



Syllabus

Academic Year	2026/2027
Program	Global Law
Course	Law and Economics of Financial Markets
Term	I semester
Year	3
SSD	IUS/04
Credits	6

INSTRUCTIONAL GOALS	<p>The course aims to provide students with an in-depth knowledge of the law of financial markets, enriched with basic notions in economic sciences. The overall goal is to train students equipped with the interdisciplinary skills essential for a comprehensive understanding of the functioning of financial markets and related global dynamics.</p>
INTENDED LEARNING OUTCOMES	<p>Knowledge and understanding: Students will gain an understanding of legal principles and regulations governing financial markets, including securities laws, banking regulations and financial instruments. They will also study economic theories and concepts to analyse the functioning of financial markets, including supply and demand dynamics, market efficiency and pricing mechanisms as well as the role of government and regulatory bodies in overseeing financial markets.</p>
They describe what a learner is expected to know, understand and be able to demonstrate after completion of a learning path.	<p>Applying knowledge and understanding: Students will be able to assess different types of financial markets (such as stock markets, bond markets, derivatives markets) and, pursuant to the relevant normative framework, understand how they operate and interact with each other. They will also be able to analyse the behaviour of market participants, including investors, financial institutions, and regulators, and understand how their actions influence market outcomes.</p>
	<p>Making judgments: Students will be able to critically evaluate financial market issues, identify various types of inherent risks, formulate reasoned arguments, and propose policy recommendations or solutions to address them.</p>



Communications Skills: Students will acquire appropriate language and vocabulary and they will be able to communicate their analyses and findings clearly and persuasively, either in writing or orally, regarding the law and economics of financial markets.

Learning skills: Students will gain the ability to critically analyse financial market phenomena, including legal framework, economic theories and market dynamics to identify and understand trends and implications. They will also acquire problem-solving skills that will allow them to apply legal and economic principles to address challenges of financial markets.

Pre-requisites	None.
Course content	<ul style="list-style-type: none">• Introduction to Financial Markets and Institutions• Legal Framework of Financial Markets• Economic Theories and Concepts in Finance• Market Structures and Instruments• Regulatory Policies and Agencies• Financial Market Participants: Investors, Institutions, Regulators• Risk Management in Financial Markets• Financial Market Crises and Contagion
Reference Books	O. Sussman (2023), <i>The Economics of Financial Markets and Institutions</i> (Oxford University Press); J. Armour et al. (2016), <i>Principles of Financial Regulation</i> (Oxford University Press). Slides and additional teaching materials on Luiss Learn.
Teaching Methods	Frontal lectures Class discussion Guest speakers
Assessment	Working groups/Assignment (40%) Final written exam (60%)
