

ECONOMICS / CHARTER

GENERAL DESCRIPTION

First-year Core Economics is a general introduction to contemporary economic issues and the economic methods used to address them. Inspired by the [CORE project](#), an open access course based on an interactive e-book, the course offers a new, integrated approach to microeconomics and macroeconomics that draws on the advances in economics to better understand the challenges of our time. It has been designed with the ambition to renew the methods of teaching economics and economic analysis.

The course focuses on:

- Economic actors, who are driven by both their personal interest and social preferences;
- The role of social interactions and contracts;
- Major contemporary economic issues: unemployment, inequalities, financial crisis, growth, etc.;
- The role of economic policies in responding to these economic challenges;
- Institutional differences between economies, and their impact on differences in economic performance and well-being.

LEARNING OBJECTIVES

Knowledge and Understanding

The course covers the concepts usually addressed in introductory economics courses, including:

- Opportunity cost;
- Production possibility sets and indifference curves (MRS, MRT);
- Constrained (and intertemporal) optimisation;
- Production and cost functions;
- Game theory, strategic interaction, prisoner's dilemma, Nash equilibrium, and Pareto efficiency;
- Comprehensive and incomplete contracts;
- Externalities, public goods and market failures;
- Effects of public policies;
- Labour market and unemployment;
- Credit market and financial crises;
- Economic fluctuations;
- Budgetary and monetary policy.

All points are justified and illustrated by empirical data and contemporary economic issues. Models are presented and justified using historical facts, experiments and data.

Strategic interactions between economic agents and institutions are presented before markets are addressed.

The microeconomic and macroeconomic foundations of the subjects being studied are discussed together.

Skills

- Active learning through interactive graphics, experiments in class, videos and multiple-choice questions (with answers in the Ebook);
- Use of economic history to provide context and offer students a narrative understanding of long-term economic development;
- Encouragement/satisfaction of students' intellectual curiosity by making numerous references to the great thinkers of economics and to debates and controversies in the discipline;
- Use of narrative processes to help memorise the models.

COURSE FORMAT

Core Economics is taught in the first semester (S1) and consists of 60 hours of contact time:

- **36 hours of lectures and 24 hours of seminars**

COURSE CONTENT

Core concepts

- Actors: companies, employees, households, governments, public decision-makers, etc.;
- Their actions: negotiating prices and wages, work, consumption, saving, investment, innovation, implementing economic policies;
- Prediction of actions and interactions: using the core concepts of economics, and those of other sciences that help understand decisions and social interactions;
- The role of models in economics and evaluation methods;

Economic tools: highlighting the role of models and data

- Repeated use of the same analytical and graphical modelling tools to analyse different problems;
- Systematic use of data and empirical evidence from the econometric and experimental literature;
- Introduction to evaluation methods in economics.

EVALUATION

S1 Core Economics is worth 8 ECTS and is assessed by:

- **Continuous assessment**, using multiple choice tests, exercises, case studies and class questions;
- **Mock exam** (*galop d'essai*);
- **Final exam**.