UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

Political Economy

2324-2-E1601N096

Learning objectives

The course aims at illustrating the fundamental notions used in economics to explain economic agents' behaviours and market performances.
By the end of the course the student will be able to:

- (knowledge): understand the main microeconomic theories and economic measures and use them to describe the behaviour of consumers, producers and their interaction within different markets;
- (application) interpret the main economic evidence, and: i) apply the theory to determine and study how the interaction among economic agents allows to reach different market equilibria (or disequilibria); ii) assess the effects of different market structures on the total welfare of the economy, and to evaluate their efficiency; iii) understand the main national economic evidence and to compare it with other markets and countries, with particular emphasis on the role of institutions
  The course will provide skills and competences required to profitably attend more advanced economic courses and to learn the extensions and implications of the theories developed in this course.

Contents

The course assesses, in an introductory way, the main principles economics: including the functioning of economic systems, agents' decisions and the role of Institutions

Detailed program

PARTE I: MICROECONOMICS

Introduction
– Principles of economics, economic models and scientific approach

Equilibrium and Optimization
– Marginal approach and equilibrium

Consumer choice
– Preferences, constraints and consumer choice

Production choice
– Costs, technology and optimal factor combination

Competitive markets and Equilibrium
– Demand and supply in competitive markets.
– Market Failures:
o Externality and public goods
o Coase’s Theorem
o Asymmetric information and moral hazard
– Efficiency and public intervention

Imperfectly competitive markets

– Monopoly
– Strategic play and game theory
– Oligopoly e and monopolistic competition

PARTE II: MACROECONOMICS

Economic wealth
– Main economic aggregates:
o GDP
o Employment and unemployment
– Inequality
– Economic growth

Banks, money and macroeconomic policies

– Banks and financial intermediation
– Monetary system
– Economic cycle
– Fiscal and monetary policies

Prerequisites

Sufficient math and logic skills; comprehension and communication skills (written and oral)

Teaching methods

Lectures, real-life applications and case studies

Assessment methods

Written exam to be taken into IT lab, single exam on the full program.
Structure:

- Part 1: 12 multiple choice (0-2 points each) (30 minutes) for extensive knowledge assessment
- If sufficient grade (>=12) is obtained in Part 1, you can access Part 2.
  -Part 2: 2 open ended questions (0-4 points each) (10 minutes) for intensive knowledge assessment (in class group work may give an exemption from it)
  Total duration: 40 minutes

Textbooks and Reading Materials

Daron Acemoglu - David Laibson - John A. List, Economics, Global Edition, 3rd Edition, Pearson, ISBN 9781292411019
Or digital edition: buy online at https://mlm.pearson.com/global/
Chapters: 1 to 7; 9 to 10; 11 (part of); 12to14; 15 (part of); 17.2; 19 to 23; 26 to 27

Sustainable Development Goals

DECENT WORK AND ECONOMIC GROWTH