Department of Economics and Business
Name of degree course: Economics
Course name in English: Economic Policy

Name and title of teacher: Tiziana Cuccia Full Professor
Student receiving timetable: Wednesday 16.00 -18.00; Thursday 10.00 -12.00
Student receiving place: room 22, IV floor

Reference Type of teaching activity: Major
Reference Scientific Sector: SECS/P02; Teaching code: 77512
Year of course: II ; Semester: II
Total number of credits (n°, of modules) : 9 (3); Overall work (expressed in hours): 225 (1 credit = 25 hours)
Number of hours to attribute to lectures and individual study: : lectures: 60 hours; individual study: 165 hours.

Teaching organisation: lectures
Ways of delivery: front lectures
Attendance: normally obligatory

General Objectives of teaching in terms of expected results of learning:

1. **Knowledge and understanding**: The course aims at pointing out the role of the economic policy at the national and international level where market failures and facts that influence the macro-economic aggregates occur. The main objectives of the economic policy, the choices and in some cases the trade-off among the different objectives are described. The student has to know the issues treated in the course and to develop his own understanding skills, also through a deductive approach that allows him to apply the theoretical schemes explained in the course to interpret the most recent economic policy problems. Considering the teaching profile, the ways of delivery the contents of the course are front lectures, with the support of slides, and official documents of economic policy that can stimulate the participation of the students during the classes.

2. **Applying knowledge and understanding**: The student has to be able to apply the knowledge acquired to define eventually the priorities among the different economic policy objectives and to compare and evaluate the different effectiveness of the economic instruments available. From the teaching point of view, referring to the most important present case studies, at national and international level, during the classes, represents a good opportunity to evaluate the different economic policy receipts and to understand that, according to the peculiarities of the economic context, the priority in the objectives to pursue and the kind of economic instrument might change. The analysis of the case studies is carried on through the appropriate quantitative data and statistics coming from official documents. This approach allows to verify the skills of the student in the interpretation of quantitative data to understand economic phenomena, that is to verify her/his capacity of “knowing how to do”.

3. **Making judgements**: The economic policy is a social science and therefore the priorities of the objectives, the choices operated and its role itself can be different according to the theoretical approach adopted. The student has to be aware that the different economic policy receipts come from different theoretical approach (sometimes based on a different ideology) and has to develop a critical approach and autonomy of judgment in the solutions of the case studies proposed. These skills can be improved stimulating the discussion and an active participation of the student during the classes, even through the participation to intermediate and final written essays and optional oral interviews, taken in account for the final exam.

4. **Communication skills**: During the course the student has to improve and develop the knowledge of the technical and economic language to use in an appropriate way as an useful instrument of communication especially to introduce herself/himself in the job market. He has to be able to distinguish the determinants of the main economic phenomena that nourish the economic policy debate (market failures, inflation, unemployment, public and external debt, economic growth) and to use the technical and economic language both in the written and in the oral form. The seminars can represent a good opportunity for the student to interact with academic and institutional experts and deepen the knowledge of selected issues treated in the course; they contribute to reinforce her/his interaction skills and critical approach to the fundamental economic policy issues.

5. **Learning skills**: The learning skills of the student has to be checked not only at the end of course but during the classes stimulating the participation and teaching the method of studying economic policy. The study of economic policy, compared to the other economic disciplines, requires to combine the study of the theoretical models with the study of specific historical and institutional environments. The main teaching instruments adopted are the following: front lectures with teaching materials mostly available on the on-line platform (“studium”), seminars, exercises. The learning skills are tested for what concerns both the theoretical and the applied aspects (i.e. “to know how to do”) by intermediate exercises that allow to know what is the average degree of the learning of the class. In this way, it is possible to promptly intervene to adopt the appropriate changes without any inconvenient effect on the final mark of the exam. The exam is organized in two parts: a compulsory written essay and a voluntary oral exam.

