

DEPARTMENT OF ECONOMICS

<http://iibf.baskent.edu.tr/lisans/iktisat.htm>

The objective of the undergraduate Economics Program is to equip students with the theoretical, quantitative, and statistical bases of economics and to enhance them through applied courses.

Economics has a close relationship with the political and social structure of a society. Consequently, an accurate analysis of economic phenomenon depends upon an ability to understand their political and social context. Hence, social science courses and the analysis of economic thought and institutions are integral parts of the program.

The Department, working with other departments in the Faculty, seeks to enable the students to make effective career choices through elective courses. The program aims to prepare students for careers in the public and private sectors and to equip with the necessary skills those who wish to continue their education at graduate level.



CORE CURRICULUM

Catalog Course Load : 6 courses, 19 credits

T:Theoretic **P:**Practice **C:**Credit **M:**Must **E:**Elective

PRE:Prerequisite **ECTS:**European Credit Transfer System

Term Course Load : 6 courses, 19 credits

First Term (Fall)		T	P	C	M/E	ECTS
ECON101	Introduction to Economics I	3	-	3	M	6
ENG131	Academic English I	4	-	4	M	5
MAN143	Mathematics I	4	-	4	M	6
PSIR101	History of Civilization and Science	3	-	3	M	6
PSIR103	Introduction to Sociology	3	-	3	M	5
TÜRK101	Turkish I	2	-	2	M	2

Term Course Load : 6 courses, 19 credits

Second Term (Spring)		T	P	C	M/E	ECTS
ECON102	Introduction to Economics II	3	-	3	M	6
ENG132	Academic English II (PRE:ENG131)	4	-	4	M	5
MAN144	Mathematics II (PRE:MAN143)	4	-	4	M	6
PSIR102	Physics and Contemporary World	3	-	3	M	6
PSIR104	Introduction to Psychology	3	-	3	M	5
TÜRK102	Turkish II	2	-	2	M	2

Term Course Load : 7 courses, 21 credits

Third Term (Fall)		T	P	C	M/E	ECTS
ATA201	Ataturk's Prin. and the Hist. of the Turkish Rep. I	2	-	2	M	2
BTU210	Applied Information Technologies	2	2	3	M	5
ECON201	Microeconomic Theory (PRE:ECON101)	3	1	3	M	4
ECON245	Mathematics for Economists (PRE:MAN144)	3	-	3	M	4
ENG231	Academic English III (PRE:ENG132)	4	-	4	M	5
MAN221	Principles of Accounting I	3	-	3	M	5
MAN243	Mathematical Statistics and Probability I	3	-	3	M	5

Term Course Load : 7 courses, 21 credits

Fourth Term (Spring)		T	P	C	M/E	ECTS
ATA202	Ataturk's Prin. and the Hist. of the Turkish Rep. II	2	-	2	M	2
ECON202	Macroeconomic Theory (PRE:ECON102)	3	1	3	M	4
ECON222	Economic History	3	-	3	M	4

ENG232	Academic English IV (PRE:ENG231)	4	-	4	M	5
MAN222	Principles of Accounting II (PRE:MAN221)	3	-	3	M	5
MAN242	Computer Skills	3	-	3	M	5
MAN244	Mathematical Statistics and Probability II (PRE:MAN243)	3	-	3	M	5

Term Course Load : 6 courses, 18 credits

Fifth Term (Fall)		T	P	C	M/E	ECTS
ECON311	International Economics I (PRE:ECON202)	3	-	3	M	5
ECON341	Econometrics I (PRE:MAN243)	3	-	3	M	5
ECON351	Public Finance (PRE:ECON202)	3	-	3	M	5
ECON363	Money and Banking	3	-	3	M	5
ENG331	Translation	2	2	3	M	-
XXXXXX	Elective I	3	-	3	M	E

Term Course Load : 6 courses, 18 credits

Sixth Term (Spring)		T	P	C	M/E	ECTS
ECON312	International Economics II (PRE:ECON202)	3	-	3	M	5
ECON342	Econometrics II (PRE:ECON341)	3	-	3	M	5
ECON352	Public Economics	3	-	3	M	5
ECON354	Turkish Financial and Banking System	3	-	3	M	5
ENG332	Developing Reading and Listening Skills	2	2	3	M	-
XXXXXX	Elective II	3	-	3	M	E

Term Course Load : 6 courses, 18 credits

Seventh Term (Fall)		T	P	C	M/E	ECTS
ECON401	Economic Growth and Development I	3	-	3	M	5
ECON403	Law and Economics	3	-	3	M	5
ECON421	History of Economic Thought	3	-	3	M	5
ENG431	Developing Writing and Speaking Skills	2	2	3	M	-
XXXXXX	Elective III	3	-	3	M	E
XXXXXX	Elective IV	3	-	3	M	E

