



UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

Political Economy

2021-2-E1601N096

Learning objectives

Introduction to the principles, concepts and tools of economics.

Application of the analytical approach of microeconomics, based on the cost-benefit principle, to the behavior of economic agents and the functioning of markets.

Contents

Cost-benefit principle and opportunity costs; Game theory and social interactions; Incentives and firm governance; Welfare analysis and Pareto efficiency; Supply, demand and competitive equilibrium; Labour market; Credit market; Economic growth, fluctuations, inflation and economic policies.

Detailed program

Gross Domestic Product (GDP), income and living standards; Decision making and scarcity; Cost-benefit principle and opportunity costs; Game theory and social interactions; Cooperation, negotiation, conflicts of interest, and social norms; Welfare analysis and Pareto efficiency; Principal-agent theory; The firm: owners, managers, and employees; Supply, demand and competitive equilibrium; Rent-seeking, price-setting and market dynamics; The labour market; Banks, money, and the credit market; Economic growth and fluctuations; Unemployment and fiscal policy; Inflation, unemployment, and monetary policy.

Prerequisites

Algebra and basic notions of calculus.

Teaching methods

Lectures, training sessions and blended learning.

During Covid-19 emergency situation, both lectures and training sessions will be taught remotely, mostly in asynchronous ways, with some synchronous events.

Assessment methods

No intermediate tests.

The final written exam is made up of open questions and exercises. Each question assigns from 0 (no answer or completely wrong answer) to a maximum of points that will be clearly indicated, for a total of max 32 points.

Students must take the exam in max 90 minutes.

The types of questions/exercises in the exam will be discussed and analyzed with the students in tutorship lectures during the course.

During Covid-19 emergency situation all exams will be held remotely. The test will be carried out in a paper-and-pencil mode, using WebEx and Esamionline platforms. Detailed instructions will be posted on the course page (at <http://elearning.unimib.it>) in advance.

Textbooks and Reading Materials

Textbook: *The CORE Team (2018), L'economia. Comprendere il mondo che cambia*, il Mulino, Bologna. Free e-book (in english) available at <https://www.core-econ.org/>.

Additional reference: Frank, R., Bernanke, B., McDowell, M., Thom, R., Pastine, I. (2013), *Principi di Economia*, McGraw-Hill 4th edition.

Slides, video-lectures, exercises and further material will be made available at the course page on the e-learning platform <http://elearning.unimib.it/>
