Macroeconomics

Single subject and programme course

10 credits

Makroekonomi

730G61

Valid from:

Determined by
The Quality Board at the Faculty of Arts and Sciences

Date determined
2008-08-29

Revision date
2011-09-30

Main field of study
Economics

Course level
First cycle

Advancement level
G1X

Course offered for
- Business and Economics Programme - International - French
- Business and Economics Programme - International - German
- Business and Economics Programme - International - Spanish

Intended learning outcomes
On completion of the course, the student should be able to
- reproduce the historical development of macroeconomic ideas, criticism and contemporary controversies in a general way.
- describe what the central macroeconomic problems consist of and why they are considered important.
- define important concepts in the macroeconomic field.
- explain how the important macroeconomic variables are determined in the short and long term and their mutual dependency.
- analyse the effects of disturbances, economic policy and stabilisation policy.
- assess the possibilities and limitations of economic policy.
- evaluate an economic position and assess a future development.
- understand the specific problems that apply to small open economies of the Swedish type.

Course content

The aim of the course is to develop the student's knowledge of relevant concepts, actual relations and macroeconomic theory. This should give an ability to interpret information about macroeconomic conditions and the ability to apply this knowledge in analyses of the development in the macroeconomic field under different circumstances.

The course begins with an overview of important macroeconomic concepts and issues. This includes that the national accounts and concepts related to financial economics and foreign transactions are covered. The macroeconomic objectives concerning growth, inflation, unemployment and employment are discussed. The economic growth in the long run is explained based on neoclassical theory, endogenic growth theory and institutional theory. The labour market and the problem of unemployment are studied. After that, the role of money in a market economy and the theory of what determines the price level and exchange rate for a country in the long run are covered.

From then on, the course focuses on what relates to fluctuations in business activity, i.e. how GDP, inflation and unemployment is determined in the short and medium terms. The basic so-called Keynesian theory constitutes the basis for determining equilibrium between aggregate supply and demand. The factors that determine the supply and demand and their co-relations are covered. After that, the theory is developed to apply to an open economy and an economy with a variable price level and inflation expectations.

The final part of the course covers the possibilities and problems of carrying out economic policy, mainly stabilisation policy with the aim of lessening the fluctuations in business activities. The student is then given the chance to relate the macroeconomic theory to various current issues.

The historical development of the Swedish economy and current economic position is also touched upon in the course. The development of different macroeconomic schools and theorisings is also covered to some degree.

Teaching and working methods

The course is offered as full-time studies. The teaching is given in the form of a number of exercises and seminars. At these, assignments and problems that the student is expected to prepare in advance, independently or in groups, are discussed. In some exercise sessions, the student may be given time to work with assignments during scheduled time, partly under teacher supervision. A number of lectures are also held to help the student structure the course contents and receive examples from macroeconomic development. Apart from this, the student independently studies the reading list and works with practical assignments and problems to which solutions are provided in certain cases.

Examination

The course is examined with a written individual examination and with a written work analysing a specific question. This work is carried out in groups and should be presented and discussed orally at a seminar.

Students failing an exam covering either the entire course or part of the course twice are entitled to have a new examiner appointed for the reexamination.

Students who have passed an examination may not retake it in order to improve their grades.

Grades

Three-grade scale, U, G, VG

Other information

Planning and implementation of a course must take its starting point in the wording of the syllabus. The course evaluation included in each course must therefore take up the question how well the course agrees with the syllabus. The course is carried out in such a way that both men´s and women´s experience and knowledge is made visible and developed.

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Department

Institutionen för ekonomisk och industriell utveckling