



## Syllabus Course Program



# Economic Theory

**Specialty**

073 – Management

**Educational program**

Business-administration

**Level of education**

Bachelor's level

**Semester**

1

**Institute**

Institute of Education and Science in Economics,  
Management and International Business

**Department**

General Economic Theory (208)

**Course type**

Special (professional), Mandatory

**Language of instruction**

English

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## Lecturers and course developers

**Victoriia Yatsyna**

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PhD in Economic Sciences, Associate Professor of General Economic Theory  
Department

Authored and co-authored over 80 scientific and methodological  
publications. Senior lecturer of courses "Economic Theory",  
"Microeconomic", "Fundamentals of Entrepreneurship", "Fundamentals of  
Doing Business"

More about the lecturer on the department's website

<http://web.kpi.kharkov.ua/oet/pr-vukl-sklad-uk/>

## General information

### Summary

The course highlights such methodological foundations as the subject, method and evolution of the economic theory, economic systems and property, the theoretical foundations of a market economy. The theories of supply and demand, production, enterprises costs and competition are considered in sequence. The laws of the national economy functioning and global economy foundations are revealed. The ability to make scientifically based decisions is being formed.

### Course objectives and goals

Focusing on the key components of the market; economic nature and types of competition; causes and consequences of monopoly in the economy; to deepen students' understanding of theoretical knowledge system (concepts, doctrines) of laws, trends, general patterns and problems in the modern economic development ; mastering the practices of functioning the money, stock and insurance markets, banking and financial systems; developing a working knowledge of main areas of the world economy, forms of international economic relations.

### Format of classes

Lectures - 32 h., Workshops - 32 h., self-study - 86 h. Final control in the form of an exam.

## Competencies

GC03. The ability for abstract thinking, analysis, synthesis.

GC05. Knowledge and understanding of the subject area and understanding of the professional activity.

GC09. The ability to learn and to master modern knowledge.

## Learning outcomes

LO 12. To evaluate the legal, social, and economic outcomes of an organization's functioning.

LO 16. To demonstrate skills of independent work, flexible thinking, openness to new knowledge, to be critical and self-critical.

## Student workload

The total volume of the course is 150 hours (5 ECTS credits): lectures - 32 hours, Workshops - 32 hours, self-study - 86 hours.

## Course prerequisites

To successfully complete the course, it is necessary to have knowledge and practical skills at the level of secondary education.

## Features of the course, teaching and learning methods, and technologies

Interactive lectures with presentations, discussions, workshops, case-based learning, individual and teamwork, research work. Study materials are available to students through OneDrive, Google-classroom.

## Program of the course

### Topics of the lectures

#### Topic 1. Introduction to Economic theory

1 Subject, functions, main methods of Economic Theory. 2. Fundamental Questions of Economics. 3. Economic needs, economic goods and resources.

#### Topic 2. Economic Theory Evolution

1. The emergence of economic theory. 2. Key features, pros and cons of scientific economic schools. 3. Modern tendency of economic thought.

#### Topic 3. Essence and Significance of Production in Social Life

1. Production and the economic resources. The essence and main types of reproduction. 2. Stages of social production. 3. Pre-industrial, industrial and post-industrial economy. 4. Intangible economy, Internet economy. 5. Production function. Economic and social efficiency of social production.

#### Topic 4. Economic Systems of Society and Ownership

1. Economic systems: content, classification, evolution. 2. Regularity of transition economies development. 3. The concept of ownership, its economic and legal content. 4. Type of ownership. Intellectual ownership. 5. Economic theory of the right of ownership.

#### Topic 5. Theory of Commodity and Money

1. Commodity production and its types. 2. Goods and money. 3. Money evolution.

#### Topic 6. Theoretical Foundations of Market Economy

1. The essence, subjects, functions and conditions of market development. 2. Market structure and infrastructure. 3. Laws of supply and demand. Market equilibrium. 4. Elasticity of supply and demand.

#### Topic 7. Entrepreneurship and Competition

1. The essence and organizational forms of the entrepreneurial activity. 2. Types, functions, methods of competition. 3. Competitive market models: pure competition, pure monopoly, monopolistic competition, oligopoly. 4. Competition and antimonopoly policy in Ukraine.

