



## **Babcock University Centre for Open Distance and e-Learning (BUCODEL)**

### **AUTHENTIC ASSESSMENT**

**ECON 102: PRINCIPLES OF ECONOMICS II**



**COURSE CODE: ECON 102**

**COURSE TITLE: PRINCIPLES OF ECONOMICS II**

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**TOPIC: ECONOMIC SYSTEM**

**LEARNING OUTCOMES:**

At the end of this topic, you should be able to:

1. Describe the three (3) types of economic systems
2. Compare and contrast the functions of the three (3) economic systems
3. Evaluate the features of each type of economic systems.
4. Appraise each of the three (3) economic systems

**Assessment Description (Task) (25 marks)**

The Federal Government of Nigeria (FGN) is planning to buy existing mobile phone GSM network providers – MTN, Airtel, 9Mobile and Glo. The FGN is equally planning to expand its mobile telephony network by starting more mobile phone GSM service providing firms. You are the CEO of a think-tank that frequently advises the government on economic issues; based on your knowledge of economic systems across different parts of the world, prepare a policy brief and make proper recommendations to the government based on the following:

1. The pros and cons of government getting involved in economic activities particularly in the telecommunication sector.
2. Make reference to at least two (2) other countries economic systems (where government is involved in economic activities AND where government is not involved).
3. Make recommendations based on your submissions.

**GRADING RUBRIC**

	<b>Criteria</b>	<b>(Poor)</b>	<b>(Good)</b>	<b>(Very Good)</b>	<b>(Excellent)</b>
<b>1</b>	Clear and properly written policy brief (5 pts)	Clear and properly written policy brief, but with three of these	Clear and properly written policy brief, but with two of these	Clear and properly written policy brief, but with one of these missing: being	Clear and properly written policy brief. Must be short and straight to the

		missing: being straight to the point, based on evidence, focused on meaning and related to the bug picture. <b>1 mark</b>	missing: being straight to the point, based on evidence, focused on meaning and related to the bug picture. <b>3 marks</b>	straight to the point, based on evidence, focused on meaning and related to the bug picture. <b>4 marks</b>	point, based on evidence, focused on meaning and related to the bug picture. <b>5 marks</b>
<b>2</b>	A proper description of the economic systems of two countries (5 pts)	No proper description of the economic systems of two countries	Somewhat proper description of the economic systems of two countries	A proper description of the economic systems of two countries <b>4 marks</b>	An exceptional description of the economic systems of two countries with Excellent examples. <b>5 marks</b>
<b>3</b>	Clear articulation of three (3) advantages and three (3) disadvantages of the economic systems described in (2) (5 pts)	Articulation of zero (0) advantages and zero (0) disadvantages of the economic systems described in (2) <b>No mark</b>	Clear articulation of one (1) advantage and one (1) disadvantage of the economic systems described in (2) <b>2 marks</b>	Clear articulation of two (2) advantages and two (2) disadvantages of the economic systems described in (2) <b>4 marks</b>	Clear articulation of three (3) or more advantages and three (3) or more disadvantages of the economic systems

					described in (2) <b>5 marks</b>
<b>4</b>	Proper explanation of the current economic system of Nigeria (5 pts)	If the economic system of Nigeria does not have neither capitalist or socialist feature (or both) <b>No mark</b>	If the economic system of Nigeria is described as socialist <b>2 marks</b>	If the economic system of Nigeria is described as capitalist <b>3 marks</b>	Proper explanation of the current economic system of Nigeria as mixed economic system. <b>5 marks</b>
<b>5</b>	Clear articulation of two (2) advantages and two (2) disadvantages of the government of Nigeria controlling the business of mobile telephony (5 pts)	Clear articulation of one (1) advantage with no disadvantage of the government of Nigeria controlling the business of mobile telephony <b>1 mark</b>	Clear articulation of one (1) advantage and one (1) disadvantage of the government of Nigeria controlling the business of mobile telephony <b>3 marks</b>	Clear articulation of two (2) or one (1) advantage(s) and one (1) or two (2) disadvantage(s) of the government of Nigeria controlling the business of mobile telephony <b>4 marks</b>	Clear articulation of two (2) advantages and two (2) disadvantages of the government of Nigeria controlling the business of mobile telephony <b>5 marks</b>



**Total Score = 25 Marks**

**TOPIC: THEORY OF MONEY**

**LEARNING OUTCOMES:**

By the end of this topic, you should be able to:

1. Differentiate between the barter economy and money economy.
2. Explain the importance of money in the modern economy.
3. Assess the motives for holding money.
4. Evaluate issues on money supply

**Assessment Description (Task) (20 Marks)**

You will be paired for this assessment in order to complete the following tasks:

1. Submit a 20-minute debate recording (in an mp3 format) between you and your partner on the proposition: “Barter and money can coexist in a modern economy”
2. Randomly select five working adults and ask them to tell you between three (3) to five (5) reasons why they hold money.
3. Describe between three (3) to five (5) challenges that the society would face if money were to be suddenly withdrawn from circulation or if money were to become too much in circulation.

