

# EC106-24 Introduction to Economics

**22/23**

**Department**

Economics

**Level**

Undergraduate Level 1

**Module leader**

Subhasish Dey

**Credit value**

24

**Assessment**

Multiple

**Study location**

University of Warwick main campus, Coventry

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## Description

### Introductory description

To introduce quantitative economics to students with a relatively strong mathematical background and to extend this analysis through the use of mathematics. The focus is mainly on economic theory but "real world" applications of relevant theories may also be examined.

[Module web page](#)

### Module aims

It covers both microeconomics and macroeconomics, aiming to introduce students to some fundamental concepts and theories within economics and equip students with appropriate analytical skills, especially descriptive and graphical methods of analysis

### Outline syllabus

This is an indicative module outline only to give an indication of the sort of topics that may be covered. Actual sessions held may differ.

The focus is mainly on economic theory but "real world" applications of relevant theories will also be examined, subject to time limitations. The module will typically cover the following topics:

Term 1: microeconomics, which is concerned with the economic behaviour of individual consumers and producing firms, and their interaction in markets for goods, services and factors of

production, strategic interaction and the analysis of externalities and public goods.

Topic-1: Introduction: What is Economics? (Parkin: Chapter 1&2)

Topic-2: Demand and Supply (Parkin: Chapter 3 )

Topic-3: Consumer Choices (N&S: Chapter 3&4 and Parkin: Chapter 9)

Topic-4: Uncertainty and Information (Parkin: Chapter 20 )

Topic-5: The Firm: Production (N&S: Chapter 9 and Parkin: Chapter 11 )

Topic-6: The Firm: Cost (Parkin: Chapter 11 )

Topic-7: The Market: Perfect Competition (Parkin: Chapter 12 )

Topic-8: The Market: Monopoly (Parkin: Chapter 13 and N&S: Chapter 14)

Topic-9: The Market: Oligopoly and Game Theory (N&S: Chapter 8 &15)

Topic-10: Public Goods and Externality (Parkin: Chapter 16&17 )

Term 2: macroeconomics, which is concerned with aggregate economic variables or the workings of the national economy as a whole: aggregate output (Gross Domestic Product or GDP), employment and unemployment, inflation, interest rates, the balance of payments, exchange rates, etc., and with government economic policies to influence these variables.

Topic-1: Introduction to Macroeconomics: (Lecture notes + Rochon & Rossi Ch.1 & 2, + Gandolfo Ch.1)

Topic-2: National Accounts, Alternative Measurements (Lecture notes + Miles, Scott & Breedon Ch.2 + Rochon & Rossi Ch. 7 & 8 + Mankiw Ch.3)

Topic-3: Income Distribution, Demand Side & Supply Side of Economy (AD/AS) (Lecture notes, Blanchard, Amighini and Giavazzi Ch. 8 + Rochon & Rossi Ch.7 + Mankiw Ch. 3 & 10 & 11 & 12)

Topic-4: Money, Banking & Financial System (Lecture notes + Rochon & Rossi Ch.4 & 5 & 6 & 15 + Mankiw Ch. 4 & 11 & 12 + Blanchard, Amighini and Giavazzi Ch.5 & 6 & 14)

Topic-5: Shocks & Fluctuations Using IS-LM model, The Great Depression, Economic & Financial Crises (Lecture notes + Mankiw Ch.12 + Blanchard, Amighini and Giavazzi Ch.20)

Topic -6: Inflation, Unemployment and Phillips Curve (Lecture notes + Mankiw Ch. 5 & 7 & 14 + Rochon & Rossi Ch.8 + Blanchard, Amighini and Giavazzi Ch.7 & 9 & 10, Carlin & Soskice Ch.2)

Topic -7: The 3-Equation Model and Macroeconomic Policy (Lecture notes + Carlin & Soskice Ch.3)

Topic -8: Economic Growth, Capital Accumulation, Population Growth, Technological Advancement (lecture notes + Mankiw Ch.8 & 9 + Rochon & Rossi Ch.10 + Blanchard, Amighini and Giavazzi Ch.11 & 12 & 13)

Topic -9: Open Economy Model (Lecture notes + Mankiw Ch.6 & 13 + Amighini and Giavazzi Ch.6)

## **Learning outcomes**

By the end of the module, students should be able to:

- Demonstrate knowledge of economic behaviours, outcomes, trends, developments, phenomena, institutions and policies
- To demonstrate the capacity for abstract reasoning and to simplify economic problems through the application of theoretical models

## **Indicative reading list**

The micro lectures will be teaching from a mix of two textbooks.

