UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

Scienza delle Finanze - A-L

1819-1-A5810003-AL

Learning objectives

1) Provide the students with the basic notions which are required to understand main economic phenomena.

2) Allow the students to understand the reasons and the implications of the State intervention in decentralised market-based economies.

Contents

Scienza delle finanze is the only mandatory course with economic contents taught during the 5-years programme. For this reason, it aims to covers not only the traditional issues of any course in public economics-namely reasons, tools and limits of State intervention in decentralised market-based economies- but also to provide the students with the basic notions which are required to understand main economic phenomena. While the first unit is devoted to design the context, the first part of the course (units from 2 to 5) covers some basic topics in microeconomics: demand, supply and market types. The second part (units from 6 to 10) covers some of the typical issues in public finance, i.e. market failures and taxation. Basic knowledge of algebra is required.

Detailed program

1. Introductory concepts: measure and determinants of life standards; capitalism and market; subject of economics in the contemporary world.

2. Demand for goods and services: definition, formulation, graphical representation. Derivation of aggregate demand. Consumers surplus. Definition and measure of the elasticity of demand. Relationship between elasticity and revenues.

3. Production of goods and services: productivity curves and costs in the short run.

4. Perfect competition market.

5. Imperfect competition markets: monopoly, oligopoly, monopolistic competition.

6. Welfare economic theorems and the concept of market failure.

7. Asymmetry of information. Public goods.

8. Externalities.

9.Consumption taxes.

10.Labour income taxes.

Prerequisites

Basic notions of algebra

Teaching methods

Front-end lectures with examples and exercises.

Assessment methods

Written test. Possibile oral integration.

Textbooks and Reading Materials

Course material, including slides, examples and exercises, will be made available through the elearning platform by the end of the week of their use in class.

For units 2-5 the reference book is J. Sloman, D. Garrat, Microeconomia, Il Mulino, Bologna, last edition.

References to the course material are the following (2013 edition)

Unit 2: chapter 1 section 1, chapter 2 section 7, chapter 3 sections 1 and 2, chapter 4 figures 4.12 and 4.13
Unit 3: chapter 4 section 1, chapter 4 section 2.1
Unit 4: chapter4 section 4, chapter 5 sections 2.1, 2.2, 2.3 and 2.4, chapter 2 section 7.3
unità 5: chapter5, sections 3, 4, 5 and 6.1

Alternatively, any microeconomics text could be used for the corresponding parts.

For units 6-10 two texts can alternatively be used:

a) Harvey S. Rosen e T. Gayer "Scienza delle finanze" Mc Graw-Hill, which is more basic;

b) ovvero il testo di B. Bosco e L. Parisio," Lezioni di Scienza delle Finanze", Giappichelli, which is fairly more advanced.

References to the course material are the following (RG stands for Rosen e Gayer ed 2014, BP stands for Bosco e Parisio):

Unit 6: RG chapter 3; BP chapter 2, sections 6 and 7
Unit 7: RG chapter 4 until section 4.3.1; BP chapter 5 until section 4 and chapter 3 until section 4.1
Unit 8: RG chapter 5, BP chapter 4
Unit 9:RG chapter 14, sections 1 and 2 , BP chapter 8 sections 1,2 and 3 and chapter 9 sections 1 e 2
Unit 10: RG chapter 17 section 1; BP chapter 9 sections 3 e 4.