**Note: Assessment task 2 and 3 should be sent as a written report of one to two pages, typed in Times New Roman font, and double spaced.**

**Grading Rubric**

	<b>Criteria</b>	<b>(Poor)</b>	<b>(Good)</b>	<b>(Very Good)</b>	<b>(Excellent)</b>
<b>1</b>	Clear audio recording	No audio recording  <b>0 mark</b>	Audio recording not in mp3 format  <b>2 marks</b>	Not so clear mp3 audio recording  <b>4 marks</b>	Clear mp3 audio recording  <b>5 marks</b>
<b>2</b>	Logical presentation of points that	Illogical presentation	Logical presentation	Logical presentation	Very logical presentation of

	support/negate the use of money and barter in a modern economy.	of points that support the use of money and barter in a modern economy. <b>0 mark</b>	of points that support the use of <b>either</b> money exclusively or barter exclusively in any economy. <b>2 marks</b>	of points that support/negate the use of money and barter <b>without</b> relating it to the modern economy. <b>3 marks</b>	points that support/negate the use of money and barter in a modern economy. <b>5 marks</b>
<b>3</b>	Properly soliciting for responses from five (5) adults on three (3) to five (5) reasons why they hold money	Soliciting for responses from two (2) or less adults on one (1) (or less) to two (2) reasons why they hold money <b>0 mark</b>	Properly soliciting for responses from three (3) adults on two (2) to three (3) reasons why they hold money <b>3 marks</b>	Properly soliciting for responses from five (4) adults on two (2) to four (4) reasons why they hold money <b>4 marks</b>	Properly soliciting for responses from five (5) adults on three (3) to five (5) reasons why they hold money <b>5 marks</b>
<b>4</b>	Clearly describing the five (5) problems with the lack of money in society, and with too much money supply	Describing no problems with the lack of money in society, and with too much money supply <b>0 mark</b>	Clearly describing the 1 (1) to two (2) problems with the lack of money in society, and with too much money supply	Clearly describing the three (3) to four (4) problems with the lack of money in society, and with too much money supply <b>4 marks</b>	Clearly describing the five (5) problems with the lack of money in society, and with too much money supply <b>5 marks</b>





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			<b>2 marks</b>		
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**Total Score = 20 Marks**

## TOPIC: THEORY OF BUSINESS CYCLES

### LEARNING OUTCOMES:

At the end of this topic, you should be able to:

1. Detect cyclical booms and depressions through data.
2. Clarify each phase of business cycle and changes in the aggregate variables.
3. Analyze the causes and effects of business cycle.
4. Proffer stabilization policies to counter a business cycle

### Assessment Description (Task) (25 Marks)

**Note: You will work with your facilitator/e-tutor to be guided on data collection**

The Nigerian economy can be contrasted by periods of economic prosperity and economic decline. In the early 2000s to mid-2010s, the economy had strong growth to the extent of being in the “Africa Rising narrative” of countries in Africa with very strong economic growth. However, in 2016 and 2020, the country slid into recession. Based on this:

1. Collect data on the different sub-sectors that make up the gross domestic product (GDP) statistics of Nigeria (and on total GDP). These sectors are: **agriculture, industry and services**
2. Using Microsoft Excel software, plot different graphs of the various sectors (and GDP total) and explain your observations around year 2000-2014; 2015-2016 and 2020-2021. What are the three (3) possible causes for the observations you made for 2000-2014 on the one hand, and 2015-2016 and 2020-2021 on the other, and three (3) possible effects of the phenomena you observed?
3. Where you observed economic declines, proffer three (3) possible stabilization policies.

