

Syllabus

Course description

Course title	Economics for Accounting and Finance (modular)
Course code	25444
Scientific sector	SECS-P/06
Degree	LM 77 Master in Accounting and Finance
Semester and academic year	1 st and 2nd semester, 2021/2022
Year	1 st year
Credits	12
Modular	Yes

Short Description	<p>The advanced course in Macroeconomics and Industrial Organization is designed to teach students to apply economic tools in their business decisions.</p> <p>In the module on Macroeconomics students will learn how the economy functions at the macro level, e.g. cover international trade and capital flows, monetary systems, business cycles, currency exchange rates, monetary and fiscal policies, inflation and more. In particular, students will learn the motivation and consequences of monetary and fiscal policies that ultimately affect all businesses.</p> <p>In the module on Industrial Organization, students will learn the consequences of asymmetric information on product markets and on corporate finance, the sources of market power, the origins and welfare effects of network externalities and complement products. A part of the course will then be devoted to Competition Law and Economics.</p> <p>Finally, students will be exposed to the frontier of research in Industrial Organization, with the analysis of the economics of ICT and platforms. Throughout the course, students will spend a lot of time understanding the issues of measurement of the impact of economic policies – one of the most prominent notions in contemporary economics.</p>
Total lecturing hours	72
Total lab hours	-
Total exercise hours	-
Attendance	suggested, but not required

Prerequisites	Attendance of the course is suggested. Knowledge of calculus and of the basics of optimization theory helps, but it is not a requirement.
Course page	https://www.unibz.it/it/faculties/economics-management/master-accounting-finance/

Specific educational objectives	<p>The course refers to the typical educational activities and belongs to the scientific area of Economics.</p> <p>The course gives a general overview of the topics of macroeconomics + Industrial Organization relevant for decision makers and consultants in Management, Accounting and Finance. The course is designed to teach students to apply economic tools in their business decisions. Students will learn how to think in terms of incentives and choices under constraints.</p>
Module 1	25444A – M1 - Macroeconomics
Lecturer	Wolfgang Gick, Wolfgang.Gick@unibz.it , +39 0471013250
Scientific sector of the lecturer	SECS-P/01
Teaching language	German
Office hours	please refer to the OLE course site
Lecturing assistant	None
Teaching assistant	None
Office hours	Please refer to the Lecturer's website
List of topics covered	<ol style="list-style-type: none"> 1) Measurement, demand and supply side 2) Goods market and financial markets: IS-relation 3) Microeconomic foundations: consumption, savings, investment and government deficits 4) Credit market imperfections and financial crises 5) Money, banking, prices and monetary policy 6) Inflation, money and banking 7) Case study: global financial crisis 8) The functioning of the Eurozone 9) Economic growth: the long run
Teaching format	Frontal lectures and exercises.

Module 2	25444B – M2-Industrial Organization
Lecturer	Federico Boffa, Federico.Boffa@unibz.it , +39 0471 013278, https://www.unibz.it/en/faculties/economics-management/academic-staff/
Scientific sector of the lecturer	SECS-P/06
Teaching language	English

Office hours	please refer to the lecturer's web page
Lecturer	Paolo Roberti, paolo.roberti@unibz.it , +39 0471 013551, https://www.unibz.it/en/faculties/economics-management/academic-staff/
Scientific sector of the lecturer	SECS-P/06
Teaching assistant	None
Office hours	-
List of topics covered	<p>Basic principles of Industrial Economics: Industrial Organization and Competitive Strategy.</p> <p>The course will cover the following topics:</p> <ol style="list-style-type: none"> 1) Game theoretical foundations of asymmetric information 2) Consequences of asymmetric information on <ol style="list-style-type: none"> 2a: product markets 2b: corporate finance 3) Sources of market power – search and switching costs 4) Complement products 5) Network externalities 6) Provisions of network goods 7) Markets with intermediated goods 8) Information and Reputation in Product Markets 9) Market for corporate control: takeovers, mergers and acquisitions
Teaching format	Frontal lectures and exercises.

Learning outcomes	<p><u>Knowledge and understanding:</u></p> <ul style="list-style-type: none"> • Fundamental knowledge of how the behaviour of households, firms, governments and central banks interact and connect to aggregate economic outcomes. • Fundamental knowledge of macroeconomic institutions. • Fundamental knowledge of general price theory • Fundamental knowledge of general microeconomic models applied to economic problems • Knowledge and understanding of the role of distortions and market failures • Understanding of the workings of markets, the economy, and firm behaviour in the economy. • Understanding incentives • Understanding choices under constraints
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Applying knowledge and understanding:

- Ability to think like an economist, that is, using the economists' criteria and categories
- Ability to grasp the interaction between individual choices (by individuals, firms, central bank, governments) and outcomes
- Ability to apply incentive theory to the relation between incentives and consumers' and firms' choices
- Ability to analyze the effects of different economic and fiscal policy choices on the trend of macroeconomic variables
- Making judgments on the basis of appropriate models and tools to analyze specific economic situations and problems.
- Employ marginal analysis for decision making
- Apply choice under constraint models to analyze real business decisions

Making judgments:

- Ability to assess economic situations, to relate them to concrete problems, and to develop policy recommendations.
- Ability to use the appropriate methods to identify the chain of causality in an economic problem.
- Ability to measure relevant economic magnitudes consistently.

Communication skills:

- Ability to present methodology and theory in a consistent way.
- Ability to discuss economic issues.

Learning skills:

- The student should have a broad understanding of the economic principles that are important for business management. She/he should be able to apply essential elements of core business principles to (case studies of) the business environment.

Communication skills:

- Students should be able to communicate the content, the key concepts, ideas, and their solutions to the problems to both a specialist and a non-specialist audience.

Assessment	<p>The assessment takes into consideration the combined acquisition of the learning outcome reached by the students in the two modules.</p> <p>Over the course, students are expected to participate to class discussion based on readings and topic assigned in advance. They are also given a written final exam, project works, and oral presentations.</p>
Assessment language	M1 German, M2 English
Evaluation criteria and criteria for awarding marks	<p>The final grade will be the arithmetic average of the grades in M1 and in M2.</p> <p>For M1: For attending and non-attending students: individual written final exam 100%.</p> <p>For M2: For attending and non-attending students: individual written final exam 100%.</p> <p>Students are expected both to be able to solve formal economic models, and to discuss their implications.</p>
Required readings	<p>For M1:</p> <p>Olivier Blanchard, Gerhard Illing, (2017) "Makroökonomie", 7th edition, Pearson</p> <p>Stephen D. Williamson, (2018) "Macroeconomics", 6th edition, Pearson.</p> <p>Paul Belleflamme, Martin Peitz, "Industrial Organization: markets and strategies", Cambridge University Press, 2018</p> <p>Jean Tirole, "The Theory of Corporate Finance", Princeton University Press, 2006</p>
Supplementary readings	<p>Slides and handouts will be distributed on Reserve Collection.</p> <p>Additional literature will be indicated during the lectures.</p>