

МІНІСТЕРСТВО ОСВІТИ І НАУКИ УКРАЇНИ

ХАРКІВСЬКИЙ НАЦІОНАЛЬНИЙ ЕКОНОМІЧНИЙ УНІВЕРСИТЕТ  
ІМЕНІ СЕМЕНА КУЗНЕЦЯ

"ЗАТВЕРДЖУЮ"

Заступник керівника  
(проректор з науково-педагогічної роботи)



М. В. Афанасьєв

## Економічна теорія

робоча програма навчальної дисципліни

Галузь знань	Усі
Спеціальність	Усі
Освітній рівень	перший (бакалаврський)
Освітня програма	Усі

Вид дисципліни	базова
Мова викладання, навчання та оцінювання	англійська

Завідувач кафедри економічної теорії  
та економічної політики

М. А. Мащенко

Харків  
ХНЕУ ім. С. Кузнеця  
2019

MINISTRY OF EDUCATION AND SCIENCE OF UKRAINE  
SIMON KUZNETS KHARKIV NATIONAL UNIVERSITY OF ECONOMICS



"APPROVED"

Depute Head

(vice-rector for scientific and pedagogical work)

*M. Afanasiev*  
M. Afanasiev

**ECONOMIC THEORY**  
syllabus for students

Knowledge industry            **all**  
Speciality                        **all**  
Educational level               **first (bachelor's)**  
Educational programme       **all**

Type of discipline                        **basic**  
Language of education, learning and estimation    **English**

The head of the department of economic theory  
and economic policy

*M. Mashchenko* M. A. Mashchenko

Kharkiv  
S. Kuznets KhNUE  
2019

The syllabus has been approved by the Department of economic theory and economic policy

Protocol № 1 from 02.09.2019

**Compilers:**

Natalia Stepanenko, PhD (Economics), Associate Professor of the Department of economic theory and economic policy

Olena Klimenko, PhD (Economics), Associate Professor of the Department of economic theory and economic policy

Andrii Lytvynenko, PhD (Economics), Associate Professor of the Department of economic theory and economic policy

Tetiana Cherkashyna, PhD (Economics), Associate Professor of the Department of economic theory and economic policy

**Letter of renewal and re-approval of the syllabus of the academic discipline**

Academic year	Date of the session of the department – compiler of syllabus	Protocol number	The signature of the head of the department

## 1. Introduction

**Annotation of the discipline:** The academic discipline "Economic Theory" refers to the cycle of natural sciences and general economic subjects. It is an integral part of a complex of economic subjects that includes history of economics and economic thought, modern economic theories, macroeconomics, microeconomics, national economy, global economy, etc.

The academic discipline "Economic Theory" covers the issues that are essential for the future economist because they allows them to reveal the mechanism of the economic systems functioning based on combination of different economic theories, concepts, models which are substantiated by world and national economic science and approved by economic practice.

An essential element of successful learning the discipline is a student's self-study with Ukrainian and foreign scientific literature, normative acts on state regulation of the economy and statistical data.

**Purpose of the discipline:** *The purpose of learning the academic discipline "Economic Theory" is to develop a system of theoretical knowledge of conceptual and categorical apparatus of economic theory; thorough mastery of the essence of economic phenomena and processes; providing basic theoretical training necessary for further study of the cycle of economic disciplines; a deep understanding of the laws and the main trends of the economic development of society.*

Academic year	1	
Semester	1	
Number of credits ECTS	5	
Contact hours	Lectures	32
	Seminars, practice sessions	32
Students' self-study		86
Form of final/semester control	Exam	

### Structural and logic scheme of the learning of the academic discipline:

Prerequisites	Following disciplines
Fundamentals of economics (at school)	Microeconomics
	Macroeconomics
	Economics of firm
	Finance
	World economic relations
	Social economy

**2. Competencies and learning outcomes for the discipline which students get having mastered the academic discipline "Economic theory":**

