

## Macroeconomic Theory and Politics

Makroekonomisk teori och politik

7.5 credits

Single subject and programme course

770G20

Valid from: 2020 Autumn semester

|   |                                  |                                   |
|---|----------------------------------|-----------------------------------|
| <b>Determined by</b>  | <b>Main field of study</b>       |                                   |
| Course and Programme Syllabus Board at the Faculty of Arts and Sciences | Economics                        |                                   |
| <b>Date determined</b>  | <b>Course level</b>              | <b>Progressive specialisation</b> |
| 2019-12-03  | First cycle                      | G1F                               |
| <b>Revised by</b>   | <b>Disciplinary domain</b>       |                                   |
|   | Social sciences                  |                                   |
| <b>Revision date</b>  | <b>Subject group</b>             |                                   |
|   | Economics                        |                                   |
| <b>Offered first time</b>   | <b>Offered for the last time</b> |                                   |
| Autumn semester 2020  |                                  |                                   |
| <b>Department</b>   | <b>Replaced by</b>               |                                   |
| Institutionen för ekonomisk och industriell utveckling                  |                                  |                                   |

## 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 - International - English
- Business and Economics Programme

## 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 special circumstances prevail, and if it is possible with consideration of the nature of the compulsory component, the examiner may decide to replace the compulsory component with another equivalent component.

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 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.

An examiner may also decide that an adapted examination or alternative form of examination if the examiner assessed that special circumstances prevail, and the examiner assesses that it is possible while maintaining the objectives of the course.

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 conducted in such a way that there are equal opportunities with regard to sex, transgender identity or expression, ethnicity, religion or other belief, disability, sexual orientation and age.

If special circumstances prevail, the vice-chancellor may in a special decision specify the preconditions for temporary deviations from this course syllabus, and delegate the right to take such decisions.

### About teaching and examination language

The teaching language is presented in the Overview tab for each course. The examination language relates to the teaching language as follows:

- If teaching language is “Swedish”, the course as a whole could be given in Swedish, or partly, or as a whole, in English. Examination language is Swedish, but parts of the examination can be in English.
- If teaching language is “English”, the course as a whole is taught in English. Examination language is English.
- If teaching language is “Swedish/English”, the course as a whole will be taught in English if students without prior knowledge of the Swedish language participate. Examination language is Swedish or English depending on teaching language.