

Economics for Built Environment

Course Title	:	Economics of Built Environment
Course Code	:	
Credit Units	:	4

L	T	P	SW	FW	Total Credits
2	1	0	2	0	4

Course Objective	:	<ol style="list-style-type: none"> 1. To provide students with a basic understanding of economic theory and analytical tools that can be used in decision making problems. 2. The students will also gain a good understanding of economic concepts and tools that have direct managerial applications
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Pre-requisites	:	None
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Student Learning Outcomes (SLO)	:	1. To demonstrate an understanding of the economic logic driving business decisions
		2. Interpret and access the key economics parameters behind decisions taken by households and businesses on a day to day level
		3. Develop an ability to understand the operation of the Indian and global economy
		4. Interpret macro economy conditions in terms of business requirements
		5. Develop an ability to apply economic concepts in analyzing specific property and regulatory problems in the real estate industry

Course Content / Syllabus:

Modules	Weightage (%)
1 – Introduction	
An introduction to basic concepts of Economics.	10%
2 – Key issues in Economics	
Economic systems for resource allocation Theory of Demand, understanding changes in demand, changing market conditions, elasticity of demand Behavioural Economics Theory of Supply, Supply in the construction industry, Changes in Supply, Elasticity of Supply, Combining supply and demand	25%
3 – Firms, Markets and Government	
Clients and Contractors – economic agents in the Built Environment Cost of the construction firm, production, economies of scale, diminishing marginal returns The interplay of Costs, Revenues and Profits, (Additional integrative readings) Markets, Market Mechanisms and Market Structures Market failures and government intervention – what causes market failure, free rider, externalities, information asymmetry, government intervention	30%
4 – Macroeconomics	

<p>Macro economy, Economy and Construction, Inflation, Expectations and the big picture.</p> <p>Government policy instruments – monetary policy, fiscal policy, direct policy, macroeconomic objectives and policy, macroeconomic management</p> <p>International Economics - introduction</p> <p>The economy and construction, GDP and growth, GDP and construction, leakages and injections, aggregate demand, aggregate supply, increasing capacity in the long run</p> <p>Inflation and expectations, Cost of Living Indices, causes and cures of inflation, credit crunch, quantitative easing, rational expectations</p> <p>Sustainable Construction, role of markets, circle of blame, role of governments,</p>	<p>35%</p>
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<p>Indicative Pedagogy for Course Delivery</p>	<p>:</p>	<ol style="list-style-type: none"> 1. Lectures: To support the development of concepts and methods 2. Problem Solving Exercises: Interactive learning including students on a specific problem and solutions to it 3. Formative Assignments to assist in learning 4. Data analysis using case studies: To expose students to variety of situation and making them understand in comprehensive manner 5. Use of LMS for dissemination of course specific information.
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Lab / Practical details, if applicable:

Assessment / Examination Scheme:

Theory Lecture / Tutorial (%)	Lab / Practical / Studio (%)
<p>100%</p>	<p>0%</p>

Theory Assessment (Lecture & Tutorial):

Continuous Assessment / Internal Assessment				End Term Examination
Components	Project / Home Assignment/ Presentation	Class Test	Attendance	50%
Weightage (%)	30%	15%	5%	

Notional Hours:

Lecture Contact	30
Tutorial Contact	15
Self-Work	30
Field Work	--
Assessment	15
Total Session	90

Text & References:

- Construction Economics – Danny Myers 4th Edition, Routledge
- The Economics of the Modern Construction Sector – Graham J Ive and Stephen L Gruneberg, 2000, Macmillan Press
- The Economics for the Modern Built Environment – Leslie Ruddock, 2009, Taylor and Francis
- Economics - a foundation course for the built environment – J L Manser, 2005, Taylor and Francis Group
- Urban Economics and Real Estate Markets – Denise DiPasquale, William C Wheaton, 1996, Pearson Education
- Economic Analysis for Property and Business, Marcus Warren, Routledge, 2011
- Stiglitz, J.E. and Walsh, C.E. (2006) [SW]. Economics, W.W. Norton and Co.
- Pyndick and Rubinfeld (2008) [PR]. Microeconomics, Wiley India
- Dornbusch and Fischer (2007) [DF]. Macroeconomics, McGraw Hill India
- Deepashree, Principles of Micro Economics, Ane Books Pvt Ltd, New Delhi
- Deepashree, Vanita Agarwal, “Macro Economics”, Ane Books Pvt Ltd, New Delhi
- DiPasquale, Denise, and William C. Wheaton. Urban economics and real estate markets. Vol. 23. No. 7. Englewood Cliffs, NJ: Prentice Hall, 1996

Any Other Study Material:

- Lecture handouts, notes, newspaper articles of interest and relevance, important subject specific websites relating to information.

Relevant materials to be uploaded on LMS for ease of access.