Competences	Learning outcomes
Ability to analyze basic economic terms and laws	Determine the methods, functions and significance of economic theory as a fundamental science
	Determine the characteristics of different types of economic systems
	To know the theory of money, to be able to solve problems on the calculation the needed quantity of money in circulation
Ability to develop effective solutions to improve production efficiency	Determine the conditions for the existence of capital, solve the problem of production costs
	Define the principles of the formation of household incomes, their differences from enterprises
	To be able to classify market models, determine types of competition and pricing principles
Ability to justify economic decisions	The ability to examine both theoretical and methodological problems of the modern labor market by using the concepts of different scientific schools
	The ability to use knowledge of the forms of profit, interest and rent in solving practical problems
	Be able to determine the factors of economic growth and cycle
	Ability to characterize the economic functions of the state
	Ability to determine the essence and structure of the world economy

**3. The syllabus of the academic discipline**

**Content module 1. General issues of modern economy**

**Theme 1. Introduction to economic theory**

*1.1. Development of economic thought.* The notion of the economy. Definition of economic theory. The main stages of the development of economic science. Concepts of different schools of economic thought (mercantilists, physiocrats, classical school of political economy).

*1.2. The subject matter and functions of economic theory.* Modern definition of economic theory as a science. The evolution of the term "economic theory". The role of economic theory in the system of economic academic disciplines. Cognitive, practice, methodological, forecast, tutorial functions of economic theory. Prosy and scientific modes of economic thinking.

*1.3. Methods of economic theory.* General and specific methods of scientific knowledge and their application. Economic categories. Economic laws: essence, objective

nature, mechanism of their action and application. Positive and normative economic theory. Economic theory and economic policy.

**Seminar 1.** The subject matter and essence of economic theory.

**Practice session 1.** Solving actual problems in determination the opportunity costs and building a production capacity curve.

## **Theme 2. Economic system and the basis of its development**

*2.1. Economic needs and economic interests. Production possibilities of society.* Limitation of resources and unlimited needs. Economic needs, their essence and classification. The law of increasing needs. Economic interests, their types. Interests and needs: dialectics of relationship. Problem of choice and the aim of economic activity. Production function. Production possibilities curve. The law of increase in opportunity costs. Economic interests as the drivers in formation and development of economic subjects.

*2.2. Economic system, its essence and main types.* The definition of economic system. The structure of economic system. Types of economic systems according to different classifiers. The causes of existing of different types of economic systems. The key features of traditional economy. Command (or socialist) economy, its features and advantages. The key features of mixed economy. Transition economy. State and monopolistic capitalism.

*2.3. Property in the system of public production.* Property as a basis of any economic system. Economic and legal essence of property. The concepts of property. Subjects and objects of property. Types and forms of property, their changes in the process of market transition. Denationalization and privatization.

**Seminar 2.** Economic system, its essence and the basic structural elements.

## **Theme 3. Organization of production**

*3.1. The main modes of public production.* The evolution of public production. The essence and key features of natural production. Commodity production. Condition of the origin of commodity production. The good and its characteristics. The capitalist evolution of small commodity production.

*3.2. The value of product.* The law of value. Functions of the law of value.

*3.3. Money, their origin and essence.* The origin and meaning of money. Functions of money. The law of money circulation. Types of money. Modern monetary system. Inflation.

**Seminar 3.** The origin and development of monetary system. Functions of money.

## **Theme 4. Production and its efficiency.**

*4.1. The structure and essence of public production.* Public production as the decisive sphere of human activity. Key elements of the production process. The structure of production. Production forces and production relations. Tangible and intangible production.

*4.2. Production factors.* Labor, capital, land, entrepreneurial skills. The essence and nature of labor. Technology, information, science. Digital economy and change in the

requirements to the labor force. Ecological factor of production. Production function. Economic growth.

4.3. *Economic efficiency of public production.* Economic and social efficiency of the production. Indicators of economic and social efficiency. Labor productivity. Return on assets. Material output and material consumption. Capital intensity of the output. General indicator of labor productivity. Indicators of social efficiency of the production.

4.4. *Environmental economy.* Rational use of nature. New ideology to manage nature. Strategies for the ecological revival of the country and its regions.

**Seminar 4.** The role of capital in a market economy. Capital as a production factor.

**Practice session 2.** Calculation of costs of production and profit.

## **Theme 5. Market: essence, functions. The mechanism of functioning of the market**

5.1. *Market: essence, types, functions.* Definition of the market. The conditions of origin of a market economy. The role and functions of the market. Characteristics of the market system. Types of markets. Market infrastructure.

