



COURSE UNIT DESCRIPTION

Course Unit Title	Code
INTRODUCTION TO ECONOMICS	

Lecturer(s)	Department(s)
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Study cycle	Type of the course unit
First	Compulsory

Mode of delivery	Course unit delivery period	Language (s) of instruction
Face-to-face	2 (spring) semester	English

Requirements for students	
Pre-requisites: -	Co-requisites (if any): -

Number of credits allocated	Total student's workload	Contact hours	Self-study hours
7	200	64	136

Purpose of the course unit: programme competences to be developed

The course aims to provide systemic knowledge related to the fundamental concepts of micro- and macroeconomics and prevailing economic theories, to develop students' understanding and ability to apply the main methods and tools used in the field of economics while analyzing key economic categories and processes, *inter alia*, policy changes and their impact on the well-being of society as manifested by efficient yet sustainable use of human and environmental resources. Teamwork and communication skills are developed.

Learning outcomes of the course unit	Teaching and learning methods	Assessment methods
Students will be able to explain and apply the main economic theories and concepts in actual social and policy relevant issues.	Problem-oriented lectures, seminars (text analysis, comparative assessment and systemic analysis of practical issues, case study, oral presentations on assigned topics related to different countries, group discussions), individual studies (individual search of information, critical literature studies and the analysis of theoretical and practical problems, assignments related to various social and policy relevant issues).	Examination, participation in seminars, group research paper
Students will be able to search and manage a variety of sources related to economic indicators and examples from a variety of economies, to systemize collected material on the problem, to critically analyze and ethically evaluate it by demonstrating the importance of political decisions in economic matters.	Seminars (text analysis, comparative assessment and systemic analysis of practical issues, case study, oral presentations on assigned topics related to different countries, group discussions), individual studies (individual search of information, critical literature studies and the analysis of theoretical and practical problems, assignments related to various social and policy relevant issues), preparation of the group research paper	Group research paper, participation in seminars
Students will be able to systemically analyze relevant economic issues that affect individuals and society, as well as to discuss possible solutions for the challenges of welfare state on the basis of a coherent ethical framework.	Problem-oriented lectures, seminars (text analysis, comparative assessment and systemic analysis of practical issues, case study, oral presentations on assigned topics related to different countries, group discussions),	Examination, group research paper, participation in seminars

Students will be able to assess the possible consequences of different decisions for different economic parameters by applying the tools of economic analysis.	individual studies (individual search of information, critical literature studies and the analysis of theoretical and practical problems, assignments related to various social and policy relevant issues).	
Students will be able to plan and conduct a scientifically sound economic analysis in various professional settings.		
Students will professionally communicate orally and in written, unambiguously and reasonably convey well-grounded economic ideas, arguments and conclusions based on theoretical knowledge and will be able to trigger or to contribute to the discussion with specialists and non-specialists providing their own insights in an international context.	Seminars (text analysis, comparative assessment and systemic analysis of practical issues, case study, oral presentations on assigned topics related to different countries, group discussions), individual studies (individual search of information, critical literature studies and the analysis of theoretical and practical problems, assignments related to various social and policy relevant issues).	
Students will be able to actively and productively participate and collaborate in cross-cultural team activities, as well as to ensure group members integration by applying ethical values and moral sensibility in respect to cultural and social diversity.	Group discussions, preparation of a group research paper	Participation in seminars, group research paper

Content: breakdown of the topics	Contact hours						Self-study: hours and assignments		
	Lectures	Consultations	Seminars	Practical sessions	Laboratory activities	Internship/work placement	Contact hours	Self-study hours	Assignments
Principles of economics: object of economic theory, main economic issues, definitions	2		2				4	4	Analysis of compulsory reading: B1. Chapter 1, p. 1-11; Chapter 2, p. 28-29
Demand and supply; consumer and producer surplus; market equilibrium	2		2				4	8	Analysis of compulsory reading: B1. Chapter 3, p. 33-47 (till „Prices as signals“); p. 48-52 (from „Analyzing...“); Chapter 6, p. 141-155. Assignments in compulsory reading: B1. Chapter 3: No. 1, 2, 3, 4, 6; Chapter 7: No. 2, 3, 4, 9.
Elasticity and costs	2		2				4	10	Analysis of compulsory reading: B1. Chapter 3, p. 53-55; 57-58; 60-63; 68-70; Chapter 5, p. 105-131 Assignments in compulsory reading: B1. Chapter 3: No. 5, 7, 8; Chapter 5: No. 1, 2, 6, 7.
Market structures (why monopolies are not efficient and require government intervention?)	2		2				4	10	Analysis of compulsory reading: B1. Chapter 11: p. 242-254 (till „Price discrimination“); p. 258-262; Chapter 12: p. 267-277; Chapter 13: p. 280-287; 297-300 Assignments in compulsory reading: B1. Chapter 11: No. 1, 2, 3, 4, 5, 7; Chapter 12: No. 1, 3, 7; Chapter 13: No. 1, 6
Role of firms; goal of profit maximization; growth of firms	2		2				4	5	Analysis of compulsory reading: The CORE team, The Economy. Unit 6, 6.1, 6.2, 6.3, 6.4, 6.10, 6.11; Unit 7, 7.1 Assignments in compulsory reading: B2. Chapter 10: No. 7

