

**Федеральное государственное бюджетное образовательное  
учреждение высшего образования  
«РОССИЙСКАЯ АКАДЕМИЯ НАРОДНОГО ХОЗЯЙСТВА  
И ГОСУДАРСТВЕННОЙ СЛУЖБЫ  
ПРИ ПРЕЗИДЕНТЕ РОССИЙСКОЙ ФЕДЕРАЦИИ»**

Институт общественных наук  
Школа публичной политики и управления  
Кафедра международного менеджмента

УТВЕРЖДЕНА  
кафедрой международного  
менеджмента  
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**РАБОЧАЯ ПРОГРАММА ДИСЦИПЛИНЫ**  
**Б1.В.ОД.6 Фундаментальная экономика (Economics)**  
*(индекс, наименование дисциплины, в соответствии с учебным планом)*

41.04.04 Политология  
*(код, наименование направления подготовки (специальности))*

«Master of Global Public Policy (Глобальная публичная политика) (Англоязычная  
магистратура)»  
*(направленность (профиль))*

Магистратура  
*(квалификация)*

Очная  
*(форма обучения)*

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  - 6.3. Учебно-методическое обеспечение самостоятельной работы
  - 6.4. Нормативные правовые документы
  - 6.5. Интернет-ресурсы
  - 6.6. Иные источники
7. Материально-техническая база, информационные технологии, программное обеспечение и информационные справочные системы

# **1. Перечень планируемых результатов обучения по дисциплине, соотнесенных с планируемыми результатами освоения программы**

1.1. Дисциплина Б1.В.ОД.6 Фундаментальная экономика (Economics) обеспечивает овладение следующими компетенциями с учетом этапа:

Код компетенции	Наименование компетенции	Код этапа освоения компетенции	Наименование этапа освоения компетенции
ПК-5	Способность к профессиональному составлению, оформлению и редактированию научно-технической документации, научных отчетов, обзоров, докладов и статей, проектов научно-исследовательских разработок	ПК-5.1	Способен использовать экономические знания для понимания и оценки процессов в экономической сфере жизни общества на различных уровнях.

1.2. В результате освоения дисциплины у студентов должны быть сформированы:

ОТФ/ТФ (при наличии профстандарта)/ профессиональные действия	Код этапа освоения компетенции	Результаты обучения
Планирование и координация деятельности подразделения Анализ результатов деятельности подразделения Составление и оформление управленческой документации. Анализ информации и подготовка информационно-аналитических материалов.	ПК-5.1	Обучающийся знает общеобязательные требования к профессиональному составлению, оформлению и редактированию научно-технической документации и технические условия их предоставления заказчику.

## 2. Объем и место дисциплины в структуре ОП ВО

### Объем дисциплины

Объем дисциплины: 72/2 54/2

Контактная работа: 16/12

Лекции 8/6

Лабораторные работы

Практические занятия 8/6

Самостоятельная работа 56/42

### Место дисциплины в структуре ОП ВО

индекс и наименование дисциплины: Б1.В.ОД.6 Фундаментальная экономика (Economics)

курс(ы), семестр(ы) или триместр(ы) ее освоения в соответствии с учебным планом: 1 курс, 1 семестр

дисциплина является основой для изучения:

Б1.В.ДВ.8.1 Россия и политика международных организаций (Russia and the Politics of International Organizations)

Б1.В.ДВ.8.2 Управление государственными финансами (Public Finance Management)

форма(ы) промежуточной аттестации в соответствии с учебным планом: Зачет

## 3. Содержание и структура дисциплины

### Очная форма обучения

№ п/п	Наименование тем (разделов),	Объем дисциплины (модуля), час.						Форма текущего контроля успеваемости**, промежуточной аттестации*
		Всего	Контактная работа обучающихся с преподавателем по видам учебных занятий				СР	
			Л/ЭО, ДОТ*	ЛР/ ЭО, ДОТ*	ПЗ/ ЭО, ДОТ*	КС Р		
Тема 1	PRINCIPLES OF ECONOMICS		2/1,5				6/4, 5	О,Т
Тема 2	DEMAND, SUPPLY AND EQUILIBRIUM		2/1,5				6/4, 5	О,Т
Тема 3	EFFICIENCY AND GOVERNMENT INTERVENTION		2/1,5				6/4, 5	О,Т
Тема 4	PRODUCTION AND COST		2/1,5				6/4, 5	О,Т

Тема 5	<b>PERFECTLY COMPETITIVE MARKETS</b>				2/1,5		8/6	<b>O,T</b>
Тема 6	<b>IMPERFECT COMPETITION</b>				2/1,5		8/6	<b>O,T</b>
Тема 7	<b>GDP AND INFLATION</b>				2/1,5		8/6	<b>O,T</b>
Тема 8	<b>LABOR MARKETS. UNEMPLOYMENT</b>				2/1,5		8/6	<b>O,T</b>
Промежуточная аттестация								<b>Зачет</b>
<b>Всего:</b>		<b>72/2 54/2</b>	<b>8/6</b>		<b>8/6</b>		<b>56/ 42</b>	

*\*Примечание – опрос (O), тестирование (T);*

### Содержание дисциплины

#### Тема 1. PRINCIPLES OF ECONOMICS

Introduction to economic thinking. Main questions of economics. Opportunity cost. Production possibility frontier. Economic principles. Applications: Absolute and comparative advantages

#### Тема 2. DEMAND, SUPPLY AND EQUILIBRIUM

The law of demand. The law of supply. Market equilibrium. Predicting changes in price and quantity. Elasticities of demand and supply. Types of goods.

#### Тема 3. EFFICIENCY AND GOVERNMENT INTERVENTION

Methods of organizing economic activity (market, command economy, majority voting). Benefit, cost and welfare. Efficiency and justice. Government actions in markets. Consumer surplus and producer surplus. Tax incidence

#### Тема 4. PRODUCTION AND COST

Firm's output decision. The law of diminishing returns. Average and marginal returns. Cost curves and their properties.