Term Course Load : 6 courses, 18 credits

Eighth Term (Spring)		T	P	C	M/E	ECTS
ECON402	Economic Growth and Development II	3	-	3	M	5
ECON422	Turkish Economy	3	-	3	M	5
ENG432	Presentation Skills	2	2	3	M	-
XXXXXX	Elective V	3	-	3	M	E
XXXXXX	Elective VI	3	-	3	M	E
XXXXXX	Elective VII	3	-	3	M	E

Elective Courses**T P C M/E ECTS**

ECON301	Advanced Macroeconomics (PRE:ECON201)	3	-	3	E	5
ECON304	Turkish Private Law	3	-	3	E	5
ECON343	Mathematical Economics I (PRE:ECON245)	3	-	3	E	5
ECON344	Mathematical Economics II (PRE:ECON245)	3	-	3	E	5
ECON371	Economics of Population	3	-	3	E	5
ECON372	Cost-Benefit Analysis	3	-	3	E	5
ECON373	Economic Science of Technology	3	-	3	E	5
ECON374	Introduction to the Theory of Finance	3	-	3	E	5
ECON404	Turkish Public Law	3	-	3	E	5
ECON411	The Economy of the EU and Turkey	3	-	3	E	5
ECON412	Globalization and Regionalization	3	-	3	E	5
ECON424	Ottoman Economic History	3	-	3	E	5
ECON431	Economics of Natural Resources and Environment	3	-	3	E	5
ECON432	Industrial Organization and Public Policy	3	-	3	E	5
ECON433	Labor Economics	3	-	3	E	5
ECON434	Agricultural Economics	3	-	3	E	5
ECON435	Public Regulation of Industries	3	-	3	E	5
ECON436	Production Economics	3	-	3	E	5
ECON441	Applied Econometrics I (PRE:ECON342)	3	-	3	E	5
ECON442	Applied Econometrics II (PRE:ECON342)	3	-	3	E	5
ECON443	Game Theory	3	-	3	E	5
ECON444	Mathematical Models (PRE:ECON245)	3	-	3	E	5
ECON471	Economic Policy	3	-	3	E	5
ECON472	Comparative Economic Policy	3	-	3	E	5
ECON473	Economics Seminar I	3	-	3	E	5
ECON474	Economics Seminar II	3	-	3	E	5
MAN311	Corporate Finance	3	-	3	E	5
MAN347	Management Science II	3	-	3	E	5
MAN401	Managerial Economics	3	-	3	E	5
MAN412	Financial Markets	3	-	3	E	5
MAN414	International Finance	3	-	3	E	5
MAN452	Business Forecasting Methods	3	-	3	E	5
MAN468	Turkish Business System	3	-	3	E	5

The Student Has To Get At Least One Of ECON343, ECON344, ECON443 And ECON444 Courses.

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COURSE DESCRIPTIONS

DEPARTMENT OF ECONOMICS

ECON 101 Introduction to Economics I

Subject matter, content and methods of economics; demand-supply and price; consumer behavior; income distribution; externalities; public goods, examples from Turkey.

ECON 102 Introduction to Economics II

Methods of measurement and determination of national income; the consumption, saving and investment functions; employment and inflation; public finance, money and banking; international trade; macroeconomic policy; economic growth and development; examples from Turkey.

ECON 201 Microeconomic Theory

Consumer behavior and demand; the theory of production and cost; markets and the behavior of firms; public goods, externalities; risk and uncertainty; general equilibrium and welfare (Prerequisite: ECON 101).

ECON 202 Macroeconomic Theory

National income accounting; aggregate demand and supply; the Classical, Keynesian and Neoclassical theories of income determination; general price level, money demand functions; international business cycles and their effects, stabilization policies (Prerequisite: ECON 102).

ECON 222 Economic History

Economic developments since the discovery of the New World; the rise of the North Atlantic economies, the Industrial Revolution, colonialism, center-periphery relations; changes in population, education, technology, transportation, institutional structure and their effects on the economic rise and fall of nations.

ECON 245 Mathematics for Economists

Matrices and inverse matrices, linear transformations and base transformation; the characteristic equation; eigenvalues, eigen vectors and quadratic forms; differential equations of the first order, difference equations; phase diagrams; simultaneous differential and difference equations; linear second order differential equations (Prerequisite: İŞLE 144).

ECON 301 Advanced Microeconomics

Selected topics in microeconomics; economics of information; advanced consumption and production theories; principles of organizational economics; principal-agent problems; mathematical models in microeconomics and their applications (Prerequisite: EKON 201).

ECON 304 Turkish Private Law

Concept of Law: sources and divisions of law; basic law of individuals, economy and firms; private law; law of contracts; commercial law; business law.

