

Óbuda University
Keleti Faculty of Business and Management

GGTEP1KTNC

Foundations of economic policy(EP), Comparative economic systems

Institute:	Institute of Economics and Social Sciences 1084 Budapest, Tavaszmező u. 17.		Credits:	3
Study	full-time	Language:	english	Semester: winter

Technical information

Course owner:	Dr. Valéria Szekeres	Teacher:	Dr. István Csillag
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Prerequisites:

Weekly / semester hours:	weekly	Course:	1	Classroom Practice:	1	Lab:	0	Consultation:	0
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Requirement: mid-term mark

Condition of Signature:

Grading:

Educational purpose:

The aim of this course to understand the institutions, tools and methods of different economic systems, and different economic policies. The course introduces the underlying values of basics of economic policies, the theoretical background, the functions and mechanisms of various policies. This course applies the well-known methods of comparative economic systems, as main efforts are focused on the introduction of the most important institutions and the institutional framework. The historical background of institutions and development of theories and practice is also emphasized. Relations and functions of macroeconomy (e.g. IS-LM ; AD-AS functions) are embedded in economic policy solutions in situ.

Mid-tern requirements (task, thesis, essay, etc.):

It is compulsory to take part on lectures and seminars. The level of absence cannot exceed the level written in TVSZ. Written test on the 13th week (final written exam). Missed written exam(s) can be made up on the 14th week. For those whose absence level had exceeded the regulated level missed written exams cannot be made up for. Students have the possibility to replace one of their exam by an essay of no more than 5 (test) or 10 (Written final exam) pages on a pre-approved EP topic. The essay must be handed in before 10 am on the last Friday of previous week of the exam both electronically and in print

The written exam is evaluated as follows:
 0-51%: fail (1)
 52%-64%: pass (2)
 65%-74%: good (3)
 75%-84%: very good (4)
 85%-100%: excellent (5)

Once the grades are available an inspection hour will be organised.

Week of Education (Consultation)

Topic (Course)

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| 1. | The main aims of economic policy, most important players. The collisions of national framework of economic policy and the playfield of global, world market. |
| 2. | The development of theoretical background: the role of state intervention. Values and theories: classical, keynesianism, new-classical theory. |
| 3. | The institutions and instruments of economic policy I. State budget: Expenditures and Taxes. The macroeconomic stabilization : supply-side and demand-side interventions and the multiplication function. |
| 4. | The Institutions and instruments of economic policy II. Monetary policy. Regulation of money-supply, Interest-rate and exchange-rate mechanisms. Inflation, stagflation. |
| 5. | The Institutions and instruments of economic policy III. State ownership and Privatization. Competition-Policy. Anti-trust legislation |

6.	The Institutions and instruments of economic policy IV. Trade-policy. Possibilities of economic policy in open and in closed economy. Current-account and capital account. Multinationals and national policies.
7.	The Institutions and instruments of economic policy V. Structural policies, Infrastructure development and Industrial policy, Branch-industry, Development of competitiveness and technology
8.	The Institutions and instruments of economic policy VI.. Structural and regional policies. Collisions of environmental protection and Infrastructure development. Externalities and internalization.
9.	The Institutions and instruments of economic policy VI. Welfare Policy. Health-Care. Social Insurance, Redistribution of Incomes.
10.	The Institutions and instruments of economic policy VI. Influence of international organizations on economic policy. Washington consensus, European Union. Economic integration and state intervention. Overflows and contagion. The possibilities of joining to the euro-zone.
11.	The most important players in the formulation of national economic policy. Transparency and influence of interest-groups, lobbying. The economic reforms of the 80'ties in Hungary and in the region. Reforms and Changes
12.	The Hungarian economic policy during the twenty years of transformation. Privatization, Institution-building, Interactions and programs
13.	The Hungarian economic policy and Path Dependency.. The origins of cyclical stop and go policy..First Written exam.
14.	Repeated written exam for those who were not able to qualify at first exam
Week of Education (Consultation)	Topic (Practice)
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14.	
Week of Education (Consultation)	Topic (Lab)
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12.	
13.	
14.	
	Compulsory literature
1	Stiglitz, Joseph E.: The economics of the public sector .W.W.NortonCo.2000.
2	
3	

4	
	Recommended literature
1	Acella, Nicola: The Foundations of Economic Policy. Cambridge University Press. 1998. or 2006.
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The quality assurance methods of the course:	
	Developed competences
	Forecasting the effects of economic acts in a closed economy.
	Competence in recognition the consequences of recent economic decisions.
	The student is able to manage the informations.