

Course program

Course title: Economic Theory	Neptun code: GTGKG401A
	Course type: Core
Name and position of course coordinator: Zoltán Bartha, associate professor	
Name(s) and position(s) of teaching assistant(s): -	
Suggested semester: 1 st (Autumn)	Prerequisite course(s): -
Weekly lecture+seminar hours: 2+0	Evaluation method: exam
Credits: 5	Study format: full time and part time
<p>Course objectives: The goal of the course is to highlight the main division lines within economics, and to focus the students' attention on two distinct schools: the supply side approach (Wanniski), and the new institutional approach (North and Posner). By completing the course, students will have a better understanding on the interaction between individual behaviour and social structures.</p>	
<p>Course content and structure: The framework of economics: scientific criteria and basic assumptions Superstructure of economics: formalised and textual approaches Characteristics of the formalised approach, some of main figures (Pareto, Arrow and Solow) Characteristics of the textual approach: institutional economics Growth and/or distribution – the most important division in economic theory Demand side and supply side economics: which side is more important The main arguments of the demand side theories The main arguments of the supply side theories Classical political economy, institutional economics and new institutional economics (Smith, Keynes, Hayek, North) Social order and institutions – North's suggestion Theories and the 2008 crisis: concepts and reality</p>	
<p>Evaluation method: Students have to take an oral exam at the end of the semester.</p> <p>Course assignments: Students are encouraged to actively participate in class discussion. In order to do that, they are required to read in advance.</p> <p>Course point distribution, examination format: The oral exam is based on one of the reading listed the required and suggested reading section. During the exam students have to present the main school which the theory is part of, the most important assumptions and findings, and have to present a case on how the theory can be applied to solving actual macroeconomic problems.</p>	
<p>Required reading: Douglass C. North, John Joseph Wallis and Barry R. Weingast: Violence and Social Orders: A Conceptual Framework for Interpreting Recorded Human History. Cambridge University Press, 2009. Richard A. Posner: The Crisis of Capitalist Democracy. Harvard University Press, 2010. Jude Wanniski: The Way the World Works. Gateway Editions, 1998.</p> <p>Suggested reading: John Maynard Keynes: The General Theory of Employment, Interest, and Money. Palgrave Macmillan, 2007. F.A. Hayek: The Road To Serfdom. University Of Chicago Press, 1994. T. Piketty: Capital in the Twenty-First Century. Harvard University Press, 2014.</p>	

