



Программа учебной дисциплины «Economics»

Утверждена

Академическим советом ООП
Протокол № от «__»____20__ г.

Автор	Федоровых Д.А.
Число кредитов	4
Контактная работа (час.)	80
Самостоятельная работа (час.)	72
Курс	1
Формат изучения дисциплины	Без использования онлайн-курса

I. GOALS, RESULTS AND PREREQUISITES

1. Scope of the document

This program outlines the contents of the course and describes the learning outcomes obtained upon completion of the course. It also sets pre-requisites for taking the course, explains the grading policy, includes requirements for essay writing and the final exam. The program is designed for instructors teaching the course, teaching assistants and undergraduate students enrolled on the joint HSE and University of London Parallel Degree Programme in Management and Digital Innovation (educational track 38.03.05 “Business Informatics”, Bachelor's level).

2. Course description

Economics is a science of decision making under resource constraints. In this introductory course, students learn how households, businesses, and governments make choices and interact in the economy. Students learn introductory economics without complicated mathematical models and develop the understanding of the subject from a general standpoint, see the big picture. The course aims to introduce the central concepts from various fields, including micro- and macroeconomics, game theory, institutional and development economics, behavioral economics.

The course is taught in English.

3. Learning outcomes

Upon completion of the course, students should:

Be aware of:

- the basics of economics, economic systems;
- key concepts and approaches to their study.

Be able to:

- see the scope of the domain of economics as a social theory;



- identify, research, articulate, and apply the economic principles in their professional and personal life;
- communicate effectively about economic principles;
- participate in basic debates about economics problems.

Learn how to:

- understand economic concepts mentioned in media;
- identify economic misconceptions;
- use basic analytical tools of economic analysis.

Pre-requisites

To learn the course, students must have the following knowledge and skills:

- knowledge of social science at the level of the school curriculum;
- ability to navigate the Internet resources and to know the basics of bibliography;
- sufficient proficiency in English.

II. LEARNING THEMES AND CONTENTS

Topic 1. What Economics is About

A brief history of economic thought. Fields of studies. Positive and normative economics. Models and *as if* principle. Common myths about economics and economists.

Topic 2. Choice

How people make decisions. Trade-offs and opportunity costs. Rationality assumption. Incentives.

Topic 3. Game Theory

Definition of a game. Pure and mixed strategies. Nash Equilibrium. Normal and extended form games. Subgame perfection. Commitments.

Topic 4. Specialization and Trade

Absolute and comparative advantage. Gains from trade. Modern view on international trade.

Topic 5. Markets

Perfect competition and the invisible hand. Market power and imperfect competition. Government interventions.

Topic 6. Market Failures

Information asymmetry. Externalities and public goods. Coase theorem.

Topic 7. Macroeconomic Data

National accounts. Measuring income, inflation and unemployment.

Topic 8. Development



Growth and the role of technology. Description of the Solow model. Growth in different countries. Institutions — inclusive and extractive.

Topic 9. Cycle

Economic fluctuations. Crises. Keynes, Friedman and the Great Depression.

Topic 10. Finance and Money Market

Financial markets and instruments. Efficient market hypothesis. Bubbles. Banking system and market for money.

Topic 11. Inequality

Measuring inequality. Types of inequality and resulting incentives. Methods of reducing inequality.

Topic 12. Economics and Friends

Happiness studies. Normative criteria. Limited rationality and behavioral economics. Cross-disciplinary studies.

III. GRADING

Students are supposed to write 2 short (5000-7000 characters) individual essays on any topics of the course they choose and participate in a project to be presented at the seminar (primarily with literature review on a chosen topic). In the end, students write the exam with short open questions about the course concepts.

Essays are supposed to be submitted before the specified deadline. After the deadline, essays are graded with discount. Plagiarism and any other ethics violation will result in severe penalties.

Final grade to be determined as follows:

$$\text{Final} = 0.1 \times \text{Essay1} + 0.3 \times \text{Essay2} + 0.3 \times \text{Project} + 0.3 \times \text{Exam}$$

Submitting an essay after deadline is penalized by 10 % discount each day overdue.

IV. GRADING METHODOLOGY AND EXAMPLES

Essay

In the essays, students conduct their research on a problem related to the subject of the course. Students should demonstrate the ability to formulate a research problem, analyze primary and secondary sources, and give relevant examples. The essay should be 4000-7000 characters with spaces and must be done in English. The essay should have a clear structure, arguments and the logic of the narrative, references to the literature used and bibliography.

Example Essay Topics

1. What institutional reforms do you think Russia needs?
2. Resource curse — examples and discussion.



3. Inequality and technology.
4. Economics of environment

Final exam

The final exam is taken in the written form at the end of the course. At the exam, a student should answer the questions related to the course.

Exam example questions

1. Economists often fail to predict crises. Is it a bad thing? Why?
2. A supermarket offers its customers a 5% discount for 200 rubles per month. Is this discount worth buying if you visit the supermarket 5 times per month and spend 500 rubles each time?
3. Who benefits and who loses from an embargo on apples from Poland imposed by Russia? Explain.
4. What is a Goodhart law? Provide a few examples.
5. Provide an example of a ‘prisoners’ dilemma’-like situation that you encountered in real life.
6. Describe how voluntarily limiting the list of possible options can benefit a person.
7. Explain how externalities (e.g., pollution) lead to inefficiency.
8. What is an efficient market hypothesis (EMH)?
9. Who benefits and who loses from a national currency devaluation? Explain.

V. RESOURCES

OBLIGATORY READINGS

1. Bowles, S., Carlin, W. and Stevens, M. (2017). ‘The Economy. Economics for a Changing World’. Available at: <http://www.core-econ.org>.

COMPLEMENTARY READINGS

1. Binmore, K. Game theory: a very short introduction / K. Binmore. – Oxford; New York: Oxford University Press, 2007. – 184 c. – (Very short introductions; 173) . – ISBN 978-0-19-921846-4
2. Mankiw, N. G. Principles of economics / N. G. Mankiw. – 6th ed. – [б. м.] South-Western Cengage Learning, 2012. – 856 c. – ISBN 978-0-538-45342-4.

VI. Technical Support

Learners will use video materials from various sources.

VII. Lecturer

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