

Macroeconomic Theory and Politics

Single subject and programme course

7.5 credits

Makroekonomisk teori och politik

770G20

Valid from: 2020 Autumn semester

Determined by

Course and Programme Syllabus Board
at the Faculty of Arts and Sciences

Date determined

2019-12-03

Main field of study

Economics

Course level

First cycle

Advancement level

G1F

Course offered for

- Bachelor's Programme in Political science and economics
- Business and Economics Programme - International - French
- Business and Economics Programme - International - Spanish
- Business and Economics Programme - International - German
- Business and Economics Programme
- Business and Economics Programme - International - English

Entry requirements

- Economics, basic course, 30 ECTS credits with at least 15 ECTS credits passed

Intended learning outcomes

On completion of the course, the student should in advanced level be able to

- formulate, explain and analyze models for economic growth
- explain and analyze how economic growth depends on underlying determinants
- analyze causes and consequences of business cycle fluctuations
- explain and analyze macroeconomic models for open economies engaged in international trade in goods and capital, taking various exchange rate regimes into account
- explain and analyze the adjustment processes taking place from the short run and long run
- explain and analyze the main macroeconomic policy areas.

Course content

The course focuses both on short and long run macroeconomic issues with a focus on business cycles, growth and public debt. The models are applied to descriptions of the problems encountered by politicians and central banks when creating the institutional settings for economic policy and when applying fiscal and monetary policies. Economic growth is crucial for long term standards of living and thus a crucial element of macroeconomic analysis. The course set-up and analyze models of economic growth being consistent with stylized facts of economic growth. Throughout, the theoretical analyses are exemplified with studies of current economic-political problems. Course subject areas are: Keynesian business cycle models for open economies, economic policy (fiscal and monetary policy), endogenous economic policy and the institutional settings of economic policy, long run economic growth, public budget and public debt.

Teaching and working methods

The teaching takes the form of lectures and group work, where the students, in small groups, have the opportunity to practice solving and analyzing certain macroeconomic issues and assignments, and to ask questions about the literature, lectures, current macroeconomic events, etc. and to develop their presentation techniques. Independent studies are a necessary complement to the teaching. Language of instructions: Swedish and/or English.

Examination

Final written exam, grading scale UV.

Detailed information can be found in the study guide.

If the LiU coordinator for students with disabilities has granted a student the right to an adapted examination for a written examination in an examination hall, the student has the right to it. If the coordinator has instead recommended for the student an adapted examination or alternative form of examination, the examiner may grant this if the examiner assesses that it is possible, based on consideration of the course objectives.

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.

Department

Institutionen för ekonomisk och industriell utveckling