Labour markets. Interventions in markets (minimum wages, taxes, subsidies)	2		2				4	5	<p>Analysis of compulsory reading: B1. Chapter 15: p. 315-317; 319-324; 328-335; 342-343; Chapter 7: p. 159-160 (till “How price ceilings...”); p. 163 (from “Taxes”) – 167; 170-182</p> <p>Assignments in compulsory reading: B1. Chapter 15: No. 2, 8; Chapter 7: No. 1, 3, 4, 5.</p>
Internet age economics: platform capitalism, gig- economy	2		2				4	5	<p>Analysis of compulsory reading: B2. Chapter 17: p. 325-328; ; The CORE team, The Economy. Unit 21. “Innovation, Information and the Networked Economy”; Steven Vallas and Juliet B. Schor, What Do Platforms Do? Understanding the Gig Economy, Annual Review of Sociology, 2020 46:1, pp. 273-294.</p> <p>Assignments in compulsory reading: B2. Chapter 17: No. 8</p>
Market failures. Advantages and critique of market and capitalism	2		2				4	8	<p>Analysis of compulsory reading: B.1. Chapter 8: p. 189-192; 194-201 (excluding parts „The Difficult Job of Cost-Benefit Analysis“ and „Optimal provision of a public good“); Chapter 9 (entire); Chapter 18: p. 401-413</p> <p>The CORE team, The Economy. Unit 12,8, 12.9, 12.10</p> <p>Video analysis on prices: www.youtube.com/watch?v=zKPGfTEZ_r4 www.youtube.com/watch?v=WPY-QKXofQs</p> <p>Assignments in compulsory reading: B1. Chapter 8: No. 1, 2, 3, 5; Chapter 9: 1, 2, 6, 7, 10; Chapter 18: 1, 9</p> <p>Preparation to answer given questions regarding: R. Roberts (2005), A Marvel of Cooperation. The Library of Economics and Liberty www.econlib.org/library/Columns/y2005/RobertsMarvel.html</p>
International trade and its efficiency; gains from free trade and reasons for restricting trade; trade wars	2		2				4	8	<p>Analysis of compulsory reading: B1. Chapter 17: p. 367-385 (except “The Effects of an Import Quota”); p. 388-392; 396-398</p> <p>Video analysis: https://mru.org/courses/principles-economics-microeconomics/comparative-advantage-definition-tasmania https://mru.org/courses/principles-economics-microeconomics/arguments-against-trade</p> <p>Assignments in compulsory reading: B1. Chapter 17: No. 1, 4, 5</p> <p>Preparation to answer given questions regarding: R. Roberts (2016), The Human Side of Trade https://medium.com/@russroberts/the-human-side-of-trade-7b8e024e7536</p>
Gross domestic product, inflation, unemployment and labor market indicators	2		2				4	9	<p>Analysis of compulsory reading: B1. Chapter 20: p. 433-458 (except “Chain Linking” p. 446-448); Chapter 22, p. 485-494.</p> <p>Assignments in compulsory reading:</p>