## GRADING RUBRIC

	Criteria	1 (Poor)	2 (Good)	3 (Very Good)	(Excellent)
1	Collection of appropriate data	Collection of data between 1% and 9% <b>1 mark</b>	Collection of appropriate, but incomplete data (between 10% and 49%) <b>3 marks</b>	Collection of appropriate, but incomplete data (50% and above, but less than 100%) <b>4 marks</b>	Collection of appropriate and complete data (100%) <b>5 marks</b>
2	Ability to use Microsoft Excel software to load the collected data and plot the graphs for the <b>agriculture, industry</b> and <b>services</b> sectors, and for the GDP as a whole	Ability to use Microsoft Excel software to load the collected data and plot the graphs for <b>none</b> of the sectors, and for the GDP as a whole <b>0 mark</b>	Ability to use Microsoft Excel software to load the collected data and plot the graphs for <b>only one</b> of the sectors, and for the GDP as a whole <b>2 marks</b>	Ability to use Microsoft Excel software to load the collected data and plot the graphs for <b>only two</b> of the sectors, and for the GDP as a whole <b>4 marks</b>	Ability to use Microsoft Excel software to load the collected data and plot the graphs for <b>all</b> the <b>three</b> sectors and for the GDP as a whole <b>5 marks</b>
3	Recognition of the periods of economic booms and bursts from	<b>Lack of recognition</b> of the periods	Recognition of <b>one of either</b>	Recognition of the periods of <b>both</b>	Recognition of the periods of economic

	the graphs created in Microsoft Excel	of economic booms and bursts from the graphs created in Microsoft Excel <b>1 mark</b>	economic booms or bursts from the graphs created in Microsoft Excel <b>3 marks</b>	economic booms and bursts from the graphs created in Microsoft Excel <b>4 marks</b>	booms and bursts from the graphs created in Microsoft Excel and appropriately <b>labelling them</b> <b>5 marks</b>
<b>4</b>	Clear outline of three (3) causes of the observations in 2000-2014; 2015-2016 and 2020-2021 and three (3) effects they can have	<b>No</b> outline of causes of the observations in 2000-2014; 2015-2016 and 2020-2021 and/or <b>no</b> articulation of the effects they can have <b>0 mark</b>	Clear outline of <b>one (1)</b> causes of the observations in 2000-2014; 2015-2016 and 2020-2021 and <b>one (1)</b> effect they can have <b>3 marks</b>	Clear outline of <b>two (2)</b> causes of the observations in 2000-2014; 2015-2016 and 2020-2021 and <b>two (2)</b> effects they can have <b>4 marks</b>	Clear outline of <b>three (3)</b> causes of the observations in 2000-2014; 2015-2016 and 2020-2021 and <b>three (3)</b> effects they can have <b>5 marks</b>
<b>5</b>	Proper articulation of three (3) stabilization policies on recession.	<b>No</b> articulation of stabilization policies on recession. <b>0 mark</b>	Proper articulation of <b>one (1)</b> stabilization policies on recession. <b>1 mark</b>	Proper articulation of <b>two (2)</b> stabilization policies on recession. <b>3 marks</b>	Proper articulation of <b>three (3)</b> stabilization policies on recession. <b>5 marks</b>

**Total Score = 25 Marks**

**TOPIC: THEORY OF INFLATION****LEARNING OUTCOMES:**

By the end of the topic, you should be able to

1. Synthesize the implication of inflation.
2. Classify inflation by level of severity.
3. Describe the causes and effects of inflation and the policies with which inflation can be controlled.

**Assessment Description (Task) (20 Marks)**

A reporter from the *Punch Newspaper* has sent in the following questions eliciting responses from you as a budding accountant who has taken economics classes, on the current price rises or inflation being witnessed in Nigeria. Your responses will be published in their business section. Provide very clear answers.

**Reporter's Question 1:** Nigerians would like you to explain to them what inflation really means. That is, is it just a rise in prices here and there, or is it something more than that?

**Reporter's Question 2:** Are all price rises (inflation) the same, and which can be tolerated by the economy?

**Reporter's Question 3:** Can you explain two (2) causes and two (2) effects of inflation, and three (3) policies that can help tackle it (please your policy options should include fiscal and monetary policies)

## GRADING RUBRIC

	Criteria	(Poor)	(Good)	(Very Good)	(Excellent)
1	Proper identification of what inflation is	No proper definition of inflation  <b>0 mark</b>	Defining inflation <b>only as price rise</b>  <b>3 marks</b>	Proper definition of what inflation is <b>without examples</b>  <b>4 marks</b>	Proper definition of what inflation is <b>with examples</b>  <b>5 marks</b>
2	A careful discussion of the level of inflation that the economy can tolerate	No identification of the level of inflation that the economy can tolerate  <b>0 mark</b>	A discussion of the level of inflation that is <b>greater or less than</b> the threshold that the economy can tolerate.  <b>2 marks</b>	A careful discussion of the level of inflation that the economy can tolerate <b>without emphasis on production and consumption</b>  <b>5 marks</b>	A careful discussion of the level of inflation that the economy can tolerate <b>with emphasis on production and consumption</b>  <b>5 marks</b>
3	Clear explanation of two (2) causes and two (2) effects of inflation	Explaining <b>no</b> cause or effects of inflation  <b>0 mark</b>	Explaining either <b>one (1)</b> of the causes or effects of inflation  <b>1 mark</b>	Clear explanation of <b>one (1)</b> cause and <b>one (1)</b> effect of inflation  <b>3 marks</b>	Clear explanation of <b>two (2)</b> causes and <b>two (2)</b> effects of inflation  <b>5 marks</b>
4	Clear identification of appropriate fiscal and	<b>Not</b> proffering	Proffering policies to	Clear identification	Clear identification