#### Тема 5. PERFECTLY COMPETITIVE MARKETS

Competitive market equilibrium in short-run and long-run. Competition and efficiency

#### Тема 6. IMPERFECT COMPETITION

Marginal revenue. Model of monopoly. Deadweight loss of monopoly. Price discrimination. Strategic interaction and oligopoly. Introduction to Game Theory

#### Тема 7. GDP AND INFLATION

Introduction to macroeconomics. GDP measurement. Circular-flow model of the economy. Real and nominal GDP. Price indices and inflation.

#### Тема 8. LABOR MARKETS. UNEMPLOYMENT

Labor market indicators. Employment and unemployment. Income distribution and income redistribution

## Тема 9. CREDIT MARKETS AND MONETARY SYSTEM

Financial institutions and capital markets. Money market. Central bank and money creation

## Тема 10. BUSINESS CYCLES AND MACROECONOMIC POLICY

Short-run economic fluctuations. Aggregate supply and aggregate demand. Fiscal policy. Monetary policy

### 4. Материалы текущего контроля успеваемости обучающихся и фонд оценочных средств промежуточной аттестации по дисциплине

#### 4.1. Формы и методы текущего контроля успеваемости, обучающихся и промежуточной аттестации.

##### 4.1.1. В ходе реализации дисциплины используются следующие методы текущего контроля успеваемости обучающихся:

При проведении занятий лекционного типа: опрос, тестирование;  
при проведении занятий семинарского типа: опрос, тестирование;

##### 4.1.2. Экзамен (зачет) проводится с применением следующих методов (средств):

Зачет в виде теста и письменной части

#### 4. 2. Материалы текущего контроля успеваемости обучающихся.

#### Типовые оценочные материалы по теме 1

##### Problem (Opportunity costs)

Peter is an economic consultant and has a job contract with a flexible time schedule. If he prefers, he can work every day. However, he can also take a leave every day. Peter does not enjoy the process of his job. His satisfaction from taking a leave for one day corresponds to the value of 5000 rubles. Peter's friend suggests going for a day trip to St Petersburg. Peter would be willing to pay up to 15000 rubles for an opportunity to spend a day in St Petersburg. Should Peter go for this trip if a round trip train ticket costs 6500 rubles and his daily salary is equal to

- (a) 10000 rubles,
- (b) 13500 rubles,
- (c) 20000 rubles.

##### Problem (Production possibility frontier, gains from trade)

- (a) Jane's Island's production possibilities are given in the following table. Draw a graph of the production possibility frontiers on Jane's Island. What are Jane's opportunity costs of producing corn and cloth at each output in the table?

corn (kg per month)	cloth (m per month)
3	0
2	2
1	4
0	6

- (b) Joe's Island's production possibilities are given in the following table. What are Joe's opportunity costs of producing corn and cloth at each output in the table?

corn (kg per month)	cloth (m per month)
6	0
4	1
2	2
0	3

- (c) Does any of the islands have absolute and/or comparative advantages in the production of corn and cloth?

## Типовые оценочные материалы по теме 2

### Problem (Demand and Supply)

Consider the following scenarios of possible changes in demand and/or supply and show in a demand-and-supply diagram the corresponding changes on the market.

- What is the predicted effect on the market for crude oil (changes in price and quantity) if the costs of oil extraction increase due to a reduction of oil reserves?
- What is the predicted effect on the market for cars with a high level of fuel consumption if the costs of oil extraction increase due to a reduction of oil reserves?
- What is the predicted effect on the market for air traffic if many consumers no longer fly due to their fear of safety deficiencies in air traffic?
- What is the predicted effect on the market for long-distance train rides if many consumers no longer fly due to their fear of safety deficiencies in air traffic?
- What is the predicted effect on the market for duty-free cigarettes if many consumers no longer fly due to their fear of safety deficiencies in air traffic?

### Problem (Equilibrium and Price Regulations)

The demand for ice cream is given by  $P = 400 - 2Q_D$ , where  $P$  indicates the price and  $Q_D$ , the quantity of ice cream demanded. The supply for ice cream is given by  $P = 100 + Q_S$ , where  $Q_S$  indicates the quantity of ice cream supplied.

- Draw the demand curve and the supply curve in the same diagram. Indicate the point of intersection of demand and supply. Explain its economic meaning.
- Suppose that the government sets a minimum price of 300 in order to support the ice cream industry. If this price prevails in the market, determine the quantity of ice cream demanded and the quantity of ice cream supplied. What is the quantity exchanged in the market at this price? Show which market participants are no longer able to buy or sell the good.

### Problem (Elasticity)

The table below gives the demand schedule for coffee.

- What is the price elasticity of demand when the price of coffee rises from 1000 rubles to 2000 rubles per kg? Is the demand elastic or inelastic?
- The revenue is calculated as the product of price and quantity. What happens to the total revenue when the price of coffee rises from 1000 rubles to 2000 rubles per kg?
- What is the price elasticity of demand when the price of coffee rises from 1500 rubles to 2500 rubles per kg? Is the demand elastic or inelastic? What happens to the total revenue in this case?
- What is the price when total revenue is at its maximum?
- What quantity of coffee will be sold at the price that maximizes the revenue? What is the price elasticity of demand at this price? (*Hint: Consider a change in price and quantity such that the revenue-maximizing price is the average price during this price change.*)



price (rubles per kg)	quantity demanded
1000	30
1500	25
2000	20
2500	15

### Типовые оценочные материалы по теме 3

#### Problem (Wage regulation on the labor market)

The table below gives the demand schedule and the supply schedule for university graduates on the labor market. The quantities demanded and supplied are given in hours per day.

wage rate (rubles per hour)	quantity demanded	quantity supplied
600	900	400
700	800	500
800	700	600
900	600	700
1000	500	800

- What is the equilibrium wage and the equilibrium quantity of employment? What is the number of hours of labor unemployed?
- If a minimum wage is set at 700 rubles an hour, how many hours do university graduates work? What is the number of hours of labor unemployed?
- If a minimum wage is set at 900 rubles an hour, what are the number of hours of labor employed and the number of hours of labor unemployed?
- Suppose that demand increases by 500 hours per day. If the minimum wage is 900 rubles an hour, what is the wage rate paid to university graduates and how many hours of their labor are unemployed?