ECON 311 International Economics I

International trade theory: factor endowments and the basis of comparative advantage, foreign trade and income distribution; economic integrations and their consequences; foreign trade and economic geography, the effects of technology on foreign trade and growth (Prerequisite: ECON 202).

ECON 312 International Economics II

Balance of payments; disequilibrium and adjustment; foreign exchange markets; international organisations and monetary systems; analysis of trade policy and practice (Prerequisite: ECON 202).

ECON 341 Econometrics I

The simple regression model, hypothesis testing, estimation, functional forms, multiple regression model; economic applications of the models; definitional errors in applications and problems such as multicollinearity (Prerequisite: Man 243).

ECON 342 Econometrics II

Testing structural change, prediction error, dummy variables, seasonal adjustment, time series analysis, pooling cross section and time series data, lagged variables, simultaneous equations, defining and predicting with a single equation; applications (Prerequisite: ECON 341)

ECON 343 Mathematical Economics I

The application of mathematical optimization techniques to the theories of choice, utility and production; constrained optimization, Lagrange multipliers and shadow prices, convex sets, convex and concave functions; saving and investment decisions; discounted present value; the optimal utilization of natural resources; taxation; the theory of expected utility; general equilibrium; temporary equilibrium under rational expectations (Prerequisite: ECON 245).

ECON 344 Mathematical Economics II

Linear programming, the simplex method and dual simplex method, duality theory, shadow prices and sensitivity analysis; applications of integer programming; input-output analysis; game theory; activity analysis (Prerequisite: ECON 245).

ECON 351 Public Finance

Budget systems, government expenditures and tax structures; tax incidence; subsidies; the theory of income determination; the theory of economic stability; the effects of government expenditure and taxes on economic activity (Prerequisite: ECON 202).

ECON 352 Public Economics

Market failure and government intervention; public goods, externalities and decreasing costs; income distribution and welfare theory; social security; cost-benefit analysis.

ECON 354 The Turkish Financial and Banking System

The evolution of the Turkish tax system and its present structure, public expenditures and revenues; the sources of public revenues: income, expenditure and wealth taxes; the elasticity of taxes and their incidence; government borrowing policy; income transfers; public finance and growth; banking system in Turkey; the Central bank, commercial banks and their relations.

ECON 363 Money and Banking

The definition of money; the determinants of money supply and money demand; money markets and the determination of the interest rate; the monetary approach to the changes in the price level; the financial system: central banking, commercial banking and other financial intermediaries; monetary policy; examples from Turkey.

ECON 371 Economic Demography

Economic-demographic relations: demographic analysis; overlapping generations models; demography and economic growth; economic models of immigration and fertility; demography and social security; demographic policy.

ECON 372 Cost-Benefit Analysis

Principles of evaluation of costs and benefits of projects and programs; issues of definition and measurement of costs and benefits; rate of return; market failures; risk and uncertainty; applications.

ECON 373 Economics of Science, Technology and Innovation

Knowledge, technological innovation and growth relations; market incentives for innovations; market structure and innovations; intellectual property rights, patents and rewards for innovations; national science and technology policy; innovations and international competition; institutional structure of innovation.

ECON 401 Economic Growth and Development I

Macroeconomic growth models; especially the models emphasizing capital accumulation, education, population, fertility, technological development, international trade, natural resources and division of labour; two factor growth models; effects of institutional and organizational structure on economic growth and development; political and sociological approaches to economic development; case studies; recent developments in world trade order and their significance for less developed countries.

ECON 402 Economic Growth and Development II

The effects of microeconomic structure on growth and development: the pattern of land ownership, risk, uncertainty and peasant behavior; factor markets and factor incomes; the relationships between poverty, fertility, urban bias, institutions and population growth; the effects of population growth on economic growth: rural poverty and the destruction of natural resources; sustainable development: definition of and requirements; rural-urban migration; its causes and effects; squatters, the informal sector; case studies.

ECON 403 Law and Economics

The role of the law in forming the framework for the efficient realisation of market transactions and securing efficient resource allocation; Contract Law; competition and anti-trust laws; labor laws and labor unions; state control and regulation of private initiative; legal aspects of international trade.

ECON 404 Turkish Public Law

History of Turkish constitutional law; its basic principles and constitutional institutions; process of constitutional court; introduction to administrative law; administrative body and its domain; administrative legal process; tax code.

ECON 411 The Economy of the European Union and Turkey

The reasons for the establishment and the evolution of the European Union, the theory of economic integration; institutions of the European Union; the basic policies and problems of the European Union; foreign trade and protectionism; environmental policies, consumer rights; the Common Agricultural Policy (CAP), The European Monetary Union and its problems; factor movements; the relations between Turkey and the Union and related problems; Customs Union.