5.2. *Fundamentals of the theory of demand and supply.* Demand. The law of demand, its graphic interpretation. Supply. The law of supply and its graphic interpretation. Non-price factors influencing on supply and demand. The relationship between demand and supply in the market economy. Market equilibrium. Equilibrium price. Elasticity of supply and demand. The price of the product and the factors influencing on it. Competition and its essence. Intra industry competition and formation of market price. Intersector competition and capital flows.

**Seminar 5.** The role of market infrastructure. Factors influencing on market infrastructure.

**Practice session 3.** The law of demand and the law of supply, its graphic representation.

## **Content module 2. Economic basis of management**

### **Theme 6. Household in the system of economic relations. Enterprise as a commodity producer**

6.1. *Households as a subject of market relations.* General characteristics of households. Dual role of households in the economy at present. Household as a resource provider. Household's incomes. Household's expenditure. Distribution of income on consumption, taxes and savings. Consumption expenditure. The role of the household in the circular flow of products, resources and incomes.

6.2. *Enterprise as the subject of market economy.* The essence and main characteristics of the enterprise. The main forms of enterprises. Types and functions of enterprises. The role of profit in the development of the enterprise. Circulation of capital and its stages. Corporate capital turnover. Time of capital turnover and turnover indicators. Capital stock and circulating capital. Wear and tear of capital stock. Depreciation.

6.3. *The essence of entrepreneurship and conditions of its existing.* Types and functions of entrepreneurship. Entrepreneurial income. Revenue and profit. The role of profits in business development. Regulation of entrepreneurial activity. The role of enterprise and entrepreneurship in a market economy.

**Seminar 6.** Types and functions of entrepreneurship. Entrepreneurial Income.

**Practice session 4.** Circulation of capital and its stages.

### **Theme 7. Competition and monopoly**

7.1. *Competition and its essence.* Market competition. Functions and forms of competition. Competition and monopoly. Competition and market models. The features of market relations in Ukraine.

7.2. *Market models.* Classification of market structures. Characteristics of perfect competition. The essence of competition and its main functions in a market economy. Imperfect competition: monopolistic competition, monopoly, oligopoly. The features of setting prices on the different markets.

**Seminar 7.** Competition and market models. The features of setting prices on the different markets.

**Practice session 5.** Comparative advantages of different market structures.

### **Theme 8. The economic growth. Macroeconomic instability. Employment and unemployment**

8.1. *Indicators of economic development.* Gross domestic product, net national product and national income. Welfare state and its structure. Reproduction and the process of accumulation. The underground economy in the process of public reproduction.

8.2. *Economic growth and economic development.* Types of economic growth, its indicators. The dynamics of economic growth and factors influencing on it. Sustainable economic development. The role of investment in economic growth.

8.3. *Cyclic economic development.* Causes of cyclical economic development. Theories of cyclical economic development. The phases of the economic cycle. Economic crises, their causes and consequences. Features of modern economic cycles. State policy to fight cycles.

8.4. *Employment and unemployment.* Employment: essence and forms. Employment and reproduction of the workforce. Unemployment: the nature, types and economic and social consequences. The causes of unemployment. Features of modern unemployment. State employment policy.

**Seminar 8.** Welfare state and its structure. The essence of social reproduction, its types: simple and extended reproduction.

**Practice session 6.** Unemployment: the nature, types and cost-social consequences.

### **Theme 9. The economic mechanism and main directions of economic regulation**

9.1. *The economic mechanism, its essence and elements.* Government mechanism: the system of economic management. The main elements of the economic mechanism.



Planning and programming. Economic functions of the state. Concepts of state regulation. Essence, goals, levers (or tools) and the main directions of economic regulation.

9.2. *Financial system. The essence, structure and functions of finance.* The role of finance in the economic mechanism. State budget, state deficit, state debt.

9.3. *Fiscal system and fiscal policy.* Functions of taxes. Fiscal methods of production regulation. The role of accelerating depreciation in solving strategic tasks for development of the economy.

9.4. *Monetary system.* The market of money resources. Causes of instability of the monetary system and conditions to provide stability of currency. The need to improve the mechanism of management in Ukraine.

**Seminar 9.** Economic functions of the state. Concepts of state regulation.

### **Theme 10. The world economy. Economic aspects of global issues**

10.1. *World economy: essence, main features, structure and stages of formation.* The essence of world economy. International specialization. International economic integration. The main integration unions in the world.

