# Economics

## Prof. Arianna Galliera

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

The course presents the conceptual framework and the basic analytical tools for understanding the functioning of market economic systems in both a microeconomic and macroeconomic perspective. Upon completion of the course, students will be able to: (i) analyze the main microeconomic phenomena concerning the behavior of consumers and businesses in a market context; (ii) analyze the main phenomena that govern macroeconomic balances and explain the reasons, objectives and methods of public intervention in the economy.

***COURSE CONTENT***

The teaching program includes elements of both microeconomic analysis (study of the decision-making processes of individual economic actors, such as consumers or businesses, and their interaction in particular markets) and macroeconomic (study of phenomena concerning the economic system as a whole).

In particular, the program includes the following topics:

1. Introductory notions

Political economy: introduction.

2. Microeconomics

Supply-demand model. Consumer theory. Utility function. Derivation of

the individual and market demand curve. Elasticity of demand. Theory of

the firm. Production function and cost function. Derivation of the individual and market supply curve. Market equilibrium in perfect competition. Monopoly. Outline of game theory. Oligopoly. Public goods

and externalities. The new frontiers: behavioral economics.

3. Macroeconomics

The macroeconomic approach. Gross domestic product. Inflation. Longterm economy. Capital formation and growth. Economy in the short run. Consumption, investments and aggregate demand. Involuntary

unemployment. Money supply and demand. IS-LM model. Fiscal policy and monetary policy.

***READING LIST***

R.H. Frank - B.S. Bernanke - K. Antonovics - O. Heffetz - S. Ottone - F. Ponzano, *Principi di Economia*, fifth edition.

***TEACHING METHOD***

The didactic activities will be mainly conducted through lectures. However, the involvement of students will not be neglected, soliciting interventions and questions relating to the topics covered. The slides presented by the teacher will be uploaded on a weekly basis on the web platform.

The slides support the study, but do not replace the reference texts.

***ASSESSMENT METHOD AND CRITERIA***

Written test. The written test consists of practice of several questions. To

pass the exam, the student must be able to sufficiently answer more than

2/3 of the questions.

***NOTES AND PREREQUISITES***

Basic notions of algebra and geometry.

*Office hour*

Prof. A. Galliera receives students at the Department of Economics and Finance (Via Necchi 5, 2nd floor). Office hour: TBD

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.