#### Problem (Consumer Surplus, Producer Surplus and Deadweight Loss)

In the table below, demand and supply schedules for grape juice are given.

price (rubles per bottle)	quantity demanded	quantity supplied
0	800	0
50	700	100
100	600	200
150	500	300
200	400	400
250	300	500
300	200	600
350	100	700
400	0	800

- What is the maximum price that consumers are willing to pay for the 200th bottle?
- What is the minimum price that producers are willing to accept for the 200th bottle?
- Are 200 bottles less than or greater than the efficient quantity?
- What is the consumer surplus if the efficient quantity of grape juice is produced?
- What is the producer surplus if the efficient quantity of grape juice is produced?
- What is the deadweight loss if 200 bottles of grape juice are produced?

## Типовые оценочные материалы по теме 4

### Problem (Total factor variation)

The table below shows the production function of Mario's Pizza-to-Go. Mario must pay \$100 a day for each oven he rents and \$75 a day for each kitchen hand he hires. Labor is measured in workers per day and output, in pizzas produced per day.

- Find and graph the average total cost curve for each plant size.
- Draw Mario's long-run average cost curve.
- Over what output range does Mario experience economies of scale?
- Explain how Mario can use his long-run average cost curve to decide how many ovens to rent.

labor	output plant 1	output plant 2	output plant 3	output plant 4
1	4	8	11	13
2	8	12	15	17
3	11	15	18	20
4	13	17	20	22
ovens	1	2	3	4

### Problem (Product and cost curves. Partial factor variation)

Consider Lindt's product schedule for "Gold Bunny" chocolate rabbits. Labor  $L$  is measured in workers' hours per day and the quantity  $Q$  (total product), in chocolate rabbits produced per day. The daily wage rate  $w$  (price of labor per day) at Lindt's factory in Kilchberg is 50 Swiss francs per day, and total fixed costs associated with chocolate rabbits' production are SFr 100 per day.

- Calculate total cost TC, total variable cost TVC, and total fixed cost TFC for each level of output  $Q$  and draw the short-run total cost curves in a diagram with output quantities on the horizontal axis and cost values on the vertical axis.
- Calculate average total cost ATC, average fixed cost AFC, average variable cost AVC and marginal cost MC at each level of output and draw the short-run average and marginal cost curves in a separate diagram.
- Suppose that the wage rate increases to SFr 120 per day. Explain what changes occur to the short-run average and marginal cost curves. Indicate these changes graphically.
- Suppose that Lindt buys a second plant and now the total product of each quantity of labor doubles. The total fixed cost of operating each plant is SFr 100 a day. The wage rate is SFr 50 a day as originally.
  - Set out the average total cost curve when Lindt operates two plants in the graph from (b).
  - Draw the long-run average cost curve in the same graph.
  - Over what output ranges is it efficient to operate one plant and two plants?

$L$	$Q$	$TC$	$TVC$	$TFC$	$ATC$	$AFC$	$AVC$	$MC$
0	0							
1	12							
2	24							
3	48							
4	84							
5	121							
6	192							
7	240							
8	276							
9	300							
10	312							

### Типовые оценочные материалы по теме 5

#### Problem (Perfectly competitive firm)

"Vera Coffee" is one of many coffee shops in the town. It is a price taker with costs of production shown in the table below.

output $Q$ (cups of coffee)	total cost $TC$ (rubles)	$MC$	$AVC$	$ATC$
0	50			
1	300			
2	450			
3	560			
4	690			
5	855			
6	1040			
7	1240			

- Calculate the marginal cost schedule of the coffee shop.
- If coffee sells for 190 rubles a cup, what is the profit-maximizing output of the firm?
- What is the shutdown point of the coffee shop?
- Over what price range will Vera Coffee leave the industry in the long run? Over what price will other firms with the same cost structure enter the industry?
- What is the price of coffee in the long run if all existing and potential competitors have the same cost structure?

### Типовые оценочные материалы по теме 6

#### Problem (Single-price monopoly)

Dolly's Diamond Mines produces industrial diamonds and is a single-price monopoly. The tables below show the demand schedule for industrial diamonds faced by this firm and the firm's total cost schedule.

price (\$ per kg)	quantity demanded (kg per day)	<i>TR</i>	<i>MR</i>
3200	0		
3000	1		
2800	2		
2600	3		
2400	4		
2200	5		
2000	6		
1800	7		
1600	8		
1400	9		
1200	10		

quantity produced (kg per day)	total cost (\$ per kg)	<i>MC</i>
1	5600	
2	6200	
3	6600	
4	7200	
5	8000	
6	9000	
7	10000	
8	11600	
9	13200	
10	15000	

- Calculate the firm's total revenue and marginal revenue.
- What are the firm's profit-maximizing quantity and profit-maximizing price? Represent this decision of the monopolist graphically.
- Calculate the economic profit of the monopolist. What is the consumer surplus?
- Does Dolly's Mines use resources efficiently? Why or why not?

#### Problem (Duopoly and Collusion)

Two firms, "Faster" and "Quicker", are the only two producers of sports cars on an island that has no contact with the outside world. The firms collude and agree to share the market equally. If neither firm cheats on the agreement, each firm makes \$3 million economic profit. If either firm cheats, the cheater can increase its economic profit to \$4.5 million, while the firm that abides by the agreement incurs an economic loss of \$1 million. If both firms cheat, there is a fierce competition such that both firms just break even. Both firms make their decisions simultaneously, and neither firm has any way of predicting or monitoring the actions of the other.

- Represent this strategic situation as a game. What is the set of players? What is the set of strategies available to each player?
- What are the possible outcomes in this game and the corresponding payoffs? Represent the payoff matrix of this game.
- Describe the best strategy for each firm in a game that is played just once. Do players have dominant strategies?
- What is the Nash equilibrium in this game if it is played just once?
- What is the Pareto efficient outcome? Is the Nash equilibrium of this game Pareto efficient?
- Does Adam Smith's "invisible hand theorem" hold here? Why or why not?

Problem (GDP measurement)

The following table represents the macroeconomic transactions in a country that were performed last year.

transaction	dollars
GDP	1,400,000
consumption expenditure	700,000
taxes	350,000
transfer payments	150,000
profits	300,000
investment	350,000
exports	400,000
savings	400,000
imports	350,000

Calculate

- (a) the aggregate expenditure,
- (b) the net exports,
- (c) the government expenditure.

