UNIVERSITÀ
DEGLI STUDI DI MILANO-BICOCCA

COURSE SYLLABUS

Macroeconomics - 2

2526-2-E1801M062-T2

Learning objectives

The course aims to introduce students to the main themes of modern macroeconomics. In particular, after introducing the data and some fundamental concepts of macroeconomics, the course will focus on the theory of the business cycle described by the IS-LM model. In this part, great attention is paid to explaining the impact of fiscal and monetary policies. The last part of the course focuses on in-depth studies related to specific issues such as the stabilization of public debt, economic growth, austerity and the Covid crisis.

The educational objectives are as follows:

Knowledge and Understanding
Students will acquire a solid foundation in macroeconomics and economic policies, understanding the main theoretical models (Keynesian, neoclassical) and the economic mechanisms governing major aggregates (GDP, inflation, unemployment, public balance, balance of payments). They will be able to comprehend the interaction between monetary and fiscal policy decisions and macroeconomic dynamics in both national and international contexts.

Applying Knowledge and Understanding
Students will be able to use macroeconomic models to analyze real-world problems and simulate economic scenarios. They will apply analytical tools to interpret macroeconomic data, evaluate economic policies, and formulate hypotheses on the effects of public interventions. Additionally, they will be able to use official statistical sources (such as ISTAT, Eurostat, ECB, FRED2) for practical applications.

Making Judgements
Students will develop the ability to critically assess different theoretical approaches and policy instruments, considering the historical-institutional context in which they are applied. They will be able to formulate independent judgments on the effectiveness and appropriateness of economic policies across different socio-economic contexts, taking into account redistributive, environmental, and long-term impacts.

Communication Skills

Students will be able to effectively communicate macroeconomic concepts, both in written and oral form, using appropriate technical language. They will learn to present macroeconomic analyses clearly and concisely, supported by graphs, models, and quantitative data.

Learning Skills
Students will acquire the necessary skills to independently explore advanced macroeconomic topics, access scientific literature, and stay updated on theoretical and institutional developments. They will be prepared to successfully continue their studies at the graduate level or pursue professional specialization in economics.

These objectives will be achieved through lectures and exercises that, in addition to covering theoretical topics, will also be used to understand both current international macroeconomic developments and the major macroeconomic phenomena of the past 50 years.

Contents

GDP. Currency. Inflation. Unemployment. Fiscal policies. Monetary policies. Public debt. Crisis. Economic growth.

Detailed program

The number in brackets refers to the textbook chapter (VIII edition)

PART I: FUNDAMENTAL CONCEPTS AND CLASSICAL MODEL

1. Schools of Thoughts in Macroeconomics
2. Measuring Welfare and Price Level of a Nation (20)
3. Unemployment (22)
4. Saving, Investment, and Financial Systems (23)
5. The Monetary System (24)
6. The Macroeconomics of Open Economies (25)
7. The Classical Model
8. Introduction to Economic Cycles (26)

PART II: THE KEYNESIAN MODEL

1. The Keynesian Economy and the IS/LM Model (27)
2. Aggregate Demand and Aggregate Supply (28)
3. The Influence of Monetary and Fiscal Policy on Aggregate Demand (29)
4. The Short-Term Trade-Off Between Inflation and Unemployment (30)
5. Supply-Side Policies (31)

PART III: LONG-RUN PERSPECTIVES AND RECENT DEBATES

1. Inequality (16)
2. Economic Growth (21)
3. Causes and Consequences of the Financial Crisis (32)
4. Currency Areas and the Economic and Monetary Union of Europe (33 and 34)
5. Recent Debates: From Austerity to the Covid Crisis

Prerequisites

Microeconomics and basic notions of mathematics

Teaching methods

63 hours of face-to-face teaching (lessons and exercises). 63 hours in person. Of these, up to 18 hours may be conducted remotely (online/recorded lectures).

Assessment methods

Final written exam with multiple-choice and open-ended questions covering the three parts of the course. Each part is worth 11 points. The overall score out of thirty is the sum of the points obtained in the three parts when this is between 18 and 30, and it is 30 cum laude when the sum exceeds 30.

The oral exam is possible, at the request of the student, and implies a new exam on the whole program without taking into account the mark of the written exam, which must be at least equal to 18/30 (as the sum of both parts).

Textbooks and Reading Materials

Mankiw and Taylor
Principles of Economics (Zanichelli, VIII Italian edition)

Semester

First Semester

Teaching language

Italian

Sustainable Development Goals

NO POVERTY | DECENT WORK AND ECONOMIC GROWTH | REDUCED INEQUALITIES