



UNIVERSITÀ DEGLI STUDI DI PALERMO

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| DEPARTMENT | Scienze Economiche, Aziendali e Statistiche | | |
| ACADEMIC YEAR | 2022/2023 | | |
| BACHELOR'S DEGREE (BSC) | ECONOMICS AND BUSINESS ADMINISTRATION | | |
| INTEGRATED COURSE | PRINCIPLES OF ECONOMICS AND ECONOMIC POLICY - INTEGRATED COURSE | | |
| CODE | 21135 | | |
| MODULES | Yes | | |
| NUMBER OF MODULES | 2 | | |
| SCIENTIFIC SECTOR(S) | SECS-P/02 | | |
| HEAD PROFESSOR(S) | PIZZUTO PIETRO | Ricercatore a tempo determinato | Univ. di PALERMO |
| OTHER PROFESSOR(S) | MINIO GIACOMO | Professore a contratto | Univ. di PALERMO |
| | PIZZUTO PIETRO | Ricercatore a tempo determinato | Univ. di PALERMO |
| CREDITS | 12 | | |
| PROPAEDEUTICAL SUBJECTS | 20620 - MATHEMATICS FOR BUSINESS | | |
| MUTUALIZATION | | | |
| YEAR | 1 | | |
| TERM (SEMESTER) | Annual | | |
| ATTENDANCE | Not mandatory | | |
| EVALUATION | Out of 30 | | |
| TEACHER OFFICE HOURS | PIZZUTO PIETRO Tuesday 10:00 12:00 stanza del docente (DSEAS - Edificio 13) o incontro telematico via Microsoft Teams (in entrambi i casi da concordare con il docente per e-mail). | | |

DOCENTE: Prof. PIETRO PIZZUTO

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| PREREQUISITES | Basic knowledge of economics and mathematics |
| LEARNING OUTCOMES | <p>At the end of the course, students are expected to achieve the following objectives: Knowledge and understanding of Basic theories of Economics. Capability to use economic models to estimate economic fluctuations.</p> <p>Knowledge and understanding of: a) the theory of economic policy and economic developments and their application in practice at the present time; b) the rationale for public intervention in the economy; c) the role of institutions in the policymaking process; d) tools used by governments to pursue desired outcomes; e) the driving factors behind economic developments; Applying knowledge and understanding: a) Ability to assess, within an economic framework, the behavior and rationality of public and private agents; b) Ability to identify reasons why the government might choose to intervene in the economy; c) Ability to identify the most appropriate mix of policy instruments to achieve selected targets; d) demonstrate a clear understanding of the major economic policy issues (also underlying economic developments) in advanced and developing countries; e) demonstrate an understanding of how theories have evolved over the time. Making judgments on the performance of the economic policy interventions; be able to read, understand empirical evidence related to the policymaker's action. Communication skills: ability to explain the reasons behind the public intervention in the economy; Learning skills: a) ability to understand the theoretical framework underlying policy actions; b) ability to evaluate the effectiveness of policy interventions</p> |
| ASSESSMENT METHODS | <p>For each module, students will take written and oral tests, and a score (on a scale of 30) is assigned. Then, the final evaluation will be computed as a weighted average of the scores earned for each module, Description of the evaluation methods:</p> <ul style="list-style-type: none">-excellent (30 e 30 e lode): excellent level of knowledge, use vocabulary appropriate, good analytical skills. The student is able to apply knowledge to solve problems.-very good (26-29): very good level of knowledge, good use of appropriate vocabulary. The student is able to apply knowledge to solve problems.-good (23-25): basic level of knowledge, acceptable use of appropriate vocabulary. The student demonstrates a limited ability to apply knowledge to solve problems.-satisfactory (20-22): not adequate level of knowledge of the main topics of the course; satisfactory use of appropriate vocabulary. The student demonstrates an inadequate ability to apply knowledge to solve problems.-sufficient (18-19): minimum level of knowledge of the main topics of the course, sufficient use of appropriate vocabulary. The student demonstrates a scarce or non-existent ability to apply knowledge to solve problems.-insufficient: the student has an insufficient and not acceptable level of knowledge of the topics of the course. |
| TEACHING METHODS | Frontal teaching |

