

## **Principles of Economics**

This course provides an introduction to economics. It is divided into two parts: microeconomics and macroeconomics.

Microeconomics deals with the behavior of individual agents, such as households, firms, and public institutions and with their interaction on markets. How can market demand be derived from the consumption choices of households? How can market supply be derived from the production decisions of firms? Which mechanisms give rise to an equalization of demand and supply? What are the consequences of market failure, and what can the state do about it?

Macroeconomics takes an aggregated perspective; it analyzes the economy as a whole. How can economic activity, inflation, and unemployment be measured? What are the factors that determine economic growth? Which mechanisms give rise to economic fluctuations, and how can these fluctuations be mitigated through fiscal and monetary policy?

1. Introduction

### **Microeconomics**

2. Consumption and Demand
3. Production and Supply
4. Perfect Competition
5. Market Failure

### **Macroeconomics**

6. Macroeconomic Indicators
7. Economic Growth
8. Economic Fluctuations

## **Textbooks**

Mankiw, Gregory N. and Mark P. Taylor (2023): *Economics*. Cengage.

Varian, Hal R. and Marc Melitz (2024): *Intermediate Microeconomics – A Modern Approach*. Norton & Company.

Mankiw, Gregory N. (2025): *Macroeconomics*. Macmillan.