ECON 412 Globalization and Regionalization

Globalization and Regionalization; the evolution of globalization and regionalization since the 1950's, the evolution in the European Union; customs union, common market; economic and monetary union, common policies and theoretical and practical analysis of regionalization movements in the world and their effects on the foreign trade and economic growth of the member countries.

ECON 421 History of Economic Thought

The evolution of economic thought since antiquity, the relation between economic thought and economic system or economic environment; Aristo, Aquinas, Mun; Mercantilism, the Physiocrats; the Classicals and Neoclassicals; the contributions of Hume, Smith, Malthus, Ricardo, Marx, Mill, Walras, Marshall, Schumpeter and Keynes; the institutionalists; recent developments in economic thought; the Chicago school, rational expectations.

ECON 422 Turkish Economy

The structure of the economy since the Republic; the changes in the structure and their causes; income sources and their uses; developments in income, production and population; developments in public finance, commerce, urbanization and income distribution; regional disparities; evolution of economic policies; the basic economic problems of Turkey; diagnosis and approaches to their solutions.

ECON 424 Ottoman Economic History

The Ottoman Society and Economy since the developments of the 16th and 17th centuries; the fundamental causes of the developments in the economic order and backwardness relative to the societies of Western Europe; institutional structure, reform movements and critical appraisal.

ECON 431 Economics of Natural Resources and Environment

Exhaustible resources and their optimal utilization; renewable resources and their optimal utilization; resource scarcity; resource utilization and growth in the long-run; social value of natural resources and natural environment; environmental pollution and policy; water, air and soil pollution; hazardous wastes; alternative policy approaches to environmental problems; policy instruments and administrative issues.

ECON 432 Industrial Organization and Public Policy

Industrial structure, behavior and performance; measuring monopoly power; the behavior of oligopolistic firms; static and dynamic measures of market performance; vertical and horizontal integration; strategic behavior; industrial structure and research and development; anti-trust laws; consumer protection laws; industrial organization in Turkey; trends in industrial organization in developed countries.

ECON 433 Labor Economics

Theories of labor supply and demand; allocation of labor and wage determination under different market conditions; labor unions; collective bargaining; government interference with labor markets; unemployment: concepts of and measurement; income distribution, unemployment and inflation.

ECON 434 Agricultural Economics

Current agricultural problems and their sources; the role and effects of various agricultural policies; relations between agriculture and other sectors of the economy; characteristics of Turkish agriculture; problems of Turkish agriculture and approaches to their solution.

ECON 435 Public Regulation of Industries

Analysis of state intervention to economy; causes and consequences of regulations; alternative regulation theories and models; institutions of regulation; political economy of regulation.

ECON 436 Economics of Production

Derivation, estimation and use of production, cost, profit, return, demand and supply functions; concepts of efficiency and productivity; responsiveness of production to risk and intertemporal allocation.

ECON 441 Applied Econometrics I

Applied analysis of cross-section and time series data in economics; macroeconomic modeling, model testing and forecasting using demand, production, cost and consumption functions; simulation; simple and multiple regression techniques and applications of simultaneous equations systems; examples and computer based applications (Prerequisite: ECON 342).

ECON 442 Applied Econometrics II

Macroeconomic models, estimation, prediction and simulation; diagnostics; dynamic economic models, cointegration, simultaneous equation systems; examples and computer based applications (Prerequisite: ECON 342).

ECON 443 Game Theory

Analysis of the cases in which the optimal decisions of the economic actors depend on the expected behavior of other actors; solutions of cooperative and noncooperative games; static and dynamic games; games with incomplete information; applying various games to wage bargaining and to areas such as monetary and fiscal policies.

ECON 444 Mathematical Models

Introduction to non-linear programming, (Kuhn-Tucker conditions); dynamic programming, transportation problem; network analysis, PERT-COST systems, inventory models; queuing models (Prerequisite: ECON 245).

ECON 471 Economic Policy

Contemporary theories of macroeconomic policy; comparison of the Keynesian, Monetarist and Classical macro theories; rational expectations; control of inflation; reduction of unemployment and budget deficits; examples of macroeconomic policy applications from various countries.

ECON 472 Comparative Economic Policy

Theories of political economy; monetarism, neoliberalism and institutionalism; internal structure, public choice and economic performance of various countries; East Asia, Latin American and Scandinavian models; the future of the welfare state; developments in production organization and their socio-economic effects, Post- Fordism and flexible production; privatization.

ECON 473 Economics Seminar I

Discussions on recent empirical and theoretical issues; in the seminar every student makes a presentation which is discussed in the classroom; every student develops his/ her presentation into a paper to be submitted to the instructor. Experts on the issues from or outside the university are invited to lecture on particular topics.

ECON 474 Economics Seminar II

The contents are the same with that of ECON 473.