



STUDY PROGRAMME

European Interdisciplinary Studies, Natolin campus (Advanced Academic Master)

YEAR

2022-2023

COURSE TITLE

Introduction to Economics

SEMESTER

1

COURSE PROFESSOR(S)

BOBROWICZ Barbara

ACADEMIC ASSISTANT(S)

MARTIN MORAN Álvaro

COURSE TYPE

Introductory Course

MAJOR(S)

Not applicable

ECTS CREDITS

no ECTS

TEACHING HOURS

INDIVIDUAL & GROUP STUDY TIME

TUTORIAL(S)

No

COEFFICIENT

not applicable

LANGUAGE(S)

EN

COURSE OBJECTIVE

This course provides non-economists with a comprehensive and introductory overview of economics. The focus of the course is on economic principles. The course will examine both microeconomics (the study of individual decision making by consumers and businesses) and macroeconomics (the study of social level problems that most often are reported in the evening news, e.g. economic growth, inflation, unemployment, government spending and taxes, money and interest rates and international exchange and trade).

COURSE LEARNING OUTCOMES

Students are able to:

- Understand the basic theoretical concepts of economics.
- Apply their knowledge and understand daily policy-making issues in the sphere of economics.
- Actively take part in and assess debates on economic affairs.
- Understand economic topics in newspapers and headlines.
- Tackle in an autonomous way questions of economic significance and interpret economic data.

RECOMMENDED PREPARATION

None.

TEACHING METHOD(S)

Lecture (E-learning platform; PowerPoint presentation).

ASSESSMENT METHOD AND CRITERIA

Not applicable.

COURSE CONTENTS

I. Introduction

1. What economics is all about?
2. Strategic interactions – Game theory and its applications, Pareto Efficiency
3. Strategic interactions: Simultaneous-move games – Duopoly , Prisoner's Dilemma, Coase theorem
4. Strategic interactions: Auctions

II. Market Interactions

1. Demand
2. Supply
3. Equilibrium

III. How markets work?

1. Taxes
2. Marginal Cost and Marginal Benefit
3. Elasticity
4. Externalities and market failures

IV. Inflation, Unemployment and Money

1. Inflation – introduction
2. Inflation – History and Costs
3. Unemployment
4. Inflation and Unemployment
5. Money Supply

V. Gross Domestic Product

1. Key terms & introduction
2. Expenditure and Income approach,
3. Nominal versus Real GDP and limitations of GDP
4. GDP – Aggregate Demand and Aggregate Supply

VI. Economic Growth

1. Economic Growth, Key terms and introduction
2. Economic Growth, Solow Model
3. Economic Growth Implications and other approaches

VII. The role of Government

1. The role of Government - Introduction
2. The role of Government - Monetary Policy
3. The role of Government - Fiscal Policy
4. Goals of Economic Policy

VIII. Trade:

1. Trade Theories: Mercantilism, Absolute Advantage, Comparative advantage
2. Trade Theories: The Heckscher-Ohlin Model
3. Trade Theories: New Trade Theory
4. Customs Union – Trade creation and Trade diversion

COURSE MATERIALS (readings and other learning resources/tools)

1. Blanchard, O. Macroeconomics, Prentice Hall, United States.
 2. Burda, M. C. and Wyplosz, C. Macroeconomics: a European text, Oxford University Press Inc., New York, United States of America.
 3. Mankiw, N. G. Principles of economics, The Dryden Press, United States of America.
 4. Mankiw, N. G. Macroeconomics, Worth Publishers, United States of America.
- Salvatore, D. Microeconomics: theory and applications, Oxford University Press, New York, United States of America.