10.2. *World economic relations and their forms.* International markets. International trade. International balance of payment. International labor migration. The essence and forms of the international capital flows. Direct and portfolio investment. International monetary and financial relations. National and international monetary system. Exchange rate, its types.

10.3. *The modern global issues. Globalization of the economy.* The essence of global issues. Formation of the global economic system. The impact of global issues on economic development of Ukraine.

10.4 *Problems of integration of Ukraine in the world economy.* The impact of global issues on economic development of Ukraine.

**Seminar 10.** The essence and forms of the international capital flows.

## **4. Methods of assessment**

The system evaluating the competences received by a student takes into account classes, which include lectures, seminars, practical studies and performing independent work according to the syllabus of the academic discipline.

Evaluation of the student's competences is carried out on the cumulative 100-point system. According to the Provisional Regulations "On the procedure of the assessment of students' performance via the accumulative score-rating system" approved by S. Kuznets KhNUE, control measures include:

**current control** which is exercised over the semester during lectures, practical classes, seminars and evaluated by the sum of the points scored (maximum amount is 60 points; minimum amount that allows students to pass the exam is 35 points);

**module** control which is performed on the basis of current control during the respective module and aims to make an integrated assessment of the student's knowledge after studying a logically completed part of the discipline – the content module;

**final/semester** control which is performed in the form of exam, according to the

schedule of the educational process.

**Current control** over this discipline is conducted in the following forms: active work at lectures;

active participation in performing practical tasks;

active participation in the discussion and presentation of materials at seminars;

practice tests;

a written test paper.

**Module control** of this discipline is conducted in the form of a colloquium. **Colloquium** is a form of verification and assessment of students' knowledge in the system of education in higher education institutions. Conducted as an intermediate mini-exam on the teacher's initiative.

**The procedure of current control.** The assessment of students' knowledge at seminars and practical lessons and performance of individual tasks is based on the following criteria:

understanding, the level of learning the theory and methodology of examined problems;

the level of learning the facts concerning the academic discipline;

acquaintance with the recommended up-to-date literature, Internet sources on the given questions;

the ability to combine theory with practice when solving realistic problems, performing tasks, making calculations for individual work and collective disputes.

The total score for writing the control module consists of the accumulated points for all tasks that are rounded to the integer number by the mathematical rules. The maximum score that a student can receive for all tasks equals 6, including 2 points per each task.

The maximal possible score is given if every task performed by a student or his/her verbal answer meets all the noted requirements. Absence of any constituent reduces the mark by a proper number of points. In the evaluation of individual tasks, the quality, independence and timeliness of presenting the performed tasks to a lecturer (according to the schedule of the educational process) are taken into consideration. If any of the requirements are not met, the mark can be decreased.

Evaluation criteria of a student's individual work. The general criteria of the evaluation of out-of-class independent work are: the depth and strength of knowledge, the level of thinking, the ability to systematize knowledge of certain themes, to make informed decisions, skills and techniques of solving practical problems, the ability to find the necessary information, perform its classification and processing.

Student gets admission to participate in the final control (exam) in the case of a control during the current total points no less than 35 points (defined as the sum of the lowest satisfactory assessments in all forms of current control).

**Conducting the final written exam.** The condition for admission to the exam is minimally sufficient amount of scores obtained from the current module control knowledge.

Final control is an exam for students with the aim of assessment of mastery of knowledge by volume, quality and depth, as well as the abilities and skills to apply this knowledge in practice according to the model of professional competence.

The maximum number of scores that a student can receive for examination is 40, the minimum credited is 25. In total with 60 scores of current control it is accrued maximum scores – 100 per semester.

In conducting the exam of academic discipline the exam paper consists of five practical orientation tasks of different levels of complexity in order to check students' abilities and skills to apply this knowledge in practice, namely a stereotypical task, two heuristic and two diagnostic tasks. All tasks are created due to the program of academic discipline.

Each task envisages demonstrating a certain level of student mastery of the competencies of theoretical, practical, scientific and analytical nature.

Within own the necessary competences of each task is estimated to a certain number of scores according to their level of complexity, which is the total number up to 40 points.

The exam is carried out in a written form by the exam papers. Exam paper consists of five tasks.