									B1. Chapter 20: No. 1, 2, 4, 5, 9, 10; Chapter 22: No. 1, 2, 3, 10 Preparation to answer given questions regarding: Pilling, David (2014), Has GDP outgrown its use? www.ft.com/content/dd2ec158-023d-11e4-ab5b-00144feab7de
Causes of economic growth in the long run, saving, investment; the role of financial institutions	2		2				4	10	Analysis of compulsory reading: B1. Chapter 21: p. 463-482; Chapter 23: p. 509-513; 523-528 (till "Policy 1..."); Chapter 32: p. 747-749 Assignments in compulsory reading: B1. Chapter 21: No. 4, 5, 7, 10; Chapter 23: No. 6, 8. Preparation to answer given questions regarding: Sandbu, Martin (2020), The everyone economy: how to make capitalism work for all. www.ft.com/content/a22d4215-0619-4ad2-9054-3a0765f64620
Money, central banks, quantity theory of money, influence of fiscal and monetary policy	2		2				4	8	Analysis of compulsory reading: B1. Chapter 24: p. 535-543 (till "The Bank of England"); p. 550-557 (till "The Austrian School..."); Chapter 29: p. 657-666. Assignments in compulsory reading: B1. Chapter 24: No. 1, 4, 8, 9; Chapter 29: No. 1, 4, 6. Video analysis: "Fear the Boom and Bust": Keynes vs. Hayek Rap Battle www.youtube.com/watch?v=d0nERTFo-Sk
Short-run business cycles: aggregate demand and aggregate supply; debates over government's role in managing the cycle.	2		2				4	8	Video analysis: Short run aggregate supply (Khan Academy) www.youtube.com/watch?v=3nbalsyibKU Analysis of compulsory reading: B1. Chapter 26: p. 595-599; 601-606 (till "Real Business Cycles"); Chapter 28: p. 637-648; Chapter 29: p. 667-670; Chapter 30: p. 674-678 (till "Shifts..."); p. 685-686 (from "Shifts..."); Chapter 31: p. 710-711 (Case study: "The Laffer curve..."); p. 712-716. Assignments in compulsory reading: B1. Chapter 26: No. 3, 5; Chapter 28: No. 1, 3; Chapter 30: No. 1, 2, 3.
Welfare economics: poverty; inequality issues; universal income trials	2		2				4	8	Analysis of compulsory material: B1. Chapter 16: p. 347-364; The CORE team, The Economy. Unit 19. "Economic Inequality"; The CORE team, Economy, Society and Public Policy "Public Policy for Fairness and Equality": www.core-econ.org/espp/book/text/03.html Assignments in compulsory reading: B1. Chapter 16: No. 1, 5, 10
Peculiarities of different countries, <i>inter alia</i> , guest lecture about Lithuania	2		6				8	18	Preparation on group presentations related to economics of particular country (group research paper)
Examination								12	Preparation for the examination, individual studies of course literature.
Total	30		34				64	136	

Assessment strategy	Weight, percentage	Assessment period	Assessment criteria
Participation in seminars	30%	During the course	Students will be expected to demonstrate both the knowledge related to micro- and macroeconomics gained during the course, as well as their abilities to apply it in a given situation. Assessment of participation in seminars is going to consider: <ul style="list-style-type: none"> - the knowledge of and ability to apply economic theory; - ability to answer questions related to the seminar texts correctly; - the quality of homework assignments; - ability to formulate problems and suggest (search for) solutions concerning various aspects of modern economy; - ability to critically reflect and contribute to in-class debates.
Group research paper	40%	At the end of the course	Students are going to be working in groups of 3 on a topic of their choice (topics should be discussed with the professor in advance) related to various economics-related issues of today. The research paper has to use quantitative research methodology as it is prepared in collaboration with the course on Quantitative Research Methods (taught in the same semester). The assessment will be based on: <ul style="list-style-type: none"> - content (comprehensive analysis, original personal insights, proper source application, critical analytical thinking, conclusion/recommendation formulation; the quality of theoretical, empirical part and the validity of the conclusions will be assessed during this course, whereas the ability of correctly using quantitative research methods will be part of the assessment in the Quantitative Research Methods course) (20% of grade). - structure and style (clear structural parts, scientific language style, exact wording, source references, appropriate and ethical citation use) (5% of grade); - presentation (concentrated, efficient and convincing work presentation, adhesive scientific language, the use of informative visual measures) (5% of grade); - efficient and active participation in discussion (providing correct answers to questions, formulating problems and suggesting solutions, offering thoughtful critical remarks, contributing to other participants' ideas, etc.) (10% of grade)
Examination	30%	At the end of the course	Written examination is going to be held in a form of a multiple-choice test (each question of the same score). The assessment of students' answers will be related to their higher order cognition, i.e., synthesis, creative thinking and problem solving, based on the knowledge of the subject and abilities acquired during the course. No material (handbooks, slides, schemes, notes) is allowed.

Author	Year of publication	Title	Issue of periodical or volume of publication	Publishing place and house or web link
Compulsory reading				
Mankiw, N.G., Taylor, M.P.	2020	Economics (5 th ed.) (B1)		Cengage Learning
Mankiw, N.G., Taylor, M.P., Ashwin A.	2019	Business Economics (3 rd ed.) (B2)		Cengage Learning
	2017	The CORE team, The Economy		www.core-econ.org/
Recommended reading				
Acemoglu D., Robinson J. A	2012	Why Nations Fail: The Origins of Power, Prosperity, and Poverty		Crown Business
Blanchard, O.	2016	Macroeconomics (7 th ed.)		Pearson
Blanchard, O. & Rodrik, D.	2021	Combating Inequality: Rethinking Government's Role		The MIT Press

Bregman, R.	2018	Utopia for Realists		Bloomsbury
Goodwin, N.	2019	Microeconomics in context (4 th ed.)		Routledge, Taylor & Francis Group
Perloff, J. M.	2018	Microeconomics: theory and applications with calculus (4 th ed.)		Pearson
Srnicek, N.	2017	Platform Capitalism		Polity Books
Tsoukis, Ch.	2020	Theory of macroeconomic policy		Oxford University Press
	2017	The CORE team, Economy, Society and Public Policy		www.core-econ.org/espp