Problem (Inflation)

The people on Coral Island buy only juice and cloth. The CPI basket contains the quantities bought in 2013. The average household spent \$60 on juice and \$30 on cloth in 2013 when the price of juice was \$2 a bottle and the price of cloth was \$5 a running meter. In 2014, juice is \$4 a bottle and cloth is \$6 a running meter.

- (a) Determine the CPI basket. Calculate the CPI in 2013 and the percentage of the household's budget spent on juice in 2013.
- (b) Calculate the CPI and the inflation rate in 2014.

**Типовые оценочные материалы по теме 8**Problem (Unemployment)

Read the following news story from the "Business Week" that was published on the 24th of June 2008.

Michigan now holds a dubious record: It leads the U.S. in joblessness. The state's unemployment rate was 8.5% in May while the U.S. unemployment rate was only 5.5%. The reason is clear: Detroit's emphasis on big trucks and sport-utility vehicles has turned sour. But even though the official unemployment numbers look awful, the reality is worse. The official number does not reflect those who have given up looking for a job.

In 2010, at 13.6 percent of the state's labor force, Michigan had the nation's highest official unemployment rate. But in 2012, Michigan's unemployment rate fell to 9 percent, a larger fall than that in the United States as a whole. Around 11,000 businesses in Michigan produce high-tech scientific instruments and components for defense equipment, energy plants, and medical equipment.

- (a) Why was the reality of the unemployment problem in Michigan actually worse than the 8.5 percent unemployment rate statistic in 2008?
- (b) Was this higher unemployment rate in Michigan frictional, structural, or cyclical? Explain.
- (c) What factor led to the favorable 2012 employment results in Michigan compared to the U.S. average? Was this a frictional, structural or cyclical factor? Explain.

**Problem (Unemployment)**

Read the “Economics in the News” section on pp. 568-569 in Ch. 22 of Parkin’s “Economics” including the Economic Analysis. Answer the following questions.

- How many jobs must be created each month to keep pace with a growing population?
- What normally happens to the unemployment rate when the pace of job creation exceeds the growth of population?
- Why might the unemployment rate sometimes increase, when the pace of job creation exceeds the growth of population?
- How would you expect the labor force participation rate to respond to job creation in excess of population growth?
- How would you expect the increase in real GDP to affect jobs and unemployment?

**Типовые оценочные материалы по теме 9****Problem (The loanable funds market)**

In 2010, a household had disposable income of Euro 80,000, wealth of Euro 140,000, and an expected future income of Euro 80,000 a year. At a real interest rate of 4% a year, the family saves Euro 15,000 a year; at a real interest rate of 6% a year, the family saves Euro 20,000 a year; and at a real interest rate of 8% a year, they save Euro 25,000 a year.

- Draw a graph of the household’s supply of loanable funds.
- Suppose that in 2011 the stock market crashes and the default risk increases. Explain how this increase in default risk influences the household’s supply of loanable funds. Indicate this change graphically.
- Indicate graphically the effect of a decrease in the supply of loanable funds and an even larger decrease in the demand for loanable funds on the real interest rate and the equilibrium quantity.

**Типовые оценочные материалы по теме 10****Problem (Government in the loanable funds market. Fiscal policy)**

The table below shows an economy’s demand and supply for loanable funds schedules, when the government budget is balanced, i.e. when the tax revenue exactly equals the sum of government expenditure and transfers. The real interest rates are expressed in % per year and the quantities of loanable funds, in billions of Euro.

real interest rate	loanable funds demanded	loanable funds supplied
4	850	550
5	800	600
6	750	650
7	700	700
8	650	750
9	600	800
10	550	850

- Determine the real interest rate, the quantity of investment, and the quantity of private saving if the government budget is balanced. Indicate this equilibrium solution graphically.
- Suppose that the government has now a budget surplus of Euro 100 billion. Determine the real interest rate, the quantity of investment, and the quantity of private saving. Is there any crowding out of private saving by the government saving?
- Suppose that the government has now a budget deficit of Euro 100 billion. Determine the real interest rate, the quantity of investment, and the quantity of private saving. Is there any crowding out in this

situation?

- (d) Suppose that the government still has a budget deficit of Euro 100 billion, and the Ricardo-Barro effect occurs, i.e. rational taxpayers respond to this budget deficit by increasing their private saving in order to finance the budget deficit. Determine the real interest rate, the quantity of investment, and the quantity of private saving. Is there any crowding out in this situation?

#### 4.3. Оценочные средства для промежуточной аттестации.

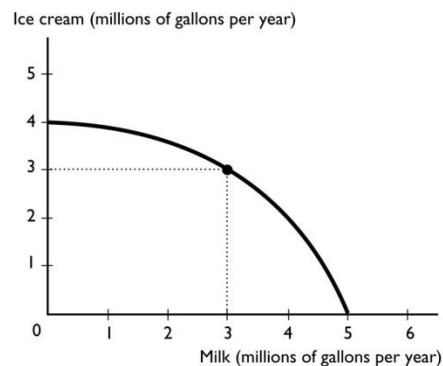
##### 4.3.1. Формируемые компетенции

Код компетенции	Наименование компетенции	Код этапа освоения компетенции	Наименование этапа освоения компетенции
ПК-5	Способность к профессиональному составлению, оформлению и редактированию научно-технической документации, научных отчетов, обзоров, докладов и статей, проектов научно-исследовательских разработок	ПК-5.1	Способен использовать экономические знания для понимания и оценки процессов в экономической сфере жизни общества на различных уровнях.

##### 4.3.2 Типовые оценочные средства

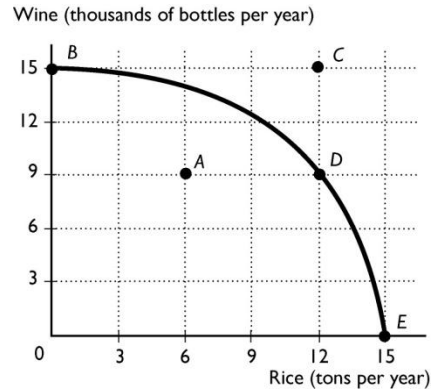
#### PART I: MULTIPLE CHOICE QUESTIONS. (2 points per question, up to 40 points overall)

In Part I, there are 20 questions. For each question, there is exactly one true answer option. Please choose the true options and indicate them clearly in the empty fields on the right-hand side of the page.