A student passes the academic discipline successfully if the total score obtained according to the results of the final/semester exam equals 100.

The minimal score for the current and module control and exam during the semester is 60.

The maximum number of points that a student can accumulate in the course of study is shown in Tables 4.1.

Table 4.1

**Distribution of points after weeks**

Themes and weeks		Semi nars	Practice session	Report	Colloquium	Home tasks	Total	
Content module 1	Theme 1	Week 1	2				2	
		Week 2	2			2	4	
	Theme 2	Week 3	4		2	4	4	
	Theme 3	Week 4		4		2	6	
	Theme 4	Week 5		1			2	3
		Week 6		1				1
	Theme 5	Week 7			1	6		7
Week 8						1	1	
Content module 2	Theme 6	Week 9		2		2	2	
		Week 10		2			2	
	Theme 7	Week 11		2	1		1	4
		Week 12		2				2
	Theme 8	Week 13		2			2	4
		Week 14		2				2

	Theme 9	Week 15		2			2	4
	Theme 10	Week 16				6		6
	Total		8	18	4	12	18	60
	Exam							40
	Sum		8	18	4	12	18	100

Final control is an exam for students of all specialties with the aim of assessment of mastery of knowledge by volume, quality and depth, as well as the abilities and skills to apply this knowledge in practice according to the model of professional competence which is common during learning the academic discipline.

The final mark for the academic discipline based on the Principles of transference of university characteristics of students' progress into the system of the ECTS scale is converted into the final ECTS figure according to the temporary statement about students' evaluation by the cumulative system of Simon Kuznets Kharkiv National University of Economics (Table 4.2).

Table 4.2

### Evaluation scale: national and ECTS

The sum of points for all of the types of the educational activity	ECTS mark	Assessment on the national scale	
		for the examination, course project (works), practice	for a test
90 – 100	A	excellent	passed
82 – 89	B	good	
74 – 81	C		
64 – 73	D	satisfactory	
60 – 63	E	unsatisfactory	not passed
35 – 59	FX		
1 – 34	F		

## 5. Recommended literature

### Main

1. Економічна теорія: Навчальний посібник для студентів вищих навчальних закладів IV рівня акредитації / Т. І. Побережець, Н. К. Болгарова, М. П. Талавира, О. В. Пашенко. – Ніжин : ПП Лисенко М.М., 2010. – 475 с.

2. Економічна теорія: навчальний посібник / Л. С. Шевченко. – Харків : Право, 2016. – 267 с.

3. Політична економія : навчальний посібник для студентів першого (бакалаврського) рівня вищої освіти / М. С. Бріль, О. М. Кліменко, І. Ф. Лісна та ін. – Харків : ХНЕУ ім. С. Кузнеця, 2019. – 320 с.

4. Практикум з навчальної дисципліни "Політична економія" для студентів усіх напрямів підготовки всіх форм навчання: [Електронне видання] / уклад. І. Ф. Лісна, Т. С. Черкашина, Т. Є. Калашник, Т. В. Ус. – Харків : ХНЕУ ім. С. Кузнеця, 2016. – 154 с.

5. Стрішенець О. М. Економічна теорія : Навчальний посібник для студентів вищих навчальних закладів / О. М. Стрішенець, В. І. Ліщук, Л. В. Єлісєєва. – Луцьк : СЛУ імені Лесі Українки, 2013. – 206 с.

6. Birchall O. Introduction to economics: Undergraduate study in Economics, Management, Finance and the Social Sciences / O. Birchall, D. Verry. – London : University of London, 2014. – 70 p.

7. Boyes W. Fundamentals of Economics / W. Boyes, M. Melvin. – Mason : South-Western, Cengage Learning, 2014. – 464 p.

8. Curtis D. Microeconomics: Markets, Methods & Models [Electronic resource] / D. Curtis, I. Irvine. – New York, 2014. – Access mode : [www.lyryx.com](http://www.lyryx.com).

