

Political Economy

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Course aims

The course aims to provide students with the fundamental knowledge required to study the behavior of the main economic agents — consumers, firms, and the State.

By the end of the course, students are expected to demonstrate an understanding and correct application of analytical and theoretical tools for interpreting both the Italian and international economic context. To this end, the course will employ both graphical and analytical representations of the main microeconomic and macroeconomic models. All the necessary learning materials, including lecture slides and exercises, will be made available by the instructor.

Course contents

Part 1 – Microeconomics

1. Prosperity, inequality, and global pollution
2. Technology and innovation
3. Scarcity and indifference curves
4. Strategic interaction and game theory
5. The rules of the game: institutions and income distribution
6. Firms and workers
7. Firms and customers
8. Market demand and supply
10. Market successes and failures

Part 2 - Macroeconomics

1. The WS-PS model
2. Supply-side policies
3. Aggregate demand
4. Inflation and unemployment
5. Policies to control inflation
6. Banks and the financial system

Exam

The final exam will be written and will consist of two sections:

- Part A: 10 multiple-choice theoretical questions (maximum 10 points);
- Part B: 4 exercises on topics covered during the course (maximum 24 points).

The total score is 34 points. The duration of the written exam is two hours. For attending students, an in-course assessment will be offered with the purpose of encouraging participation and supporting learning throughout the semester. Successful completion of this assessment will provide bonus points to be added to the final exam grade.

Bibliography

- *The Core Team* (2018). *L'economia. Comprendere il mondo che cambia*. Bologna. Il Mulino.

The book is also freely available online at: <https://www.core-econ.org/project/leconomia/>. Some of the topics discussed during lectures are also available in English at: <https://www.core-econ.org/the-economy/>.