УНИВЕРСИТЕТ ЗА НАЦИОНАЛНО И СВЕТОВНО СТОПАНСТВО

UNIVERSITY OF NATIONAL AND WORLD ECONOMY

Adopted with Faculty Council decision
of Faculty of……
Protocol № ….. / ……

Approved by:
Dean of Faculty
Prof. Georgi Petrunov, PhD

SYLLABUS

Course		**FUNDAMENTALS OF ECONOMIC THEORY**	
Course Category		**OPTIONAL**	
Area of Study		**3. SOCIAL SCIENCES, ECONOMICS AND LAW**	
Field of Study		**3.8. ECONOMICS**	
Degree Programme		**ALL BACHELOR DEGREE PROGRAMMES IN THE FIELD OF ECONOMICS**	
Educational and Qualification Degree		**BACHELOR**	
Faculty		**GENERAL ECONOMICS**	
Department		**ECONOMICS**	
Academic Hours/classes		**FULL TIME**	**60 HOURS**
		DISTANCE LEARNING	
Extracurricular activities		**FULL TIME**	**90 HOURS**
		DISTANCE LEARNING	
Credits		**6**	
Lecturer		**ECONOMICS DEPARTMENT**	

COURSE DESCRIPTION

1. The course "Fundamentals of Economic Theory" is read as an elective course to students in the Bachelor's program in the professional field of Economics from the academic year 2022/2023.

2. Description of content:

The program "Fundamentals of Economic Theory" has 3 sections: Economic History, History of Economic Theories and Modern Economic Theory. Each section includes 5 topics. The didactic approach adopted in the program is based on logic: from economic-historical facts to the emergence of economic theories and ends with the presentation of new and contemporary directions in economic theory.

3. Language of instruction: Bulgarian.

CONTENT

№	TOPIC	Academic Hours			
		Full Time		Distance Learning	
		L	S	L	S
Section I: Economic history					
1.	THE INDUSTRIAL REVOLUTION AND VARIANTS OF INDUSTRIALIZATION a) The Malthusian trap in the economy until 1820: logic of the Malthusian economy, standard of living, life expectancy; b) the theoretical debate on the prerequisites of the Industrial Revolution, basic concepts and ideas; c) The Industrial Revolution, variants of industrialization and modern economic growth; d) social and economic consequences of the Industrial Revolution.	2	2		
2	DEMOGRAPHIC TRANSITION AND HUMAN CAPITAL a) demographic state of the world before the Industrial Revolution, limitations on fertility and life expectancy; b) what causes the limitation of mortality and increased life expectancy after 1800: advances in medicine, the role of public health, control of epidemics; c) The importance of migration processes for economic development since the beginning of the 19th century; d) education and human capital in historical perspective.	2	2		
3.	STATE AND PRIVATE INSTITUTIONS a) political institutions and their importance for modern economic growth (after 1700); b) fiscal institutions and their importance for modern economic growth (after 1700); c) the role of the state in building modern infrastructure after 1700: roads, railways, bridges, canals, etc. d) reforms in commercial and business law;	2	2		

4.	THE RISE OF GLOBAL FINANCE 1850-2000 a) Silver and gold standards in historical perspective; b) the first globalization of world finance 1850-1914; c) wars, depression and regulations 1914-1973; d) innovations and deregulation 1973 – 2000.	2	2		
5.	BUSINESS CYCLES 19-20 CENTURY a) basic theoretical concepts of business cycles in economic development in the 19-20th century; b) cycles before 1816 c) business cycles from 1816 to 1870; d) the long depression; e) the great depression and business cycles in the second half of the 20th century.	2	2		
Section II: History of Economic Theories					
6.	ANCIENT AND MEDIEVAL ECONOMIC THOUGHT. MERCANTILISM a) economic thought in ancient Greece. Main representatives; b) development of economic thought in Rome and the Middle Ages. c) economic conditions, method and general theoretical principles of mercantilism; d) representatives of early and developed mercantilism in different countries (England, France, Italy).	2	2		
7.	**НАЧАЛО НА КЛАСИЧЕСКАТА ПОЛИТИЧЕСКА ИКОНОМИЯ** **BEGINNING OF CLASSICAL POLITICAL ECONOMY** а) Уйлям Пети – първи теории за стойността, работната заплата, поземлената рента; б) Физиократи – първата икономическа школа, теория за капитала, класите, икономическа таблица.	2	2		
8.	CLASSIC POLITICAL ECONOMY a) A. Smith – research methodology, market theory, division of labor, theory of value, theory of wages, profit and land rent; b) D. Ricardo – research methodology, theory of value, distribution, theory of money and credit, free trade, crises;	2	2		
9.	THE CLASSICAL POLITICAL ECONOMY AT THE BEGINNING OF THE 19TH CENTURY a) methods and general theoretical statements – development, arrangement and popularization of the classical economic theories of Smith and Ricardo – J. B. Say, Fr. Bastiat, T. Malthus, of S. Sismondi, P. Proudhon; James and John Mill; b) the concepts of the realization of the produced output and economic crises	2	2		
10.	THE ECONOMIC AND SOCIAL THEORY OF KARL MARX a) general characteristics and methodology of Marxist economic theory;				