9. Economic Theory: Higher Secondary-second year (A Publication under Government of Tamilnadu Distribution of Free Textbook Programme. – Chennai : College Road, 2017. – 208 p. – Access mode : Electronic resource [https://www.academia.edu/27525089/Economic\\_Theory\\_HIGHER\\_SECONDARY-SECOND\\_YEAR\\_TAMILNADU\\_TEXTBOOK\\_AND\\_EDUCATIONAL\\_SERVICES\\_CORPORATION](https://www.academia.edu/27525089/Economic_Theory_HIGHER_SECONDARY-SECOND_YEAR_TAMILNADU_TEXTBOOK_AND_EDUCATIONAL_SERVICES_CORPORATION).

10. Lessons for the Young Economist: Teacher's Manual / P. R. Murphy, J. Davis, H. Davis et al. – Alabama : Ludwig von Mises Institute, 2012. – 436 p.

11. Lipsey R. G. Economics / R. G. Lipsey, K. A. Chrystal. – Oxford: Oxford University Press, 2015. – 507 P.

12. McConell C. R. Economics: principles, problems, and policies / C. R. McConell, S. L. Brue. – Boston : MCGraw-HillIrwin, 2017. – 818 p.

### **Additional**

13. Олійник О. В. Зовнішнє оцінювання (підготовка). Основи економіки : репетитор / О. В. Олійник. – Харків: Факт, 2008. – 256 с.

14. Основи економічної теорії: Навчальний посібник для студентів, які здобувають перший (бакалаврський) рівень вищої освіти / О. А. Шевчук, Н. П. Мацелюх, І. А. Максименко. – К. : Видавничий центр "Кафедра", 2017. – 220 с.

15. Економічна теорія: навчальний посібник / О. В. Стефанишин. – Львів: ЛНУ ім. Івана Франка, 2015. – 335 с.

16. Мацелюх Н. П. Економічні теорії в системі наукових економічних знань : Навчальний посібник / Н. П. Мацелюх, І. А. Максименко, П. В. Круш, В. В. Мартиненко, М. М. Теліщук та ін. – Київ : Центр учбової літератури, 2015. – 226 с.

17. Юрчишена Л. В. Політична економія : навчальний посібник / Л. В. Юрчишена. – Вінниця : ВФЕУ, 2014. – 341 с.

18. Barber W. J. A history of economic thought / W. J. Barber. – Princeton: Princeton University Press, 2016. – 696 p.

19. Evans M. K. Macroeconomics for managers / M. K. Evans. – Blackwell Publishing, 2016. – 838 p.
20. Garn J. Intermediate Macroeconomics / J. Garn, R. Lester, E. Sims. – New York , 2018. – 1018 p.
21. Ray M. Krugman'e Economics for AP / M. Ray, D. Anderson. – New York : Worth Publishers, 2010. – 927 p.
22. Schmitz A. Managerial Economics Principles / A. Schmitz. – Princeton : Princeton University Press, 2012. – 162 p.

#### **Information resources**

23. Official site of the Ministry of finance of Ukraine. – Access mode: [www.mof.gov.ua](http://www.mof.gov.ua).
24. Official site of the Ministry of Economic Development, Trade and Agriculture of Ukraine. – Access mode: [www.me.gov.ua](http://www.me.gov.ua).
25. Official site of State Statistics Committee of Ukraine. – Access mode: [www.ukrstat.gov.ua](http://www.ukrstat.gov.ua).
26. Official site of Antimonopoly Committee of Ukraine. – Access mode: [www.amc.gov.ua](http://www.amc.gov.ua).
27. Official site of Department of Agriculture of Ukraine. – Access mode: [www.usda.gov.ua](http://www.usda.gov.ua).
28. The official site of the United States Sensus Bureau. – Access mode: [www.2020census.gov](http://www.2020census.gov).
29. Official site of the electronic magazine "Forbes". – Access mode: [www.forbes.com](http://www.forbes.com).
30. The official site of the Centre of free online Learning, Work & Life. – Access mode: [www.businessballs.com](http://www.businessballs.com).
31. The official site of world news. – Access mode: [www.headliner.org](http://www.headliner.org).
32. The official site of the Nobel Prize. – Access mode: [www. Nobel.se](http://www.Nobel.se).
33. The official site of World Trade Organization. – Access mode: [www.wto.org](http://www.wto.org).

#### **Methodological support**

34. Stepanenko N. O. Personal education system of the academic discipline "Economic theory" [Electronic resource] / N. O. Stepanenko, T. S. Cherkashyna. – Access mode : <https://pns.hneu.edu.ua/course/view.php?id=519>.