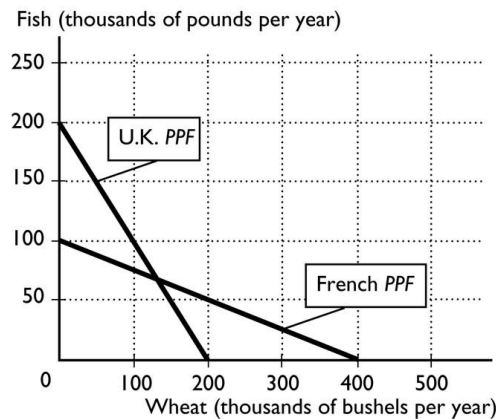


- 1) The figure above shows the production possibilities frontier for a country. A combination of 4 million gallons of milk and 4 million gallons of ice cream is
- A) unattainable and production efficient.
  - B) unattainable.
  - C) attainable and production efficient.
  - D) attainable and production inefficient.
  - E) More information is needed to determine if the point is attainable or not.

1)   B



- 2) The above figure shows the production possibility frontier for a country. Suppose the country is producing at point *B*. What is the opportunity cost of increasing the production of rice to 12 tons? 2) **B**
- A) 9 thousand bottles of wine
  - B) 6 thousand bottles of wine
  - C) 12 tons of rice
  - D) 15 thousand bottles of wine
  - E) Nothing, the opportunity cost is zero.

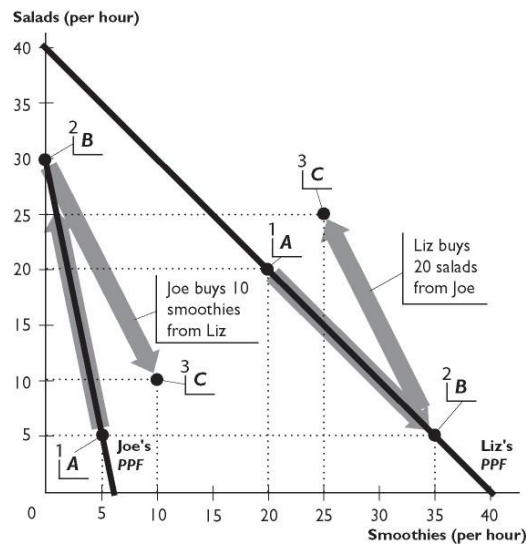


- 3) The figure above shows the production possibilities frontiers for the United Kingdom and France. What is the opportunity cost of one bushel of wheat for the United Kingdom? 3) **B**
- A) 200 pounds of fish
  - B) 1 pound of fish
  - C) 2 pounds of fish
  - D) 1/4 of a pound of fish
  - E) 1/2 of a pound of fish
- 4) The figure above shows the production possibilities frontiers for the United Kingdom and France. If the United Kingdom and France specialize and engage in trade, the United Kingdom will export \_\_\_\_\_ and France will export \_\_\_\_\_. 4) **C**
- A) wheat; wheat
  - B) nothing; nothing
  - C) fish; wheat
  - D) fish; fish
  - E) wheat; fish
- 5) In a recession, consumers have less income to spend. As a result, if dining out is a normal good, then which of the following would happen to the demand curve for dining out? 5) **D**
- A) The demand curve would shift rightward.
  - B) The demand curve would not shift but the price of dining out would rise.



- C) The effect on the demand curve is unknown.
- D) The demand curve would shift leftward.
- E) The demand curve would not shift but the price of dining out would fall.

- 6) Oil refiners can refine a barrel of petroleum so that it yields either more home heating oil or more diesel fuel. If the price of diesel fuel falls, there is
- A) an increase in the supply of home heating oil.
  - B) an increase in the demand for home heating oil.
  - C) a decrease in the supply of home heating oil.
  - D) a decrease in the quantity of home heating oil supplied.
  - E) an increase in the quantity of home heating oil supplied.

6) A

- 7) The figure above shows Liz's and Joe's production possibilities for Salads and Smoothies. Using the figure, suppose with no trade Liz and Joe each produce at point A on their respective PPFs. Then, Liz suggests that they specialize and trade. She would produce only smoothies and Joe would produce only salads. Then she would sell 10 smoothies to Joe at a price of 2.5 salads per smoothie. In this scenario,
- A) Liz gains 5 smoothies, and Joe gains 10 smoothies.
  - B) Liz gains 10 smoothies and 5 salads, and Joe gains 5 smoothies.
  - C) Liz gains 5 smoothies and 5 salads, and Joe loses 5 salads.
  - D) Liz gains 10 smoothies, and Joe loses 5 smoothies.
  - E) Neither of the individuals gains from trade.

7) B

Price (dollars per gallon)	Quantity demanded (gallons of gasoline)	Quantity supplied (gallons of gasoline)
3.73	337,982	441,074
3.68	396,398	428,008
3.65	412,031	412,031
3.62	417,899	391,665

- 8) The table above shows the situation in the gasoline market in Tulsa, Oklahoma. If the price of a gallon of gasoline is \$3.62, then
- A) there is a surplus of gasoline in Tulsa.
  - B) there is a shortage of gasoline in Tulsa.
  - C) the gasoline market in Tulsa is in equilibrium.
  - D) Without more information we cannot determine if there is a surplus, a shortage, or an equilibrium in the gasoline market in Tulsa.
  - E) There is neither a surplus nor a shortage, but the market is NOT in equilibrium.