#### Topic 8. Household and Firm in the System of Market Relations

1. Household as an economic entity. 2. The law of diminishing marginal utility. Consumer equilibrium. 3. The theory of firm. Types of companies. 4. "New firm" in the system of intangible economy. Virtual firm. 5. Resources and capital of the firm. Human capital. 6. Equilibrium of the firm.

#### Topic 9. Production Costs Theory. Price mechanism

1. Economic costs of the firm. Normal profit. The cost of production. 2. Firm's income, net, accounting and economic profit. 3. The theories of profit maximizing. Breakeven and profitability. 4. The pricing mechanism for the company's products.

#### **Topic 10. Foundations of Macro Analysis: Determination of GDP**

1. Subject, main problems and goals of macroeconomics. 2. National economy. Gross Domestic Product. Real and nominal GDP. 3. Intelligent and information products. National wealth. 4. Macroeconomic equilibrium.

#### **Topic 11. Economic Growth and Cyclical Development of Market Economy**

1. Economic growth and its factors. 2. Economic development. Knowledge and information as the priority resources of economic development. 3. Macroeconomic imbalance. Economic cycles.

#### **Topic 12. Money Market, Credit, Banking System and Insurance**

1. The structure of money market. 2. Money multiplier. Equilibrium at the money market. 3. The structure of banking and credit system. 3. Central Bank, its functions and monetary policy. Commercial banks and their services. 4. The essence, functions, types and services of insurance.

#### **Topic 13. Financial system. State budget. Taxes**

1. The essence and functions of finance in a market economy. Structure of financial system. 2. Budget system. Budget deficit, its types and methods of coverage. 3. Public debt: causes, types and consequences. 4. State fiscal policy. Tax system. 5. Laffer effect. .

#### **Topic 14. Macroeconomic Instability: Unemployment and Inflation**

1. Essence, types and causes of unemployment. 2. Consequences of the cyclic unemployment for the economy. 3. Measure of unemployment. Okun's law. Beveridge curves. 4. Inflation: types, rate and measuring methods. 4. State programs of macroeconomic instability regulation.

#### **Topic 15. World Economy and International Economic Relations**

1. The essence, structure and development trends of the modern international economy. 2. Forms of the international economic relations. 3. Balance of trade and balance of payments. 4. Integration processes and groupings in the modern international economy. 5. Economic globalization: essence, characteristics, advantages and risks. 5. The role of TNC's. Current global issues.

#### **Topic 16. Economic Aspects of Global Problems**

1. Classification of the world economic problems. 2. Consequences of global economic challenges for the society. 3. New approaches to the economic problem solutions.

### **Topics of the workshops**

Topic 1. Subject matter and methods of Economics. The main economic problems studying.

Topic 2. Revealing the modern trends in economic thought. Preparing essay about Nobel Prize Laureate in Economics.

Topic 3. Production Possibilities curve and opportunity costs analysis. Solving problems on a production possibilities curve. Calculation the opportunity costs for different goods production.

Topic 4. Studying the strengths and weaknesses of various economic systems. Bundle of ownership rights analysis.

Topic 5. Revealing the main features of commodity and money theory.

Topic 6. Laws of supply and demand. Market equilibrium. Equilibrium price. Elasticity of supply and demand.

Topic 7. Fundamentals of entrepreneurship studying. Conducting the comparative analysis of competitive market. Estimation the market monopolization level.

Topic 8. Microeconomic bases of consumer behavior and the theory of firm.

Topic 9. Short run and long run production costs. Pricing policy.

Topic 10. Macroeconomic indicators in the System of National Accounts.

Topic 11. Economic Growth and Cyclical Development of Market Economy.

Topic 12. Money Market, Credit, Banking System and Insurance.

Topic 13. The main financial flows analysis , studying the main principles of state budget creation, solving problems on the taxation mechanism.

Topic 14. Problem tasks performing. Determining the level of unemployment and inflation on the statistical data basis

Topic 15. Integration processes studying. Revealing the modern international economy trends.

Topic 16. Revealing the main global problems, pros and cons analysis of globalization.

## Topics of the laboratory classes

no laboratory classes.

