

**SAULT COLLEGE OF APPLIED ARTS & TECHNOLOGY**

**SAULT STE. MARIE, ONTARIO, CANADA**

**COURSE OUTLINE**

COURSE TITLE: GLOBAL BUSINESS AND ECONOMIC ISSUES

CODE NO.: BUS120 SEMESTER: IV

PROGRAM: OFFICE ADMINISTRATION

DATE: 1997 01 01

PREVIOUS OUTLINE  
DATED: 1995 01 01

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APPROVED: *Joseph C. Frenkel* 970103  
DEAN, SCHOOL OF BUSINESS & HOSPITALITY DATE

TOTAL CREDITS: 3

PREREQUISITES: NONE

LENGTH OF COURSE: 3 HRS/WK - 17 WEEKS

TOTAL CREDIT HOURS: 51

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**I. COURSE DESCRIPTION:**

The student will study various forms of business ownership and will be introduced to basic management functions. Issues to be discussed will focus on the secretary working in the new global business world. Students will learn about famous economists who have helped carve Canadian history and set the pace in producing today's Canadian economic policies. Students will discuss and debate current issues and examine the history of Canadian economic policies. The students involved in the course will develop an awareness of economic policies and draw their own conclusion.

**II. LEARNING OUTCOMES AND ELEMENTS OF THE PERFORMANCE:**

Upon successful completion of this course, the student will:

1. List six legal forms of business ownership. Identify three advantages and three disadvantages of each type of ownership in relation to conducting business in a global market.
2. Name five local businesses and the goods which they import and export in the global market.
3. Explain the law of supply and demand including shift/movement of curves, surplus, price ceilings, floor pricing, and black markets.
4. Explain economic concepts which identify three reasons why international business is dependent on relationships between countries.
5. State and justify the role of government with regards to taxes, national debt, and future security.
6. Discuss and debate myths about growth and the environment.
7. Describe the role of small business, government statistics and policies, unemployment, inflation, and corporations in relation to economic myths described in class.

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**III. LEARNING OUTCOMES WITH ELEMENTS OF PERFORMANCE:**

1. List six legal forms of business ownership. Identify three advantages and three disadvantages of each type of ownership in relation to conducting business in a global market.

***Elements of the Performance Concepts:***

- Business organizations
- Forms of ownership
- Financing
- Local industry relations
- Industry location
- Definitions of economics
- Economic systems
- Famous economists

2. Name five local businesses and the goods which they import and export in the global market.

***Elements of the Performance Concepts:***

- import
- export
- customs control
- cultural barriers

3. Explain the law of supply and demand including shift/movement of curves, surplus, price ceilings, floor pricing, and black markets.

***Elements of the Performance Concepts:***

- Market and price controls
- Underground economy
- Economic consequences of rent controls
- Law of supply and demand
- Marginal revenue product
- Allocative inefficiencies
- Floor prices
- General Agreement on Tariffs and Trade
- Cartel
- Equity principle

**Section 1 will constitute 33% of the final grade.**

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4. Explain economic concepts which identify three reasons why international business is dependent on relationships between countries.

***Elements of the Performance:***

- NAFTA
- tariffs, nontariff barriers
- comparative advantage
- economies of scale
- productivity
- deindustrialization
- structural unemployment
- GDP
- opportunity costs
- specialization
- currency depreciation
- appreciation
- flexible exchange rates
- paradox of thrift
- open economy
- nominal interest rates

5. State and justify the role of government with regards to taxes, national debt, and future security.

***Elements of the Performance Concepts:***

- Tax base
- Fallacy of composition
- Retirement Saving Plan
- Fertility rates
- Goods and Services Tax
- Manufacturers' Sales Tax
- Dead-weight loss
- Equity principle
- Efficiency principle
- Regressive tax
- Value-added tax
- Supply side economics
- Reaganomics
- Substitution effect
- Flat tax
- Laffer Curve

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- Income effect
- Negative income tax
- Guaranteed Income Tax
- Manitoba Basic Annual Income Experiment
- Mincome
- Debts
- Deficit
- International Monetary Fund
- Fixed-capital formation
- Life-cycle hypothesis
- Paper entrepreneurs

**Section 2 will constitute 33% of the final grade.**

6. Discuss and debate myths about growth and the environment.

***Elements of the Performance Concepts:***

- Externalities
- Right to pollute
- Marginal cost
- Allocative Efficiency
- Emission credits
- Tragedy of the commons
- Renewable/Nonrenewable resources
- Price system
- Elasticity of supply
- Blue box programs
- Not-in-my-backyard syndrome
- Marginal cost
- Marginal revenue
- Consumer sovereignty
- Bruntland Report
- Sustainable development

7. Describe the role of small business, government statistics and policies, unemployment, inflation, and corporations in relation to economic myths described in class.