1. Microeconomics, Global Edition by Michael Parkin (12th Edition) Microeconomics Theory:
2. Basic Principles & Extensions by Walter Nicholson and Christopher Snyder (12th Edition)

The Macroeconomics lectures are based on a combination of the following books/textbooks:

- 1- Macroeconomics, Macmillan Education by N. Gregory Mankiw (9th Edition)
- 2- Economics Dynamics, Springer by Giancarlo Gandolfo (3rd Edition)
- 3- An Introduction to Macroeconomics, A heterodox approach to economic analysis by L.P. Rochon & S. Rossi (Edward Elgar publishing)
- 4- Macroeconomics, Understanding the Global Economy by D. Miles, A. Scott, F. Breedon (3rd Edition) Macroeconomics, Institutions, Instability, and the Financial System by W. Carlin & D. Suskice

[View reading list on Talis Aspire](#)

### **Subject specific skills**

Students will have the opportunity to develop skills in:

Analytical thinking and communication

Analytical reasoning

Critical thinking

Strategic thinking

Problem-solving

Abstraction

Policy evaluation

Analysis of incentives

Analysis of optimisation

### **Transferable skills**

Students will have the opportunity to develop skills in:

Numeracy and quantitative skills

Written communication

Oral communication

Information technology

Mathematical, statistical and data-based research skills

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## **Study**

### **Study time**

<b>Type</b>	<b>Required</b>
Lectures	40 sessions of 1 hour (89%)
Total	45 hours

<b>Type</b>	<b>Required</b>
Seminars	5 sessions of 1 hour (11%)
Total	45 hours

### **Private study description**

Private study will be required in order to prepare for seminars/classes, to review lecture notes, to prepare for forthcoming assessments, tests, and exams, and to undertake wider reading around the subject

### **Costs**

No further costs have been identified for this module.

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### **Assessment**

You do not need to pass all assessment components to pass the module.

Students can register for this module without taking any assessment.

#### **Assessment group D2**

	<b>Weighting</b>	<b>Study time</b>
Test 1 50 minute class test	10%	
Test 2 50 minute class test	10%	
Online Examination	80%	

A paper which examines the course content and ensures learning outcomes are achieved.

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- Online examination: No Answerbook required
- Students may use a calculator

#### **Assessment group R**

	<b>Weighting</b>	<b>Study time</b>
Online Examination - Resit	100%	

- Online examination: No Answerbook required

## Feedback on assessment

The Department of Economics is committed to providing high quality and timely feedback to students on their assessed work, to enable them to review and continuously improve their work. We are dedicated to ensuring feedback is returned to students within 20 University working days of their assessment deadline. Feedback for assignments is returned either on a standardised assessment feedback cover sheet which gives information both by tick boxes and by free comments or via free text comments on tabula, together with the annotated assignment. For tests and problem sets, students receive solutions as an important form of feedback and their marked assignment, with a breakdown of marks and comments by question and sub-question. Students are informed how to access their feedback, either by collecting from the Undergraduate Office or via tabula. Module leaders often provide generic feedback for the cohort outlining what was done well, less well, and what was expected on the assignment and any other common themes. This feedback also includes a cumulative distribution function with summary statistics so students can review their performance in relation to the cohort. This feedback is in addition to the individual-specific feedback on assessment performance.

[Past exam papers for EC106](#)

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## Availability

### Pre-requisites

A-level Mathematics or the equivalent

### Post-requisite modules

If you pass this module, you can take:

- EC228-15 Political Economy: Theory and Applications

## Courses

This module is Option list B for:

- UMAA-GV17 Undergraduate Mathematics and Philosophy
  - Year 1 of GV17 Mathematics and Philosophy
  - Year 1 of GV17 Mathematics and Philosophy
  - Year 1 of GV17 Mathematics and Philosophy
- UMAA-GV18 Undergraduate Mathematics and Philosophy with Intercalated Year
  - Year 1 of GV18 Mathematics and Philosophy with Intercalated Year
  - Year 1 of GV18 Mathematics and Philosophy with Intercalated Year