



UNIVERSITÀ  
DEGLI STUDI DI MILANO-BICOCCA

## COURSE SYLLABUS

### Macroeconomics

1920-2-E1801M005

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#### Learning objectives

The course aims to introduce students to the main topics of modern macroeconomics. In particular, the course will analyze three main macroeconomic models (the IS-LM model, the AS-AD model, the neoclassical growth model), and will study the main economic policies and their effects according to the time horizon (short / medium / long term). Particular attention will be paid to the exchange rate management, and to inflation and public debt.

#### Contents

Short term:

income of equilibrium and its fluctuations; effectiveness of fiscal and monetary policies.

Medium and long term:

price and wage settings, expectations, economic growth.

Pathologies:

unsustainable public debt.

#### Detailed program

##### PART I: The Short Period

- Introduction: macroeconomic variables and national accounts
- Effective demand in an economy with fixed prices:
- Income and Spending
- Imports, exports in open economy;
- Consumption, savings, investment, public sector and financial markets in the Keynesian model
- Determining the level of production and the impact of monetary and fiscal policies: the IS-LM model
- Exchange rates, capital movements and the impact of monetary and fiscal policies in an open economy

## **PART II: The macroeconomic equilibrium with viscous prices and wages and the adjustment process from short to long term**

- The Labor Market
- Inflation and Unemployment
- Inflationary pressures, production levels, and effects of monetary and fiscal policies
- The role of Economic Policy, Time Inconsistency

## **PART III: The Long Period**

- The Stylized Facts of Growth
- Savings, Capital Accumulation and Production
- Technological Progress and Growth

## **PART IV: Pathologies and overview**

- High Public Debt
- The history of macroeconomics from the great depression to the present

### **Prerequisites**

Microeconomics and algebra

### **Teaching methods**

Frontal lectures

## **Assessment methods**

The exam will be in written form. Attending students have the opportunity to split the exam into two parts, supporting partial tests.

## **Textbooks and Reading Materials**

Rudiger Dornbush, Fischer Stanley, Startz Richard, Canullo Giuseppe, Paolo Pettenati:  
Macroeconomia (McGraw Hill, ed. 2016)

## **Semester**

Primo

## **Teaching language**

Italian

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