UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

Macroeconomics and Economic Policies - 1

2425-2-E3303M010-T1

Learning area

Learning objectives

The course aims to provide knowledge of core macroeconomic models, which will help understand economic systems in closed and open economies in the short, long, and very long term, as well as the role of economic policies in stabilizing cyclical fluctuations and enhancing economic growth. The study of theoretical models is coupled by their application for understanding macroeconomic dynamics in Italy and Europe to enable students to deal with the core issues characterizing modern economic systems and to understand the main economic concepts, also through the use of models and their empirical implementation.

Contents

The course addresses the basic topics of macroeconomic theory, providing the essential theoretical tools for understanding the functioning of a closed and open economic system in the short, long, and very long term and the role of economic policies in stabilizing cyclical fluctuations and promoting economic growth. The study of theoretical tools is followed by their use for understanding macroeconomic dynamics in Italy and Europe.

Detailed program

Introduction
- The science of macroeconomics
- The main macroeconomic variables and school of economic thought

The Classical theory: the economy in the long-run
- The determination of the level of production and income in closed and open economy
- Money, financial markets and financial crises
- Inflation e unemployment

Business cycle theory: the economy in the short-run
- The IS/LM and aggregate demand and supply models in closed and open economy
- The inflation-unemployment trade-off
- Currency areas and the European Monetary Union
- Public debt
- The dynamic aggregate demand and supply model
- The Theory and practice of stabilization policy

The theory of growth: the economy in the very long-run
- The Solow model of exogenous growth
- Human capital, environmental sustainability and the climate crisis
- The economics of ideas and the Romer model of endogenous growth
- The creative destruction and the Aghion-Howitt Schumpeterian growth model
- Economic policy and growth
- Secular stagnation and productivity dynamics

Conclusions
- The Italian economy and the technological delay

Prerequisites

Microeconomics

Teaching methods

Lectures in the classroom and delivered remotely asynchronously (30% max) according to the delivery didactic-method (DE).

Assessment methods

The exam is written and comprises 12 questions, of which 8 are in closed form worth 1 point each and 4 are open questions worth 6 points each. The overall value of the exam is 32/30. .An additional oral examination is available upon students' request.

There is the possibility of taking the exam with two intermediate written tests on training contents of 6 CFU each. The intermediate tests include up to 28 closed questions worth 1 point each and up to 2 open questions worth 5 points each. The overall value of each intermediate test is 33/30.

Both in the final and intermediate tests, the student's acquisition of the theoretical contents of the course covered in class is assessed.

Textbooks and Reading Materials

- N.G. Mankiw, M.P. Taylor, Macroeconomia, 6° ed. italiana, Zanichelli, 2015. The book is also available in digital format and can be purchased online at

https://www.zanichelli.it/ricerca/prodotti/macroeconomia-mankiw-001

Additional online material is provided by the teacher of the course.

Sustainable Development Goals

QUALITY EDUCATION | DECENT WORK AND ECONOMIC GROWTH | REDUCED INEQUALITIES | RESPONSIBLE CONSUMPTION AND PRODUCTION | CLIMATE ACTION