

Academic Year: ( 2024 / 2025 )

Review date: 25-04-2024

Department assigned to the subject: Economics Department

Coordinating teacher: HERNANDO VECIANA, ANGEL

Type: Basic Core ECTS Credits : 6.0

Year : 1 Semester : 1

Branch of knowledge: Social Sciences and Law

## OBJECTIVES

The subject Principles of Economics introduces the student into the rudiments of economic analysis so she (he) can start to think as an economist. To achieve this, a complete overview of the economic system is given. It is explained how individual agents relate to each other (consumers and producers) and how their interactions in the market give rise to economic aggregates at the macro level (production of goods and services, price levels, distribution of income). Emphasis is placed on consumer choice (demand) and producer supply in an institutional framework (laws and governments) conditioning their decisions and facilitating exchange relations.

Skills:

- Identify, organize and analyze relevant economic information in a critic and systematic way.
- Clearly state economic problems assessing their scope and advancing viable solutions.
- Understand the relationship between economy and society in a world strongly influenced by technological progress and climate change.

Attitudes:

- Respect for economic facts as a basis for decision making both in private and public policies.
- Interest in other persons' ideas and willingness to express own opinions with grounds on empirical references.
- Enthusiasm to take advantage from training and entrepreneurship opportunities throughout professional life.

## DESCRIPTION OF CONTENTS: PROGRAMME

The syllabus of Principles of Economics aims to introduce the students to the fundamentals of economic analysis, distinguishing between microeconomics and macroeconomics.

1. Introduction. The basic economic problem: scarcity. Microeconomics Vs Macroeconomics. Technology, population and growth.

### I. MICROECONOMICS

2. Scarcity, work and choice.
3. Social interaction and inequality.
4. The firm: Owners, managers, and employees.
5. The firm and its customers.
6. Supply and demand: Price-taking and competitive markets.
7. Markets, efficiency, and public policy.
8. The Labour market: Wages, profits, and employment.

### II. MACROECONOMICS

9. Banks, money, and the credit market.
10. Economic fluctuation and unemployment
11. Unemployment and fiscal Policy.
12. Inflation, unemployment, and monetary policy.
13. Technological progress, employment, and living standards in the long run.
14. Inequality or Economics of the environment

## LEARNING ACTIVITIES AND METHODOLOGY

The teaching methodology is based on two types of sessions:

1. Master classes, where the subject is given with graphical support (slides). To facilitate learning the students have access to audiovisual materials and basic texts of reference to complete and deepen the topics explained in class.
2. Practical classes to smaller groups of students, where they can take a more active part in solving the proposed exercises. In these classes student's participation and solving of problem sets are graded (continuous assessment). Student participation in class enables them to analyze problems and communicate solutions, encouraging the exchange of opinions.

## ASSESSMENT SYSTEM

<b>% end-of-term-examination:</b>	60
<b>% of continuous assessment (assignments, laboratory, practicals...):</b>	40

### DETAILS OF GRADING

The final grade is determined using the continuous assessment and final exam. The weights of both in the final grade are 40% and 60%, respectively, and a minimum of 3 (out of 10) in the final exam is required to pass. In the extraordinary session (June exam), the final grade is determined as the best option between (1) 40% continuous assessment and 60% final exam with a minimum of 3 out of 10 in the final exam required to pass and (2) 100% of the grade of the final exam.

### FINAL EXAM

There are two final exams: the ordinary session (January) and the extraordinary session (June). In both cases, the exam will consist of a balanced set of multiple-choice and/or short questions on the micro and macro parts.

### CONTINUOUS ASSESSMENT

The continuous assessment consists of (A) in-class exercises in the tutorial classes and (B) online tests. Skipping any of them will be counted as a zero in the grade formula.

In-class exercises

\* They are scheduled for weeks 5 and 11.

\* They consist of an exercise like the ones in the problem sets and a short question. The time provided will be enough to write down the solution and check it once.

Online tests

\* They are scheduled for weeks 8 and 14.

\* The online test will consist of 10 questions with multiple choices; only one will be considered correct.

### Continuous Assessment Grade

All the grades are available in Aula Global under the Grades menu. If you have any complaint concerning a grade, please submit a request to your instructor in the tutorial class. Complaints can only be handled within seven days of the grade update in Aula Global. The grade of the continuous assessment will be calculated as the weighted average between the grade of the class evaluations (60 %), and the grade of the online evaluations (40 %).

## BASIC BIBLIOGRAPHY

- Mankiw, N. G. Principios de Economía, Thomson Paraninfo,, 6th Edition,, Madrid, 2010.
- Stiglitz J.: Macroeconomía, , Ariel, , 2004
- Paul Krugman, Robin Wells y Kathryn Graddy, Fundamentos de Economía,, Editorial Reverté 2ª edición, , 2012.
- Stiglitz J, and C. E. Walsh: Microeconomía,, Ariel, , 2008.
- [https:// www.core-, econ.org/](https://www.core-econ.org/).