	b) basic works and economic theories.				
Section III: Modern Economic Theory					
11.	**MODERN ECONOMIC THEORY** Emergence and development of economics as an independent economic theory – the contributions of Jevons, Walras and Marshall. Schools and movements – ordoliberals; Austrian chocolate; Keynesians; monetarists. Institutional theory. Welfare economics. New theoretical concepts – transition economics; sustainable development; green economy; digital economy; banking systems and crypto-currencies. Economics and econometrics.	2	2		
12.	SUSTAINABLE DEVELOPMENT Essence, principles and goals of sustainable development. Historical development and understandings. Measurement (indices) of sustainable development. Policies for sustainable development – monetary and eco-fiscal. Business models for sustainability. Corporate social responsibility. Circular and shared economy.	2	2		
13.	GREEN ECONOMY Agenda 21 (UN). Social and economic dimensions. Conservation and management of resources for development. General characteristics of the Green Package (EU). EU Directive on renewable energy sources. European Green Deal.	2	2		
14.	BANKING SYSTEMS AND CRYPTO-CURRENCY Banking systems – definition, types. Cryptocurrencies – origin and development. Role of blockchain technologies. Derivative instruments – tokens, NFT. Decentralized money supply. Evolution and state of cryptocurrency markets. Investments and payments with cryptocurrency. Cryptocurrency wallet.	2	2		
15.	INSTITUTIONAL THEORY. WELLFAIRE ECONOMICS General characteristics of "institutions" - according to institutional theory. D. North's model for institutional changes. Institutions and growth. Welfare economics. Basic propositions - Pareto optimality, Bergson-Samuelson welfare function, Kaldor-Hicks criterion, Skitowski criterion, Amartya Sen's contribution.	2	2		
	Total	**30**	**30**		

Legend: L – Lectures; S – Seminars

TEACHING ANDLEARNING METHODS

Different teaching methods are combined, in accordance with the form of training, with the frontal teaching method being the main one. Classroom work: 2 academic hours (one lecture) per week, in a total of 30 hours; and seminar classes – in the same hours. The educational content (individual topics) are presented and illustrated through the active use of modern information and communication technologies. In addition to the “classical” frontal teaching method, which uses the

illustrative-explanatory approach, interactive methods (three components: induction ("awakening") of interest, awareness and reflection), a significant place is given to the teacher's judgment for the inclusion of: conversation or discussion, independent work with educational literature (during the current lesson), heuristic methods, etc. If possible, external training in a business environment or administration is also planned.

The necessary resources for training and assessment are: computer multimedia, and electronic platforms and other modern educational technologies are also used for assessment and control of learning outcomes, including the use of a testing center.

EXTRACURRICULAR ACADEMIC HOURS

Components	Number of Hours	
	Full Time	**Distance Learning**
1. Practical training		
2. Course project	**20**	
3. Essay		
4. Case study		
5. Individual assignment/ team activity		
6. Laboratory training		
7. Mid-term exam/ test	**35**	
8. Ongoing assessment		
9. Exam	**35**	
Total	**90**	

ASSESSMENT

The assessment in the discipline is complex. The semester assessment is formed on the basis of a course project (CP), which is developed during the course of study, through the implementation of ongoing control tasks. The implementation of the project implies ongoing control (TC) in the form of:

• implementation of various types of tasks, including those requiring work with electronic platforms and applications and electronic databases;

• solving cases individually or in a group, as the organization of group work is implemented through the mediation of digital communication platforms;

• conducting a study of electronic sources on a given task.

The results of the implementation of each task are discussed with the students and evaluated on an ongoing basis. The assessment of each ongoing task as well as the semester assessment is approved by the group of students by voting in a digital voting application in order to ensure control over the assessment.

The course assessment consists of several components.

For full time students the final grade is formed as follows:

FG = 50% E + 30%MTE + 20%IA,

where:

FG = Final Grade;
E = Exam
MTE = Mid-Term Exam;
IA = Individual assignments.