	monetary policies to address inflation	policies to address inflation <b>0 mark</b>	address inflation that are <b>neither</b> fiscal nor monetary <b>1 mark</b>	of appropriate fiscal ( <b>only</b> ) <b>or</b> monetary ( <b>only</b> ) policies to address inflation <b>3 marks</b>	of <b>both</b> fiscal and monetary policies to address inflation <b>5 marks</b>
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**TOPIC: NATIONAL INCOME ACCOUNTING**

**LEARNING OUTCOMES:**

By the end of this topic, you should be able to:

1. Appraise the national income accounting.
2. Summarize the concepts of national income and the different methods of computing it.
3. Critique the problems of measuring National Income and its uses in Nigeria.

**Assessment Description (Task) (25 Marks)**

You have been invited as a guest speaker by the Accounting Students Association of Babcock University on their Day. The title of your talk is “National income accounting: pros and cons”. Prepare a speech between 500 and 1000 words, reflecting the following themes:

- i. A general introduction, with a description of what national income accounting stands for from the concepts of national income such as GDP, GDP at factor cost, GDP at market price and nominal and real GDP.
- ii. A section outlining the three different methods of computing national income
- iii. Another section explaining three (3) challenges with measuring national income and three (3) uses Nigeria can put national income to.

**Grading Rubric**

	<b>Criteria</b>	<b>1 (Poor)</b>	<b>2 (Good)</b>	<b>3 (Very Good)</b>	<b>5 (Excellent)</b>
<b>1</b>	Proper description of national income accounting	<b>Unsuitable</b> description of national income accounting <b>0 mark</b>	Description of national income accounting <b>without</b> names of	Description of national income accounting <b>without the</b> names of the	Proper description of national income accounting <b>with the</b>



			proponents or examples of components <b>3 marks</b>	proponents, <b>but with</b> examples of components. <b>4 marks</b>	<b>names of the</b> proponents <b>and examples</b> of components. <b>5 marks</b>
<b>2</b>	Explanation of concepts such as GDP, GDP at factor cost, GDP at market price and nominal and real GDP.	Explanation of <b>one or two</b> of concepts such as GDP, GDP at factor cost, GDP at market price and nominal and real GDP. <b>2 marks</b>	Explanation of <b>three</b> of concepts such as GDP, GDP at factor cost, GDP at market price and nominal and real GDP. <b>3 marks</b>	Explanation of <b>four</b> of concepts such as GDP, GDP at factor cost, GDP at market price and nominal and real GDP. <b>4 marks</b>	Explanation of <b>five</b> concepts such as GDP, GDP at factor cost, GDP at market price and nominal and real GDP. <b>5 marks</b>
<b>3</b>	A succinct explanation of the three different methods of computing national income	<b>No</b> explanation of the three different methods of computing national income <b>0 mark</b>	A succinct explanation of the <b>one</b> of the three different methods of computing national income <b>2 marks</b>	A succinct explanation of <b>two</b> different methods of computing national income <b>3 marks</b>	A succinct explanation of the <b>three</b> different methods of computing national income <b>5 marks</b>
<b>4</b>	Clear identification of three challenges in the computation of national income	<b>No</b> identification of challenges in the	Clear identification of <b>one</b> challenge in	Clear identification of <b>two</b> challenges in	Clear identification of <b>three</b> challenges in

		computation of national income <b>0 mark</b>	the computation of national income <b>2 marks</b>	the computation of national income <b>3 marks</b>	the computation of national income <b>5 marks</b>
<b>5</b>	A wholistic discussion on the three (3) areas Nigeria can put national income to use	<b>No</b> discussion on the areas Nigeria can put national income to use <b>0 mark</b>	A wholistic discussion on <b>one (1)</b> area Nigeria can put national income to use <b>2 marks</b>	A wholistic discussion on the <b>two (2)</b> areas Nigeria can put national income to use <b>3 marks</b>	A wholistic discussion on the <b>three (3)</b> areas Nigeria can put national income to use <b>5 marks</b>