Propedeuticity: None


The regimes of macroeconomic disequilibrium. The level of the aggregate income in the fundamental models of the macroeconomic analysis. The fiscal policy. The role of money and the monetary policy. The inflation and anti-inflation policies. The Phillips curve. Macroeconomic policies and strategic behaviors of Governments and citizens. Growth and development policies.

Reference text:

I MODULE (3 CFU)
Description of syllabus

Module Title: The objectives of economic policy. Micro-economic and redistributive policies.


Reference text:

Chapters: 1, 2 (no section 2.1), 3, 6, 7, 8, 10 (no example 10.1), 11, 12, 13, 14, 15.

II MODULE (3 CFU)
Description of syllabus

Module Title: The macro-economic policies.


Teaching program: The regimes of macroeconomic disequilibrium. The level of the aggregate income in the fundamental models of the macroeconomic analysis. The fiscal policy. The role of money and the monetary policy. Inflation and anti-inflation policies. The theoretical debate on the Phillips curve. Macroeconomic policies and strategic behaviors of Governments and citizens. Growth and development policies.

Reference text:

Chapters: 16, 17 (reading), 18, 19, 20, 21, 22 (no deepening pag. 317), 25.

III MODULE (3 CFU)
Description of syllabus

Module Title: The macro-economic policies in open markets.

Teaching objectives: Main features of the economic analysis in open markets: the good market and the equilibrium of the balance of payments. Definition of foreign exchange rate and characteristics of the different exchange rate regimes: adjustment mechanisms. Exchange rate as automatic stabilizing mechanism and as instrument of economic policy. Main features of the European economic policies. Current economic and financial globalization: definition, causes and effects.


Reference text:

Chapters: 23, 24, 26, 27.
Teaching methods: Lectures with slides, discussions in class, statement in class.

Evaluation:

It aims to ascertain the attainment of course objectives and is carried out by means of

- **written test** (yes/no) **yes**
- **oral test** (yes/no. Specify if alternative or complementary to the written test): yes (there is a voluntary oral test, always complementary to the written test)

**How and when to do the written test** (specify whether it is held at the end of a module, or at the end of the course, or at every exam session, specify whether it is necessary to book or not):

At every exam session, the exam consists of a **compulsory written test** (2 hours are allowed for the written test) and a voluntary oral test that can confirm the mark of the written test or could increase it until a maximum of 3 marks (the marks are expressed in 30/30)

To stand the exam, it is necessary to book it not later than 5 days before the date of the exam session.

Two written tests (for each test 1h 15’ is allowed) are reserved to those that attend the course and they are valid as final exam: the first test is submitted at the end of the first module and the second at the end of the course, before the official exam session. To book these tests the attendance of the course has to be diligent; the diligence of attendance is verified during the classes and the reservation to the intermediate tests is based on it.

The written tests consist in questions with open answers that can require algebraic solutions and graphic representations with appropriate comments. They aims to evaluate:

- The knowledge of the discipline;
- The capacity to adopt the appropriate technical language;
- The capacity to treat an economic policy issue with a critical approach;
- The capacity to make the appropriate linkages between the different economic policy issues to show a complete knowledge of the discipline.

**Statistical data on exam marks attained by students:** in the 2011-12 and 2012-13 cohorts of students the number of tests passed and the average mark are respectively: 83 tests with an average mark equal to 24.8 in the first cohort, and 86 test with an average mark equal to 24.2 in the second cohort.

**Notes:** Basic micro and macro - economic knowledge is required.

**Criteria for the marks allotment:**

It is considered sufficient a test where the student shows to know the basic knowledge of the discipline and the capacity, even if limited, to apply this knowledge to work out economic policy arguments and to explain them in an intelligible way, adopting the appropriate technical language. More the student shows to have a thorough knowledge of the discipline, to be able to combine the knowledge with the capacity to analyze and link the different issues of the discipline, and the capacity of autonomous and critical judgment together with a better and better capacity to explain and communicate these issues, higher the mark of the test is. The maximum mark (30/30) is attributed to those tests where the criteria above mentioned are respected at the maximum level.