UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

Fundamentals of Economics

2526-2-E1501N095

Learning objectives

Knowledge and understanding
Upon successful completion of the course, students will:

- demonstrate knowledge of the fundamental principles of microeconomics and macroeconomics;
- understand how economic systems and markets operate in national and international contexts;
- explain the main models of resource allocation and public policy in economic systems.

Applying knowledge and understanding
Upon successful completion of the course, students will:

- apply basic economic tools to analyse real-world socio-economic phenomena (e.g. employment, inequality, growth, and development);
- interpret key macroeconomic indicators (e.g. GDP, inflation, unemployment, public expenditure, trade balance);
- analyse economic issues in Italy, the European Union, and global contexts, integrating sociological and economic perspectives.

Making judgements
Upon successful completion of the course, students will:

- assess critically the strengths and limitations of major economic theories and policy frameworks;
- develop autonomous judgement in evaluating the social impacts of economic decisions and policies;
- reflect on the normative implications of economic models in different institutional settings.
-

Communication skills
Upon successful completion of the course, students will:

- communicate clearly and effectively economic concepts and arguments in both written and oral forms;
- present theoretical models and empirical findings to audiences with basic or intermediate level of expertise;
- engage in discussions on economic issues.

Learning skills
Upon successful completion of the course, students will:

- develop autonomous learning strategies for further studies in economics, sociology, or related fields;
- acquire a solid methodological basis for critically approaching complex socio-economic topics;
- be prepared to extend their knowledge through advanced academic or professional training.

Contents

The course introduces the fundamental principles of economics, providing tools to understand individual and collective economic decisions, market mechanisms, and the role of institutions. The first part focuses on microeconomics, covering topics such as demand and supply, elasticity, consumer choice, production, market structures, and informational imperfections. The second part addresses key macroeconomic concepts: national income, aggregate spending, fiscal and monetary policies, money, and real markets. Particular attention is given to the Italian and European economic context. Lectures will be held in Italian.

Detailed program

The course introduces students to the fundamental concepts of economic analysis, aiming to provide theoretical and practical tools to understand the functioning of contemporary economies. It is structured into two main sections: microeconomics and macroeconomics, with an introductory focus on welfare and normative economics.

The reference textbook is ECONOMICS, 7th edition (previous editions are also acceptable), by David Begg, Gianluigi Vernasca, Stanley Fischer, Rudiger Dornbusch, Anna Maria Bagnasco, Angela Besana, 2022.

The first part of the course, focused on microeconomics, covers the following topics/chapters:

- the nature and methods of economic science, including the concepts of scarcity, choice, and opportunity cost (ch. 1);
- the basic tools of economic analysis, including models and graphical representations (ch. 2);
- demand and supply dynamics and price determination in competitive markets (ch. 3);
- the concept of price elasticity of demand and supply (ch. 4);
- consumer choice and utility theory (ch. 5);
- firm behaviour, production technologies, cost functions, and profit maximisation (ch. 7);
- market structures: perfect competition and monopoly (ch. 8);
- imperfect competition, with a focus on oligopoly (ch. 9);
- market failures and issues related to imperfect information (ch. 6: §§ 6.1, 6.2, 6.3);
- an introduction to normative economics and welfare analysis (ch. 12).

The second part of the course, focused on macroeconomics, includes:

- national income, GDP, and aggregate output and expenditure indicators (ch. 15);
- the determination of macroeconomic equilibrium in closed and open economies (chs. 16 and 17);
- fiscal policy and the role of the public sector (ch. 16);
- foreign trade and the balance of payments (ch. 17);

- money, central banking functions, and monetary policy tools (ch. 18);
- the interaction between the goods market and the money market, with reference to the IS-LM model (ch. 19).

The course promotes a critical approach to the analysis of economic phenomena, encouraging the use of the concepts learned to interpret real-world data and dynamics, with a particular focus on the Italian and European context. Exercises and discussions are integrated to support active learning and the practical application of knowledge.

Prerequisites

Adequate logical and mathematical skills; adequate written and oral communication skills

Teaching methods

The course consists of 56 hours, 70% of which are delivered through lectures, while the remaining 30% involve case study discussions, practical exercises, and group work

Assessment methods

Grading is based on a single in-class exam composed of two parts. The first part consists of 12 multiple-choice questions, for a maximum of 18 points, calculated as follows: 1.5 points for each correct answer, 0 points for no answer, and -0.5 points for each incorrect answer. The second part consists of 2 open-ended questions, for a maximum of 14 points. The total score available is therefore 32 points. The exam is considered failed if the score in the second part is below 7 points (out of 14), regardless of the score obtained in the first part.

Students who have obtained a passing grade (?18) but are not satisfied with it may request to take an oral exam. The final grade will then be calculated as the average of the written and oral exam scores.

Assessment relies on several criteria. First, students are expected to show a thorough grasp of core economic concepts and key theoretical models. Equally important is their ability to apply these analytical tools to the study of social dynamics and public policy issues. Another key aspect is the development of critical thinking skills, students are encouraged to critically engage with arguments, showing awareness of their limitations and their implications in real-world contexts.

The exam will evaluate both the depth of understanding and the ability to reason clearly and consistently, using the knowledge gained to analyze real-world cases.

Textbooks and Reading Materials

ECONOMIA 12/ED, di David Begg, Gianluigi Vernasca, Stanley Fischer and Rudiger Dornbusch.
ISBN 10: 0077129520; ISBN 13: 9780077129521

Sustainable Development Goals

DECENT WORK AND ECONOMIC GROWTH