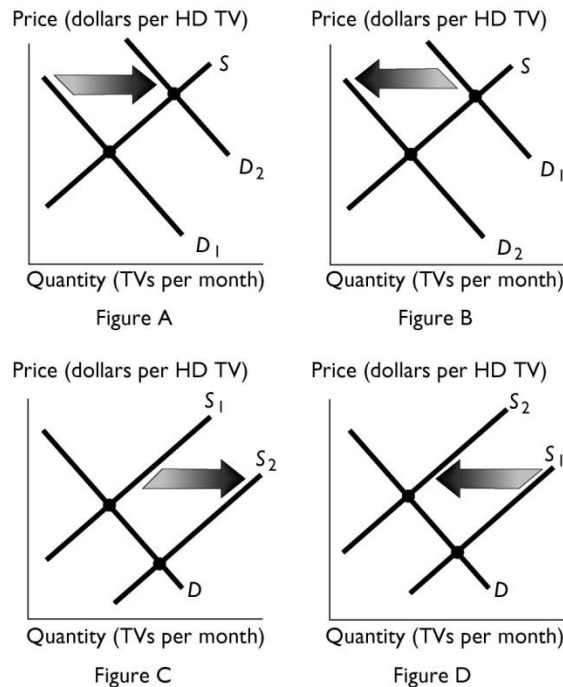
8) B

- 9) The demand for oranges increases while the supply decreases. The equilibrium price of oranges \_\_\_\_\_, 9) **\_\_D\_\_**  
and the equilibrium quantity \_\_\_\_\_.

A) falls; perhaps changes but we can't say if it increases, decreases, or stays the same  
B) rises; decreases  
C) falls; increases  
D) rises; perhaps changes but we can't say if it increases, decreases, or stays the same  
E) does not change; perhaps changes but we can't say if it increases, decreases, or stays the same

- 10) The technology associated with manufacturing computers has advanced enormously. This change has led 10) **\_\_A\_\_**  
to the price of a computer \_\_\_\_\_ and the quantity \_\_\_\_\_.

A) falling; increasing  
B) falling; not changing  
C) rising; increasing  
D) falling; decreasing  
E) rising; decreasing



- 11) The above figures show the market for HD televisions. If cable television providers lower the price of providing HD cable service, which figure shows the effect of this change? 11) **\_\_A\_\_**

A) Figure A  
B) Figure B  
C) Figure C  
D) Figure D  
E) None of the figures represent this change.

Price (dollars per skirt)	Quantity demanded (skirts per year)
20	30
35	25

- 12) Using the data in the table above, when the price of a skirt rises from \$20 to \$35, what is the price elasticity of demand? (Use the midpoint method.) 12) **\_\_A\_\_**

A) 0.33      B) 3.00      C) 1.00      D) 1.33      E) 0.25

- 13) If a 10 percent increase in income leads to a 5 percent decrease in the demand for a good, the income elasticity of demand equals \_\_\_\_\_ and the good is \_\_\_\_\_ good. 13) **\_\_C\_\_**

- A) -5; an inferior
- B) 2; a normal
- C) -1/2; an inferior
- D) -2; a normal
- E) 1/2; a normal

14) Which of the following is true?

- i. The supply of a good is inelastic if when its price changes, the percentage change in the quantity supplied exceeds the percentage change in price.
- ii. Price elasticity of supply equals the percentage change in the quantity supplied divided by the percentage change in price.
- iii. If demand is price elastic, a rise in price leads to a decrease in total revenue.

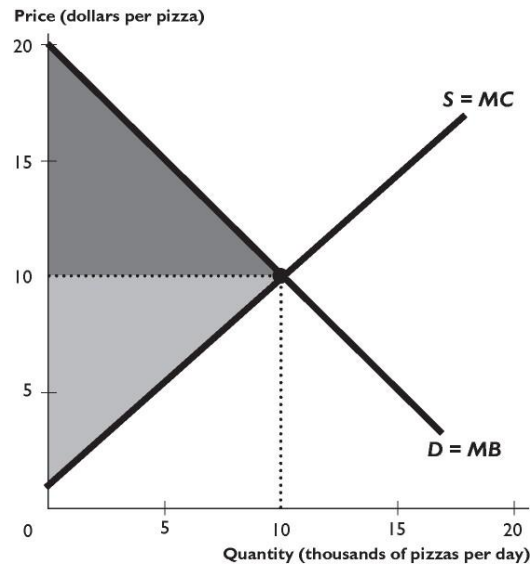
A) only i

B) only ii

C) only iii

D) i and ii

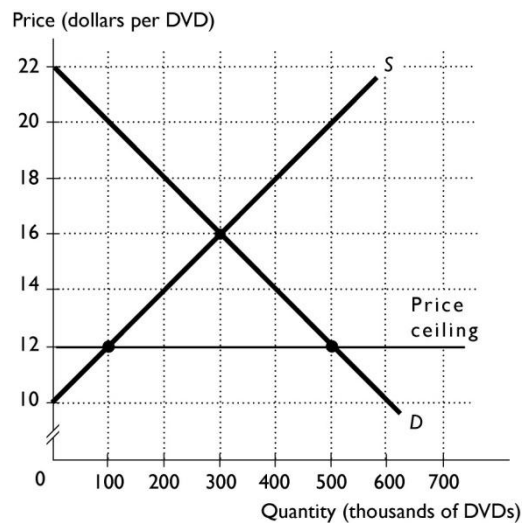
E) ii and iii



15) The figure above shows the market for pizza. If pizza production is restricted to 5,000 pizzas a day, the deadweight loss is

- A) \$22,500 per day.
- B) \$45,000 per day.
- C) \$25,000 per day.
- D) \$12,500 per day.
- E) zero.

15) C



- 16) The above figure shows the market for DVDs. The government decides that all citizens deserve to watch affordable DVDs so a price ceiling of \$12 per DVD is placed on DVDs. After this price ceiling is in effect, deadweight loss equals \_\_\_\_\_.
- A) \$800,000      B) \$1,800,000      C) \$400,000      D) \$200,000      E) \$1,600,000

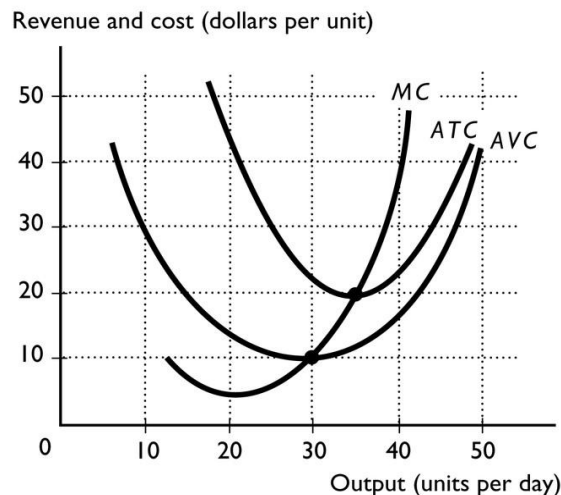
16)   A  

Quantity of Labor (workers)	0	1	2	3	4	5	6
Total Product (units per hour)	0	2	5	9	15	18	17

