



Political economy

Course code	<i>ECO106</i>
Compulsory in programs	<i>Economics</i>
Level of studies	<i>Undergraduate</i>
Number of credits	<i>6 ECTS (48 in-class hours + 6 consultation hours + 2 exam hours, 104 individual work hours)</i>
Course coordinator	<i>Dr. Vincentas Vobolevičius, vinvob@ism.lt</i>
Prerequisites	<i>None</i>
Language of instruction	<i>English</i>

AIM OF THE COURSE

At the end of the course students will have learned two things: 1) key theories of economic growth and their track record in the policy world; 2) effects that political institutions have on politicians' implementation of economists' recommendations. A combination of these perspectives will endow students with a more sophisticated understanding of the reason why economic growth has been elusive outside a handful of countries (to borrow a phrase from the course textbook) and of the challenges as well opportunities that lie ahead.

MAPPING OF COURSE LEVEL LEARNING OUTCOMES (OBJECTIVES) WITH DEGREE LEVEL LEARNING OBJECTIVES (See Annex), ASSESSMENT AND TEACHING METHODS

Course level learning outcomes (objectives)	Degree level learning objectives (Number of LO)	Assessment methods	Teaching methods
CLO1. Analyze key theories on Economic Growth, list their assumptions, empirical predictions and real-world effects;	ELO 1.1. ELO 1.2. ELO 2.1.	Midterm exam & seminar grade	Lecture, independent reading & seminar debate
CLO2. Model consequences of political institutions (electoral systems and governing rules) as agendasetting tools of economic policy	ELO 1.1. ELO 1.2.	Midterm exam & seminar grade	Lecture, independent reading & seminar debate
CLO3. Identify consequences of social conditions (corruption, income inequality, demographic transition) for economic growth.	ELO 1.1. ELO 1.2.	Final exam & seminar grade	Lecture, independent reading & seminar debate
CLO4. Identify patterns and consequences of economic policies (foreign aid, domestic aid to industries, anti-corruption measures, income redistribution, etc.)	ELO 1.1. ELO 1.2. ELO 2.1.	Final exam & seminar grade	Lecture, independent reading & seminar debate
CLO5. Work in groups, facing time constraints.	ELO 4.1.	Seminar grade	Seminar debate
CLO6. Present and defend discussion results in a seminar setting.	ELO 4.1. ELO 4.2.	Seminar grade	Seminar debate

ACADEMIC HONESTY AND INTEGRITY

The ISM University of Management and Economics Code of Ethics, including cheating and plagiarism are fully applicable and will be strictly enforced in the course. Academic dishonesty, and cheating can and will lead to a report to the ISM Committee of Ethics. With regard to remote learning, ISM reminds students that they are expected to adhere and maintain the same academic honesty and integrity that they would in a classroom setting.



COURSE OUTLINE

Week	Topic	In-class Hours	Sample assignments
1	Capital Accumulation / modernization – based theories of growth & evidence	4	Easterly (2001). Pages 25 - 45 (Chapter 2)
2	Structural theories of growth & evidence	4	Candler, G.G. 1996. Cardoso, Dependency Theory and Brazil
3	Technology – based theories of growth & evidence	4	Easterly W. (2001). Pages 47 - 70. Chapter 3.
4	Political regimes & growth: a focus on foreign aid	4	Econtalk: Bruce Bueno de Mesquita on Democracies and Dictatorships
5	Democratic institutions & growth: a focus on industrial policy	4	McGillivray, F. 2004. Privileging Industry. Ch. 1, pp. 1 - 7 and 17 - 22.
6	Midterm examination	2	
7	Corruption: concepts and economic consequences	4	Easterly W. (2001). Pages 241 - 253. Chapter 12.
8	Corruption: political & policy predictors	4	Rose-Ackerman S. & J. Kunicova. 2006. ...Constraints on Corruption
9	Income inequality: concepts and economic consequences	4	Ehrhart, Ch. 2009. The Effects of Inequality on Growth
10	Income redistribution: economic consequences	4	Easterly W. (2001). Pages 241 - 253. Chapter 11.
11	Income redistribution: political predictors	4	Iversen T. & D. Soskice 2009. Distribution and Redistribution ... (Section 2.2, p.p. 14 - 19)
12	Demography and future challenges: innovation v. robotization	4	Basso H. & J. Jimeno. 2019. Demographics, Technology ... Secular StagnationFile
	Total hours	48	
	Consultations	6	
	Final exam	2	

FINAL GRADE COMPOSITION

Type of assessment	Weight
Seminar discussions and presentations	20%
Midterm examination	40%
Final examination	40%
Total	100%

DESCRIPTION AND GRADING CRITERIA OF EACH ASSIGNMENT

Midterm exam will consist of open short-answer questions. It will take place during the lecture and will comprise 40% of the

final grade. The midterm will be based on topics 1-5.

Final exam will consist of open short-answer questions. It will take place during the lecture and will comprise 40% of the final



grade. The midterm will be based on topics 6-12.

Seminar discussions and presentations will address all topics covered in class. These activities will take place during the

lecture and will comprise 20% of the final grade.

RETAKE POLICY

In case of a negative final grade, students can sit for a retake exam. Such an exam will cover all course material. The weight of a retake is 80%. Seminar participation grade is not subject to retake but its evaluation (if positive) will count towards the final grade with the retake exam.

REQUIRED READINGS

William Easterly, 2002. "The Elusive Quest for Growth: Economists' Adventures and Misadventures in the Tropics," MIT Press Books, The MIT Press

ADDITIONAL READINGS

TBA

DEGREE LEVEL LEARNING OBJECTIVES

Learning objectives for the Bachelor of Business Management

Programs:
International Business and Communication,
Business Management and Marketing, Finance,
Industrial Technology Management

Learning Goals	Learning Objectives
Students will be critical thinkers	BLO1.1. Students will be able to understand core concepts and methods in the business disciplines
	BLO1.2. Students will be able to conduct a contextual analysis to identify a problem associated with their discipline, to generate managerial options and propose viable solutions
Students will be socially responsible in their related discipline	BLO2.1. Students will be knowledgeable about ethics and social responsibility
Students will be technology agile	BLO3.1. Students will demonstrate proficiency in common business software packages
	BLO3.2. Students will be able to make decisions using appropriate IT tools
Students will be effective communicators	BLO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	BLO4.2. Students will be able to convey their ideas effectively through an oral presentation
	BLO4.3. Students will be able to convey their ideas effectively in a written paper

Learning objectives for the Bachelor of Social Science

Programs:
Economics and Data Analytics,
Economics and Politics

Learning Goals	Learning Objectives
Students will be critical thinkers	ELO1.1. Students will be able to understand core concepts and methods in the key economics disciplines
	ELO1.2. Students will be able to identify underlying assumptions and logical consistency of causal statements
Students will have skills to employ economic thought for the common good	ELO2.1. Students will have a keen sense of ethical criteria for practical problem-solving
Students will be technology agile	ELO3.1. Students will demonstrate proficiency in common business software packages
	ELO3.2. Students will be able to make decisions using appropriate IT tools



Students will be effective communicators	ELO4.1. Students will be able to communicate reasonably in different settings according to target audience tasks and situations
	ELO4.2. Students will be able to convey their ideas effectively through an oral presentation
	ELO4.3. Students will be able to convey their ideas effectively in a written paper