**MODULE
MODULE I**

Prof. GIACOMO MINIO

SUGGESTED BIBLIOGRAPHY

I testi saranno indicati dal docente al momento della stipula del contratto di insegnamento

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|--------------|----------------------------------|
| AMBIT | 50064-Economico 50067-Economico |
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| INDIVIDUAL STUDY (Hrs) | 102 |
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| COURSE ACTIVITY (Hrs) | 48 |
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EDUCATIONAL OBJECTIVES OF THE MODULE

Knowledge of the main theories of Micro- and Macro-Economics and instruments of economic analysis. Ability to apply the main economic theories to the real situations.

SYLLABUS

| Hrs | Frontal teaching |
|-----|---|
| 48 | Introduction to economics and mathematical tools Demand supply and equilibrium Theory of consumer and market demand Theory of production, costs and market supply Partial equilibrium analysis in perfectly competitive markets Consumers and producers surplus The role of the state in perfectly competitive markets Monopolistic markets Macroeconomic aggregates and their measurement The Solow growth model The three-market flexible price model of the macroeconomy The Keynesian IS-LM model Aggregate supply and demand (AS-AD model) |

MODULE MODULE II

Prof. PIETRO PIZZUTO

SUGGESTED BIBLIOGRAPHY

Selezione di capitoli dai seguenti testi (selected chapters from):

Cellini (2019, Terza Edizione). *Politica Economica. Introduzione ai modelli fondamentali*. Seconda edizione, McGraw-Hill. ISBN: 9788838695285

De Grauwe, P. (2019, Undicesima Edizione), *Economia dell'Unione monetaria*, Bologna, Il Mulino. ISBN: 9788815284815

Materiale didattico aggiuntivo sarà distribuito durante le lezioni (Additional materials will be eventually provided during the course).

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|-------------------------------|-----------------|
| AMBIT | 50064-Economico |
| INDIVIDUAL STUDY (Hrs) | 102 |
| COURSE ACTIVITY (Hrs) | 48 |

EDUCATIONAL OBJECTIVES OF THE MODULE

The aims of this course are to: a) analyze the main topics on economic policy including topics related to the European Monetary Union; b) develop skills in order to understand the reasons why the policy maker might choose to intervene in the economy and assess its impact on the whole economy; c) present a framework of the main theories underlying policy interventions.

SYLLABUS

| Hrs | Frontal teaching |
|-----|--|
| 48 | <p>Economic policies and the conflict between objectives</p> <p>Fundamental theorems of welfare economics</p> <p>Markets and wealth: microeconomic and macroeconomic objectives</p> <p>Market power, market failure and the antitrust laws</p> <p>Externalities</p> <p>Strategic interdependence</p> <p>Public goods</p> <p>Merit and demerit goods</p> <p>Income distribution and social welfare</p> <p>Disequilibrium economics - The ideological conflicts between Keynesian and classical economics</p> <p>The IS-LM and AS-AD models: reviews</p> <p>Fiscal policies</p> <p>Money and monetary policies</p> <p>Wages, prices and employment: the Phillips curve and labor market policies</p> <p>Inflation dynamic and disinflationary policies</p> <p>The balance of payments and exchange rate regimes</p> <p>Macroeconomic policies in an open economy: the Mundell-Fleming model (IS-LM-BP)</p> <p>Costs and benefits of a common currency</p> <p>The theory of Optimum Currency Areas</p> <p>Costs and benefits EMU</p> <p>Convergence criteria and the characteristics of the ECB</p> <p>Monetary policies in the EMU</p> <p>Fiscal policies in the EMU</p> |