- 17) The table above shows the total product schedule for The X Firm. Decreasing marginal returns occur with the \_\_\_\_\_ worker because \_\_\_\_\_.
- A) 6th; output starts to decline  
 B) 5th; the marginal product of labor for the 5th worker is less than the marginal product of the 4th worker  
 C) 4th; output reaches its maximum  
 D) 5th; the average product of labor is also declining  
 E) 6th; the marginal product of labor is greater than the average product of labor

17)   B  

- 18) As we observe the cost curves graph, we see that the
- A) *ATC* curve always has a negative slope.  
 B) *MC* curve intersects the *AVC* curve and *ATC* curve at their minimums.  
 C) *MC* curve intersects the *ATC* curve at its maximum.  
 D) *MC* constantly falls as output increases.  
 E) *MC* curve cannot be U-shaped.

18)   B  

- 19) The above figure shows a perfectly competitive firm. If the market price is more than \$20 per unit, the firm
- A) will definitely shut down to minimize its losses.  
 B) will stay open to produce and will make zero economic profit.  
 C) will stay open to produce and will incur an economic loss.  
 D) will stay open to produce and will make an economic profit.  
 E) might shut down but more information is needed about the fixed cost.

19)   D  

- 20) To maximize its profit, a single-price monopoly produces the amount of output so that its marginal revenue
- A) is less than its marginal cost.  
 B) exceeds its marginal cost but not necessarily by as much as possible.  
 C) equals zero.  
 D) equals its marginal cost.

20)   D

E) exceeds its marginal cost by as much as possible.

## PART II. PROBLEMS.

### PROBLEM II-1. (30 points)

The demand and supply schedules for blueberry muffins are given in the following table.

Price (rubles per muffin)	Quantity demanded (millions per day)	Quantity supplied
10	8	0
15	7	1
20	6	2
25	5	3
30	4	4
35	3	5
40	2	6
45	1	7
50	0	8

- a) Sketch the demand and the supply curves below. Determine the equilibrium quantity and the equilibrium price. (8 points)

$$Q = 4$$

$$P = 30$$

- b) Calculate the consumer surplus, the producer surplus and the total surplus in this market equilibrium. (8 points)

$$CS = 0.5 \cdot (50 - 30) \cdot 4 = 40$$

$$PS = 0.5 \cdot (30 - 10) \cdot 4 = 40$$

$$TS = 40 + 40 = 80$$

- c) Suppose that government introduces a unit tax on buyers of 20 rubles a muffin. What will be the new price paid by the buyers and the new price received by the sellers? (8 points)

$$Q = 2$$

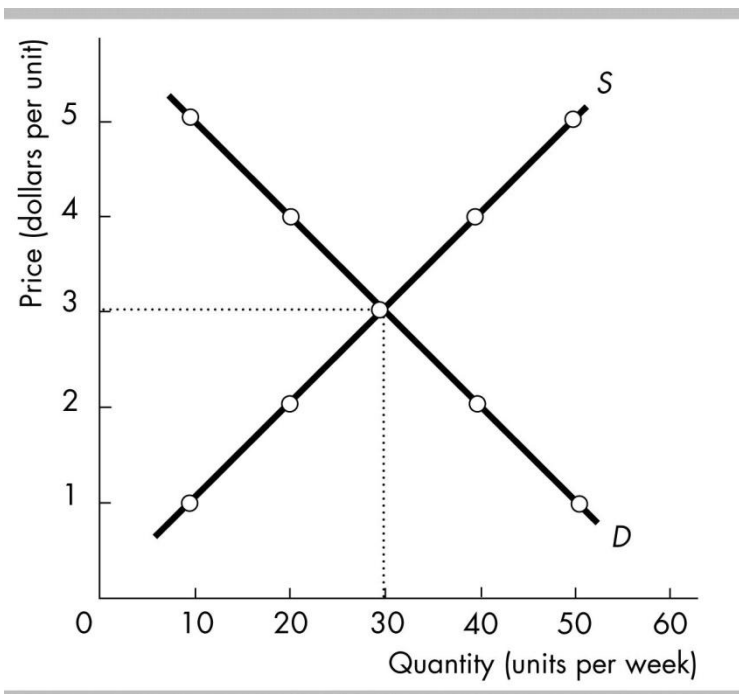
$$P_S = 20$$

$$P_B = 40$$

- d) How is the total tax burden distributed between the sellers and the buyers? Explain how this distribution of the tax burden is related to the elasticities. (6 points)

Each side pays  $\frac{1}{2}$  of the total tax burden. The distribution of the tax burden between sellers and buyers is determined by the elasticities of demand and supply. Since the price elasticity of demand is -1.5 and the price elasticity of supply is 1.5 at the market equilibrium, the tax burden is distributed equally between buyers and sellers.

**PROBLEM II-2. (30 points)**



Consider the demand and supply curves for a consumption good in the graph above.

- a) Explain which curve shows the marginal benefits and which curve shows the marginal cost. Is the marginal cost increasing or decreasing and why? (5 points)

The downward-sloping demand curve shows the marginal benefits. The upward-sloping supply curve shows the marginal cost. The marginal cost is increasing with more production. This is because the supply curve corresponds to the part of the marginal cost curve that lies above the average cost and is upward-sloping. The economic reason is that, typically, the firm exploits gains from division of labor and specialization and produces quantities such that additional production can only occur with more than proportionate usage of production factors that become scarce and thus more costly.

- b) Explain which curve shows the marginal willingness to pay of the consumers. How does it change with more consumption and why? (5 points)

The willingness to pay of the consumers is represented by the demand curve. The vertical level of each point on this curve indicates the additional benefit and thus the maximum willingness to pay for an additional unit of the good. Since consumers' marginal benefit decreases with more consumption,

they are not willing to pay as much as for the first units of the good. Therefore, the marginal willingness to pay for the good is decreasing.