Electronic platforms (such as MS Teams; Google Forms; Moodle) and other modern educational technologies are used, both for training and for assessing and controlling its results, including the use of a test center.

The final grade is based on a six-point scale, in which the lowest grade for successful completion of the course is 3. Converted to the ECTS the grading scale the grades are as it follows:

Excellent /6/	Very Good /5/	Good /4/	Average /3/		Poor /2/	
A	**B**	**C**	**D**	**E**	**FX**	**F**
The corresponding number of ECTS credit points is being allocated					No ECTS credit points are being allocated	

QUALIFICATION GOALS

This course is designed in compliance with the requirements of the National Qualification Framework[1] in terms of acquired knowledge, skills and competences for the corresponding EQD and Council Recommendation of Key Competences for Lifelong Learning[2].

Students studying in the discipline "Fundamentals of Economic Theory", in addition to mastering the basic economic theories, also acquire advanced knowledge - about the prospects for the theory. The lectures are developed and presented by specialists in the relevant fields. Regardless of the chosen structure (type) of the lesson (lecture), it solves the main didactic tasks: development of new material, its consolidation and systematization, formation of skills and habits, control and assessment of knowledge.

The discipline provides students with the following basic knowledge:

• Basic economic theory

• Advanced theoretical concepts (on individual topics);

Training in the discipline forms the following basic skills in students:

• Adequately assess and develop economic problems - in the perspective of individual theories of the economy;

• Successfully apply the methods and means of economic analysis of economic facts.

DISSEMINATION OF THE COURSE

1. London School of Economics and Political Science (UK)
2. University of Houston (USA)
3. University of Cambridge

[1]The National Qualification Frame of Bulgaria gives the definition of the knowledge, skills and competences which are required as a result of the education process in the corresponding EQD in higher education.

[2]Council Recommendationon Key Competences for Lifelong Learning (OJ 2018/C 189/01)

LITERATURE

A. Basic

1. Норт, Д. (2000). Институции, институционална промяна, икономически резултати. С., ЛиК.
2. McKenzie, B. R., Schansberg, E. D., Lee, R. D. (2024). Microeconomics for Managers Principles and Applications, Cambridge University Press ISBN: 9781009354752
3. An Economist`s Guide to Economic History. (2019). Edited by Matthias Blum and Christopher L. Colvin, Palgrave, Macmillan.
4. Arrow, K. (1951). Social Choice and Individual Values, New York: John Wiley (2nd Edition, 1963).
5. Mabel F. Timlin (2014) Theories of Welfare Economics, Canadian Journal of Economics and Political Science/Revue canadienne de economiques et science politique , Volume 15, Issue 4, https://www.cambridge.org/core/journals/canadian-journal-of-economics-and-political-science-revue-canadienne-de-economiques-et-science-politique/article/abs/theories-of-welfare-economics/FA5E70C06C904E70876130D196F6B11A
6. M. W. Reder (2019) Theories of Welfare Economics; Journal of Political EconomyVolume 58, Number 2; https://www.journals.uchicago.edu/doi/abs/10.1086/256922?journalCode=jpe
7. Tirthankar Roy, Giorgio Riello (2020). Global Economic History, Bloomsbury Academic, 2020
8. Besley, T. and S. Coate, (2020). On the Public Choice Critique of Welfare Economics.

B. Additional

1. Yotova, L., Alyakova, V. (2006). Osnovi na makroikonomikata, UI “Stopanstvo” (Йотова, Л., Алякова, В. (2006). Основи на макроикономиката, УИ “Стопанство”).
2. An Economist`s Guide to Economic History. (2019). Edited by Matthias Blum and Christopher L. Colvin, Palgrave, Macmillan.
3. Agnar Sandmo, Economics Evolving. (2011). A history of Economic Thought. Princeton University Press
4. Timothy Besley (2020) Welfare Economics and Public Choice; https://www.lse.ac.uk/economics/Assets/Documents/personal-pages/tim-besley/miscelanea/welfare-economics-public-choice.pdf
5. The Cambridge (2010). Economic History of Modern Europe. V. 1 1700-1879, v. 2 1870 to the present; edited by Stephen Broadberry and Kevin O`Rourke.
6. Krugman, P., R. Wells. (2021). Macroeconomics, 6th edition, WorthPublishers.
7. Malaga, Kr. Sobczak, K. (2022). Microeconomics Static and Dynamic Analysis, Springer International Publishing.

C. Electronic and web-based resources

1. https://nsi.bg/bg
2. https://www.bnb.bg/
3. https://www.imf.org/en/Home
4. https://www.worldbank.org/en/home

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