# European Economic Policy and Institutions

Proff. Maurizio Luigi Baussola-Federico Arcelli

***COURSE AIMS***

This course is split into two main parts. In the first module, the main stylized facts characterising the EU economy are provided together with an in-depth analysis of the monetary and fiscal policy adopted during the last decade. In addition, plocicy aiming at fostering growth and innovation will be highlighted.

In the second and third modules, more specific policies are analysed and critically reviewed, with particular emphasis on technology, convergence, regional and social policies.

***LEARNING OUTCOMES***

* Knowledge and applied knowledge. This course enables students to improve their knowledge about the functioning of the European institutions and the implementation of macroeconomic policy and more targeted policies devoted to improve innovation, decrease regional disparities and ultimately to foster economic growth.
* Judgmental skills. This course will improve the judgment skills necessary to understand the effects of monetary and fiscal policy, particularly during the financial crisis. It also enhances the judgment skills necessary to understand the causes and the unfolding of the current crisis and its solutions. In addition, it enables students to judge strength and weakness of the European policies devoted to improve regional convergence and innovation .

***COURSE CONTENT***

**1st Module** - The European Union: History, institutions, monetary and fiscal policy, and growth strategies.

**Prof. Maurizio Baussola**

1. The European Union: a brief history
2. Stylised facts of the European Union economy
3. The creation of the European Monetary Union
4. The European Central Bank
5. The financial crisis
6. Monetary and fiscal policy in normal time and during the great recession
7. Measuring convergence among EU countries and regions and EU regional policy
8. Evaluating competitiveness among EU countries and regions
9. Strategies for growth

References:

M Artis and F. Nixson, The Economics of the European Union, Chapters 1,2, 10,11,12: 16, 15, 6, 8

W Carlin and D Soskice, Macroeconomics, Chapter 7, 12

Lectures notes and other materials will be provided.

**2ndModule** - The European Union: institutional issues and the system of European financial institutions

**Prof. Federico Arcelli**

1. European financial institutions: EIB, EIF, EBRD and CEB
2. The European Banking Union
3. European Central Bank and European Stability Mechanism: latest evidence

References:

Lectures notes and other materials will be provided.

***TEACHING METHOD***

The course will be taught through 60 hours of lectures. Students will also be assigned a case study whose grade will be counted in the final grade.

***ASSESSMENT METHOD***

The final grade will be a weighted average of the grades received on the regularly scheduled written examination (75%) and three assessments that will be proposed during the three modules (25%). The written test of 5 equally weighed questions (6 points each) to be chosen from a set of nine questions.; allocated time 2h. ½. The ability to apply the fundamental principles of macroeconomics together with the ability to respond with clarity and appropriate language will be considered in the evaluation.

***NOTES AND PREREQUISITES***

Information on office hours is available on the teacher's page at <http://docenti.unicatt.it/>.