

SYLLABUS

Economics

1. General information about the course

Course title: Economics

Course code: ULE2205

ECTS (number of credits): 6

Year and Semester: 1st year, 2nd semester (Leadership); 2nd year, 2nd semester (Political science)

2. General information about the instructors

Instructors' name: Bogdan Andrei Moldovan - course

Contact information: moldovan@fspac.ro; Room 106 (FSPAC 2)

Instructors' name: Alexandru Pavel – seminar activities

Contact information: pavel@fspac.ro; Room I/8 (FSPAC 1)

3. Course description

“Economics” is a course which tries to offer the tools that allow students to explore concepts and theories which can be applied to the way that today’s economy works.

We aim that our students develop the ability to evaluate and analyze economic information and facts, also explaining and arguing on economic issues. We wish that our students gain lifelong skills and settle a solid foundation for further study in the leadership of public sector and political science fields of study.

Contents:

Class 1 – Introduction to economics – 10 principles of economics, introduction to concepts.

Class 2 – Basic concepts - scarcity, definition of economics, efficiency, micro/macroeconomics, three economic problems of economic organization, society’s technological possibilities, factors of production, production possibility frontier.

Class 3 – Markets and Government in a modern economy – laissez-faire, welfare state, markets, Circular flow diagram, invisible hand, and economic role of government.

Class 4 – Businesses / Firms – organization and features; Business Model Canvas introduction

Class 5 – Laws of supply and demand, factors of influence, and determination of supply and demand, elasticity and discussion.

Class 6 – Applications of the laws of supply and demand, graphing etc..

Class 7 – The costs of production, various measure of costs (average, marginal, total, cost curves and shapes), what is a competitive market, perfectly competitive market characteristics, revenue of a competitive firm.

Class 8 – Revenue, cost and profit, profit maximization, firm’s supply decision, short run decision to shut down, and long-run decision to exit markets.

Class 9 – Choice and utility theory, marginal utility, law of diminishing marginal utility, equimarginal principle – utility maximization, the paradox of value.

Class 10 – Consumer surplus, willingness to pay, measuring consumer surplus using the demand curve, consumer and producer surplus identification on graph, Pareto efficiency.

Class 11 – Effects of price floors and price ceilings, how taxes affect market outcome (graphing, explanation), burden of taxation, elasticity and tax incidence, taxes and efficiency, deadweight loss of taxation, tax revenue, market revenue (changes in total revenue of market).

Class 12 – Imperfect competition and monopoly, definition of imperfect competitions, characteristics of monopoly, oligopoly, monopolistic competition, barriers to entry, profit maximization conditions for a monopoly.

Class 13 – GDP and its components. Monetary policies. Banking system.

Class 14 – Review of discussed concepts, preparation for exam.

4. Schedule of meetings

Course - Tuesdays, from 10.00 to 12.00, room IV/5, FSPAC 1.

5. Readings

There are 2 key alternate readings for this class:

- Paul Samuelson & William D. Nordhaus – *Economics*, McGraw-Hill Education; 19th edition (2009)
- Mark P. Taylor, N. Gregory Mankiw - *Economics*, Cengage Learning EMEA, (2014)

Chapters of these readings will be uploaded on Moodle, on a regular basis.

Additional materials will be provided by the instructors throughout the class. These readings will be also uploaded on Moodle.

6. Evaluation

- **70 % of your grade comes from the course and final exam (during the semester students are asked to answer questions of 6 quizzes / or elaborate reflection papers at the end of certain classes, 4 of them will be taken into account for 30% of the final grade. The final exam accounts for the other 40%)** The exam will be taken online (Moodle platform), consisting of a mix of multiple choice and open questions.

- **30% of the grade comes from the seminar activity.**

7. Attendance

Seminar attendance is mandatory for at least 75% of the seminar. Students not reaching this threshold will not be able to take part in the final exam (including in the re-examination period).

However, we encourage the students to actively participate on the course (see evaluation method)

8. Academic honesty

Plagiarism (in any form) and other forms of cheating will be sanctioned with a grade of 1. Students will need to retake the course in the next academic year.