# History of Economic Thought (from Alfred Marshall to the Second Postwar Period)

## Prof. Sebastiano Nerozzi; Prof. Cosma Emilio Orsi

***COURSE AIMS AND INTENDED LEARNING OUTCOMES***

The course aims to offer students a synthetic knowledge of the main aspects of the macroeconomic and economic policy debate from the 1920s to the present. The development of the main macroeconomic models will be analysed, by examining starting hypotheses, construction and functionality of the model itself. The different theoretical approaches will be compared both from the analytical and from the point of view of their correspondence to the problems of economic policy of the time, highlighting the mutual influences between the history of analysis, the history of social and economic processes and political history and of institutions.

At the end of the course, students will:

* have acquired a general picture of the evolution of economic thought during the twentieth century and of its various schools of thought, with particular regard to the origins and evolution of macroeconomy.
* be able to identify the historical roots of many propositions both in theory and in economic policy areas, to overall describe the evolution over time, to indicate the hypotheses on which they are based and to supply some possible criticism.
* The course enables students to broaden their critical vision skills, their flexibility of thought while consolidating the historical and economic knowledge acquired during the course.
* Given the interactive teaching methods and the assessment based on some open-ended written questions, students will improve their ability to present different points of view associated with a given topic in an orderly, clear and critical manner.
* Students will acquire the ability to critically and independently read texts related to economic history, macroeconomic theory and economic policies.

***COURSE CONTENT***

* Introduction: the origins of macroeconomics
* The neoclassical theory: balance, money and economic cycle.
* The Keynesian revolution: uncertainties, unemployment and State intervention
* The neoclassical synthesis and the Keynesian economic policies
* Beyond short term: economic growth and income distribution
* The monetarist counter-revolution and the rational expectations.
* The difficult rebirth of the Keynesian economy
* Economic theory and welfare state during the 20th century.

***READING LIST***

For Module 1

S. Nerozzi - G. Ricchiuti, *Pensare la macroeconomia. Storia, dibattiti, prospettive*, Pearson, Milano, 2020: chaps. I-VII, second module.

For Module 2

C.E. Orsi, *Alle origini del reddito di cittadinanza. Teorie economiche e welfare state dal XVI secolo a oggi,* Nerbini, Florence, 2018, Chapters V and VII-X.

***TEACHING METHOD***

Frontal lectures, open conferences, oral presentations in class (for attending students only).

***ASSESSMENT METHOD AND CRITERIA***

The exam will be written. All students (attending and non-attending) may divide the assessment into two modules, with no restrictions on exam dates or sessions. Duration of the exam: 120 minutes for the entire exam and 60 minutes for each module.

For non-attending students, the assessment will be weighed:

1) 60% from a written exam (with open-ended questions) on the textbook by Nerozzi-Ricchiuti, *Pensare la macroeconomia. Storia, dibattiti, prospettive*.

2) 40% from a written exam (with open-ended questions) related to the textbook by C.E. Orsi, Alle origini del reddito di cittadinanza.

For non-attending students, the assessment will be weighed:

1) 60% from a written exam (with open-ended questions) on topics studied in module 1.

2) 40% from a presentation in class on a topic taken from the twentieth century economic literature (agreed with Prof. Daniela Parisi);

As an alternative to the oral presentation referred to in point 2) also attending students may take a written test related to the textbook by C.E. Orsi, Alle origini del reddito di cittadinanza.

***NOTES AND PREREQUISITES***

In order to easily participate in class activities, students must master main concepts of microeconomics and macroeconomics and know main aspects of the economic history of the Western world.

Further information can be found on the lecturer's webpage at http://docenti.unicatt.it/web/searchByName.do?language=ENG, or on the Faculty notice board.