***Elements of the Performance Concepts:***

- Industrial strategy
- Venture capital

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- Information highway
- Economies of scope
- Set-aside program
- Consumer price index
- Underemployment
- Capacity utilization
- Productivity
- Business Cycle
- Mixed economies
- Monetary/Fiscal policy
- Aggregate demand
- Automatic stabilizers
- Stagflation
- Butterfly effect
- Rational expectation theory
- Lucas critique
- Underemployment
- Natural rate of unemployment
- Nonaccelerating inflation rate of unemployment
- Cyclical unemployment
- Insider-outsider theory

**Section 3 will constitute 34% of the final grade.**

#### IV. TOPICS TO BE COVERED

1. Forms of Ownership
2. Advantages and Disadvantages
3. Market and Price Controls
4. Trade and Competition
5. Role of the Government
6. The Environment
7. Other Economic Myths

#### V. REQUIRED STUDENT RESOURCES

Patrick Luciani, Economic Myths Making Sense of Canadian Policy Issues. Don Mills, Ontario. Addison-Wesley Publishers Limited. 1996.

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**VI. METHOD OF EVALUATION****MID-TERM REPORTING**

- S - Satisfactory Progress  
 U - Unsatisfactory Progress  
 R - Repeat (objectives have not been met)  
 NR - Grade not reported to Registrar's Office. This grade is issued to facilitate the production of a student transcript when faculty, because of extenuating circumstances, find it impossible to report grades by due dates.

**FINAL GRADE REPORTING**

- A+ 90% - 100% - Consistently Outstanding  
 A 80% - 89% - Outstanding Achievement  
 B 70% - 79% - Consistently Above Average  
 C 60% - 69% - Satisfactory  
 R Below 60% - Repeat - objectives of this course have not been achieved and the course must be repeated.

**EVALUATION**

Participation, assignments, quizzes	= 15%
Debates/discussions	= 10%
Test #1 -	= 25%
Test #2 -	= 25%
Test #3 -	= 25%

**GUIDELINES RE GRADING:**

**ASSIGNMENTS:** 100% completion of all assignments is expected. No extension will be given unless a valid reason is provided in advance.

**WARNING:** Academic dishonesty will result in a grade of zero (0) on the assignment or test for all parties.

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**TESTS:** If a student is not able to write a test because of illness or a legitimate emergency, that student must contact the teacher prior to the test or as soon as possible and provide an explanation which is acceptable to the teacher. In cases where the student has contacted the teacher and where the reason is not classified as an emergency, i.e. slept in, forgot, etc., the highest achievable grade is a "C". In cases where the students has not contacted the teacher, the student will receive a mark of "0" on that test.

**VII. SPECIAL NOTES:**

1. All students should be aware of the Special Needs Office in the College. If you have any special needs such as being visually impaired, hearing disabled, physically disabled, learning disabilities, you are encouraged to discuss required accommodations confidentially with the professor and/or contact the Special Needs Office, Room E1204, Ext. 493, 717, or 491, so that support services can be arranged for you.
2. Your professor reserves the right to modify the course as he/she deems necessary to meet the needs of the students.
3. It is the responsibility of the student to retain all course outlines for possible future use in gaining advanced standing at other post-secondary institutions.
4. Students should refer to the definition of "academic dishonesty" in the "Statement of Student Rights and Responsibilities". Students who engage in "academic dishonesty" will receive an automatic failure for that submission and/or such other penalty, up to and including expulsion from the course, as may be decided by the professor.
5. Each student will be required to keep a file in a designated classroom. This will facilitate the return of assignments, grades, and any messages the Office Administration faculty need to relay to the students.