## Self-study

Ownership forms analysis in the market system  
Search for information about modern models of mixed economy  
Structural and financial credit crises: essence, causes, consequences  
Analysis of investment climate of Ukraine  
Revealing the features of modern economic growth  
Comparative analysis of banking systems types in the world  
Protectionism and free trade: pros and cons for Ukraine's economy  
Information economy and the formation of a new type of economic growth  
Acquaintance with international financial and economic organizations and determining their impact on the international relations development  
Monetary policy and its impact on macroeconomic balance  
Defining the essence and dynamics of modern global economic problems

## Course materials and recommended reading

1. Stanley L. Brue, Sean Masaki Flynn, Dr., Campbell R. McConnell. (2017). Economics. (21st ed.). New York: McGraw-Hill Education:
2. Gary S Becker. (2017). Economic Theory. New York: Routledge.
3. N. Gregory Mankiw. (2020). Essentials of Economics. Cengage Learning.
4. Michael P. Todaro, Stephen C Smith. (2020). Economic Development. Pearson Education.
5. Prodius O., Nechyporuk L, Stoliar O., Ilyina A., Stoyanov P. (2020). International corporate strategies and entrepreneurial paradigms within the framework of global business integration. Academy of Entrepreneurship Journal. Volume 26, Issue 4.
6. Dhaliwal, A. (2016). Role of entrepreneurship in economic development. International Journal of scientific research and management, 4(6), 4262-4269.
7. Grundler, K., & Potrafke, N. (2019). Corruption and economic growth: New empirical evidence. European Journal of Political Economy, Vol. 60(3).
8. Olivier Blanchard. (2018). On the future of macroeconomic models. Oxford Review of Economic Policy, Volume 34, Issue 1-2, 43–54.
9. Browning, Edgar K. and Browning, Jacqueline M. (2020). Microeconomic Theory and Applications, (13th ed). Little Brown & Company.
10. Burlutskiy S. V., Burlutska S. V., Marhasova V. G., Sakun O. S. (2019). The relationship between short-term fluctuations and stages of economic cycle: The case of Ukraine. Espacios. Vol. 40, No. 10. Retrieved from: <http://www.revistaespacios.com/a19v40n10/a19v40n10p10.pdf>.
11. Архієреєв С. І. та ін. Економічна теорія. Навч. посібник для студентів спеціальностей 051 Економіка, 071 Облік і оподаткування, 073 Менеджмент, 075 Маркетинг, 076 Підприємство, торгівля та біржова діяльність / За ред. С.І. Архієреєва. - Харків: НТУ «ХПІ», 2020. – 230 с.

## Assessment and grading

### Criteria for assessment of student performance, and the final score structure

100% Final assessment as a result of Exam (30%) and Continuous assessment (70%).

30% Exam: written answering on individual exam questions, solving the problems and its oral presentation

70% Continuous assessment:

- 40% practical assessment (including problem sheets, reporting on individual work, and case-studies);
- 15% individual assignments (including problem sheets, performing the essay, and peer small group presentations)
- 15% term control (online quiz).

### Grading scale

| Total points | National   | ECTS |
|--------------|--|------|
| 90–100       | Excellent  | A    |
| 82–89        | Good   | B    |
| 75–81        | Good   | C    |
| 64–74        | Satisfactory                                       | D    |
| 60–63        | Satisfactory                                       | E    |
| 35–59        | Unsatisfactory (requires additional learning)      | FX   |
| 1–34         | Unsatisfactory (requires repetition of the course) | F    |

## Norms of academic integrity and course policy

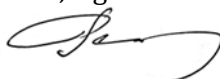
The student must adhere to the Code of Ethics of Academic Relations and Integrity of NTU "KhPI": to demonstrate discipline, good manners, kindness, honesty, and responsibility. Conflict situations should be openly discussed in academic groups with a lecturer, and if it is impossible to resolve the conflict, they should be brought to the attention of the Institute's management.

Regulatory and legal documents related to the implementation of the principles of academic integrity at NTU "KhPI" are available on the website: <http://blogs.kpi.kharkov.ua/v2/nv/akademichna-dobrochesnist/>

## Approval

Approved by

Date, signature



Head of the department

Natalia RESHETNIAK

Date, signature

Guarantor of the educational program

Olena PROKHORENKO