

COURSE SYLLABUS

Principles of Economics

2324-2-E1601N091

Corso di laurea in Scienze dell'Organizzazione, 2nd year (Dip. di Sociologia e Ricerca Sociale), optional course

INSTRUCTORS

Luca J. Uberti (Department of Economics, Management and Statistics)

Nejat G. Okatan (Department of Economics, Management and Statistics)

Tutor: Paolo Nota (Università di Milano)

LECTURES

U6-23, generally on Wednesdays and Thursdays at 14.30, and on Fridays at 13.30, unless otherwise stated. Please always double-check the online timetable! All lectures last TWO HOURS with a short break, and are delivered in English.

LEARNING OBJECTIVES

Main learning outcome:

- Acquire the basic principles and concepts of micro- and macro-economics, and apply them to the real world.

Secondary learning outcomes:

- Improve business English language skills, including understanding, speaking and writing.
- Apply elementary mathematics and statistics to the modelling of basic economic processes and phenomena.

COURSE STRUCTURE

8 CFU, 58 hours, with a combination of lectures ('didattica erogativa') and seminars ('didattica interattiva').

CONTENTS

- Introduction to micro-economics (utility and consumer theory; production, competitive and non-competitive markets, factor markets, government intervention, trade);
- Introduction to macro-economics (growth, fluctuations, monetary and fiscal policy, macro finance)

TEXTBOOK AND READING MATERIALS

- Textbook: Mankiw N.G., Taylor M.P. (2023), *Economics*, 6th Edition, Cengage Learning (referred to as MT)
- Lecture slides and any additional references (e.g. newspaper articles) or exercises posted on e-Learning.

DETAILED STRUCTURE

PART A: MICRO-ECONOMICS

WEEK 1 (3 March): Introduction

- Introduction to economics & to the present course module
- Only one lecture on Wednesday 5 March. No lecture on Thursday and Friday!
- Readings: MT chapters 1-2

WEEK 2 (10 March): Competitive markets: supply & demand

- The laws of supply and demand in competitive markets: theory and applications
- Readings: MT chapter 3

WEEK 3 (17 March): Consumers & utility

- The theory of consumer choice as a background to the demand curve: preferences and budget constraints
- Readings: MT chapter 4 (pp- 76-94)

WEEK 4 (24 March): Producers: costs & profits

- The theory of production as a background to the supply curve: cost curve and profit maximization
- Readings: MT chapter 5 (pp. 107-122), chapter 6 (pp. 129-140)

WEEK 5 (31 March): Market structure & efficiency

- Welfare in competitive markets
- Non-competitive markets: Monopoly and oligopoly
- Readings: MT chapter 7, chapter 8 (pp. 173-177), chapter 11 (pp. 243-254, pp. 260-262)

WEEK 6 (7 April): The role of government

- Market failures & government policies (e.g. trade tariffs & price controls)
- Public goods
- Readings: MT chapter 8 (pp. 177-183, 186-193), chapter 9 (pp. 203-208), chapter 10 (pp. 218-220, pp. 231-232, pp. 233-239)

WEEK 7 (14 April): Factor markets

- Labour and capital markets in micro-economics

- Readings: MT chapter 15 (pp. 317-326)
- Revision of micro & exam strategy
- Lecture on Monday (U6-27) at 16.30; no lecture on Thursday and Friday!

SPRING BREAK

PART B: MACRO-ECONOMICS

WEEK 8 (5 May): *Long-run macro: economic growth and development*

- GDP and national accounts
- Growth models
- Readings: MT chapter 20 (pp. 438-448, 452-458), chapter 21

WEEK 9 (12 May): *Banks and Money (Lecturer: Nejat Okatan)*

- The role of financial institutions, saving, and investment in the economy
- Money, central banks, and the effects of monetary policy
- Readings: MT chapter 23-24

WEEK 10 (19 May): *Short-run macro (Lecturer: Nejat Okatan)*

- Business cycles, economic fluctuations, and short-run macroeconomic models
- The role of monetary and fiscal policy in stabilizing the economy
- Readings: MT chapters 26, 29 (briefly 28, 30)

WEEK 11 (26 May): *Trade and international economics (Lecturer: Nejat Okatan)*

- Comparative advantage, trade policy, the determinants of trade, winners and losers from trade
- Readings: MT chapter 17
- Revision of macro & exam strategy
- No lecture on Friday 30 May (unless for a catch-up session)

(Please note that the detailed structure is subject to revisions also during the course itself).

PREREQUISITES

- Understanding (listening and reading), speaking and writing of elementary English.
- Algebra and basic notions of calculus.

TEACHING METHODS

- Lectures with exercises and applications.

- Seminars with class discussions, real-world case studies, class exercises and (maybe) student presentations.

ASSESSMENT METHOD

- FIRST CALL (PRIMO APPELLO): A written 1-hour exam comprising multiple-choice questions and one open-ended question. It will examine 80% the course material (more info at the end of the course). Wrong answers will NOT be penalized
- ALL FOLLOWING CALLS (APPELLI SUCCESSIVI): A written 1-hour exam comprising multiple-choice questions and one open-ended question. It will examine 100% the course material. Wrong answers WILL be penalized

(Failing an exam does not make students ineligible to retake the test in the following calls)

EXAM DATE

6 June, 14.30

SUSTAINABLE DEVELOPMENT GOALS

The knowledge disseminated through this course aims indirectly to advance the following SDGs: Decent work and economic growth