helps students prepare for the economics components in all levels of the CFA exams.

Prerequisites: MGEB02H3 and MGEB06H3

Exclusions: MGEC02H3, MGEC41H3, MGEC92H3, MGEC93H3, ECO200Y1, ECO204Y1, ECO206Y1, ECO310H1, ECO364H1, ECO365H1

Enrolment Limits: 40

Learning Outcomes:

Key learning outcomes include:

- (1) Understand how firms make their decisions under different market structures;
- (2) Understand the rationale and benefits of international trade;
- (3) Understand the impacts of trade policies/barriers on the economy;
- (4) Understand the economic dynamics in the foreign exchange market;
- (5) Understand how monetary and fiscal policies affect the exchange rates under different macro settings;
- (6) Understand the determinants and theories of economic growth;
- (7) Understand the impact of economic growth on investment returns;
- (8) Understand the economic rationales of having regulations; and
- (9) Conduct a cost-benefit analysis for economic regulations.

Topics Covered:

The course consists of two parts: the first half will cover the relevant concepts and theories in microeconomics, while the second half will focus on relevant macro concepts and theories.

Topics include:

- Market structures. (4 lectures)
Discuss how firms make their decisions under different market structures (perfect competition, monopoly, oligopoly, and monopolistic competition) and welfare implications.
- Topics on international trade. (1 lecture)
Absolute advantage vs. comparative advantage.
Gains from trade.

- Trade policies/barriers and their welfare implications.
- The economics of regulations. (1 lecture)
 - Economics and effects of regulations.
- Policy mix (1 lecture)
 - Effectiveness of fiscal and monetary policies under different macro settings.
- Foreign exchange market (4 lectures)
 - Spot rate vs. forward rate
 - Spot, forward, futures and options markets.
 - International parity conditions: interest rate parity, purchasing power parity, international fisher effect, and others.
 - Models of exchange rate determination –monetary approach, Mundell-Fleming model, portfolio approach. Balance of payments.
- Theories of economic growth. (1 lecture)
 - Determinants of economic growth.
 - Economic growth theories: classical, neoclassical and endogenous growth models.

Textbook: Economics for Investment Decision Makers: Micro, Macro, and International Economics, by Christopher D. Piro, Jerald Pinto and Larry Harris (CFA Institute, 2013). ISBN: 978-1-118-10536-8.

Methods of Assessment:
 30% Mid-term exam
 20% Assignments (2)
 50% Final exam

Mode of Delivery: In Class

Breadth Requirements: Social & Behavioural Sciences

Rationale:
 A proposal is being put forward to develop a CDP in Management and Accounting. This course, which is part of the core of the proposed CDP, has been developed to support the proposed program so that the number of classes required will not exceed the limit in the CDP. This course will consolidate key economic theories, concepts, principles, and practices that professional investors need to know in order to make informed investment decisions. After successful completion of the course, students in the CDP in Management and Accounting will be exempted from taking MAF2001H – Economics and Quantitative Methods.

Consultation:
 DCC Approval: November 7, 2019.
 RO Approval: September 20, 2019.

Resources:
 This course will be taught by a regular faculty in the economics area, and will require additional TA support that will be covered by the department's existing budget. No other additional resources are required.