- c) What are the equilibrium quantity and the equilibrium price in this market without government intervention? Is this outcome (Pareto) efficient? Why or why not? (5 points)

Without government intervention, the equilibrium quantity is 30 and the equilibrium price is 3. This outcome is Pareto efficient as it is an outcome of a perfectly competitive market. By the 1st theorem of welfare economics (invisible hand), every perfectly competitive market equilibrium is Pareto efficient since it is impossible to attain a higher level of social welfare (sum of producer and consumer surplus).

- d) Describe how this outcome will change if the government introduces a maximum price of 2 dollars. What will be the quantity sold and bought? What is the efficiency loss of the society? (5 points)

With a maximum price of 2, the quantity demanded is 40 and the quantity supplied is 20. Thus, there is an excess demand of 20. The quantity sold is determined by the supply side and amounts to 20. The deadweight loss is  $0.5 \cdot (4-2) \cdot (30-20) = 10$ .

- e) Now assume that the government introduces a quota of 10 units per week. What are the possible market prices in this situation? What is the efficiency loss of the society? (5 points)

With a quota of 10, the maximum willingness to pay of the buyers is 5 whereas the lowest acceptable price for the producers is 1. The deadweight loss is  $0.5 \cdot (5-1) \cdot (30-10) = 40$ .

**Шкала оценивания.**

<b>Показатели оценивания</b>	<b>Критерии оценивания</b>
Обучающийся знает общеобязательные требования к профессиональному составлению, оформлению и редактированию научно-технической документации и технические условия их предоставления заказчику.	<ol style="list-style-type: none"> <li>1. Не имеет базовых знаний.</li> <li>2. Фрагментарные знания.</li> <li>3. Демонстрирует частичные знания.</li> <li>4. Сформированные, но содержащие отдельные пробелы знания.</li> <li>5. Сформированные систематические знания.</li> </ol>

<b>Баллы Grades (0-100)</b>	<b>Традиционная оценочная система РАНХиГС Traditional grading system in RANEPA</b>		<b>Описание критериев оценки Grade Distribution Guidance</b>
<b>80 - 100</b>	<b>Excellent</b>	<b>5</b>	The course is fully mastered. Student presents high level of professional knowledge of all the relevant issues, uses terminology and applies theoretical parts in problem solving; knows how to deal with specific questions beyond the course. Student presents well-reasoned position on the key issues of the course.
<b>65 - 79</b>	<b>Good</b>	<b>4</b>	The course is fully mastered. Student presents good standards of professional knowledge of the relevant issues, uses terminology and applies theoretical parts in problem solving fairly well.
<b>55 - 64</b>	<b>Satisfactory</b>	<b>3</b>	The student has sufficient level of knowledge of all the problems of the course; knows terminology and understands how the theoretical material can be used as a tool to solve practical problems.
<b>50 - 54</b>	<b>Satisfactory</b>	<b>3</b>	The student has knowledge of almost all the problems of the course; knows terminology and understands how the theoretical material can be used as a tool to solve practical problems.
<b>45 - 49</b>	<b>Marginal Pass</b>	<b>3</b>	The student has some knowledge of the problems of the course; presents weak knowledge of terminology and problems solving technique.
<b>0-44</b>	<b>Fail</b>	<b>2</b>	Students is not prepared and does not present sufficient knowledge of the course material
<b>45-100</b>	<b>Passed</b>		The course is fully mastered. Student presents good standards of professional knowledge of the relevant issues, uses terminology and applies theoretical parts in problem solving fairly well.
<b>0 - 44</b>	<b>Not Passed</b>		Students is not prepared and does not present sufficient knowledge of the course material

**4.4 Методические рекомендации**



Students' knowledge is assessed by testing method. A test is an assessment intended to measure a test-taker's knowledge and skill. Test combines two forms: written form and multiple choice form. Student is expected to solve 80 percent of the test in order to get highest mark. All the grades for the test are presented in the table above.

#### **5. Методические указания для обучающихся по освоению дисциплины (модуля)**

Занятия по дисциплине «Introduction to Economics» представлены следующими видами работы: лекционные и практические занятия, самостоятельная работа студентов.

На лекциях студенты знакомятся с новым материалом, задают вопросы, ведут конспект лекции. На практических занятиях студенты выполняют задания, связанные с обсуждением отдельных вопросов.

Самостоятельная работа проводится во внеаудиторное время без непосредственного участия преподавателя (подготовка к практическим занятиям, изучение учебного материала, отнесенного к самостоятельному освоению, выполнение домашнего задания, подготовка докладов, подготовка к промежуточной аттестации). Во время самостоятельной работы студенты используют материалы лекций, научно-методическую литературу, первоисточники, современную научную литературу, периодическую литературу, материалы, содержащиеся в сети «Интернет». Самостоятельную работу во внеаудиторное время студенты могут проводить в библиотеке Академии.

#### **6. Учебная литература и ресурсы информационно-телекоммуникационной сети "Интернет", включая перечень учебно-методического обеспечения для самостоятельной работы обучающихся по дисциплине (модулю)**

##### **6.1. Основная литература.**

Parkin, Michael "Economics. Global Edition", 12th edition, Pearson Education, 2016.

##### **6.2. Дополнительная литература.**

Parkin, Michael, Melanie Powell, and Kent Matthews. (2014), Economics. European Edition, 9th edition, Pearson Education

Acemoglu, Daron, Laibson, David, and John A. List (2016), Economics. Global edition, Pearson Education

Samuelson, Paul, and William Nordhaus (2010), Economics, 19th edition (available in Russian translation: Пол Э. Самюэльсон, Вильям Д. Нордхаус. Экономика. Пер. с англ. 19-ого изд. - М.: "Вильямс", 2015.)

Witztum, Amos (2005), Economics: An Analytical Introduction. Oxford University Press

##### **6.3. Учебно-методическое обеспечение самостоятельной работы.**

##### **6.4. Нормативные правовые документы.**

##### **6.5. Интернет-ресурсы.**

<http://www.pearsonhighered.com/parkin>

<http://economicus.ru/library.html>

##### **6.6. Иные источники.**

## **7. Материально-техническая база, информационные технологии, программное обеспечение и информационные справочные системы**

Для проведения курса требуется класс, оборудованный доской, маркерами, компьютером и проектором.

Изучение дисциплины требует наличие персональных компьютеров и интернет-классов для поиска дополнительной информации во время самостоятельной работы студентов.