



## UNIVERSITY OF NATIONAL AND WORLD ECONOMY

**COURSE TITLE:** Introduction to Economics

**SEMESTER:** WINTER

**TEACHER'S NAME:** Petar Stankov

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**COURSE WEBSITE:** <http://home.cerge-ei.cz/pstankov/teaching/oitf13.htm>

### 1. ANNOTATION (COURSE DESCRIPTION)

The purpose of the course is to provide basic principles of microeconomic decision-making on personal and policy level. The students will learn to analyze consumer and producer behavior, and their mutual interactions. Upon successful completion of the course, students will be able to analyze some of the important features of consumer and company behavior, as well as some of the recent policy actions to counter-react to the consequences of the economic crisis of 2007-2009, including those of the government and the central bank. Understanding what drives actions of market participants provides powerful tools to analyze a rich set of events on both micro- and macro level. That is exactly why those tools stand at the core of the course.

### 2. LANGUAGE OF TEACHING

ENGLISH

### 3. COURSE CONTENT (TOPICS)

To pass the course with a satisfactory grade, please get familiar with the topics below. They will be discussed in due course during the lectures. When a lecture was delivered, please find the corresponding content in one or more chapters of the abovementioned textbooks. The lecture presentations, as well as some additional material for your exam preparation, are found on the class website. The following topics will be reviewed:

1. What is economics and why study it?
2. Rational decision making by consumers and firms
3. What makes consumers buy goods and services?
4. Types of goods and services
5. Demand elasticities
6. Supply and supply elasticity
7. Market equilibrium and efficiency of the market mechanism

### 4. METHODS OF TEACHING

Class discussions and lectures based on LaTeX presentations (see course [website](#))

### 5. LEARNING OUTCOMES

Upon completion of this course, students will have acquired the following skills:

1. Understand rational behavior
2. Be able to state what drives consumer demand
3. Use the concept of demand and supply elasticity in motivating business decisions
4. Describe the fundamentals of supply decisions and profit making



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5. Apply the concept of Market Equilibrium to analyze various real-life scenarios

### 6. ASSESTMENT METHODS

Activity	POINTS	DESCRIPTION
Midterm Exams	2x25	A comprehensive, multiple-choice exam encompassing the material covered up to, and including the last class before the exam. The exam could be <i>up to</i> 50 questions and will last 90 minutes. Each question has only one correct answer. The exam will be either paper based or will be arranged at the Electronic Testing Center.
Final Exam	50	A comprehensive multiple-choice exam. The exam has 50 questions and lasts 90 minutes. Each question has only one correct answer. The exam will be arranged at the Electronic Testing Center.
TOTAL	100	

Your final grade will be determined by summing up the points you earn from the two midterm exams and the final exam, according to the following table:

Points	Grade	Points	Grade
>85	6.00 (Excellent)	>50	3.00 (Pass)
>70	5.00 (Very good)	<=50	2.00 (Fail)
>60	4.00 (Good)		

### 7. REFERENCES (MANDATORY AND RECOMMENDED)

1. MANDATORY: Sloman, J. (2006). Economics, 6<sup>th</sup> Ed., Prentice Hall – chapters 1 to 5.
2. RECOMMENDED: Case, K. and R. Fair (2007). Principles of Economics. 8th Ed. – chapters 1 to 7.
3. Just in case: Икономикс. Колектив под ред. на проф. д-ик.н. Ст. Савов, Второ издание, Изд. Тракия-М, С., 1998; и следващи издания
4. Just in case: Основи на икономическата теория, Колектив. УИ Стопанство, С., 2006

Good luck!  
P.Stankov