

SYLLABUS

Intermediate Macroeconomics B 7.5 credits N0006N

Nationalekonomi B, Makroteori

Course syllabus admitted: Autumn 2023 Sp 1 - Present

**DECISION DATE
2021-02-17**

Intermediate Macroeconomics B 7.5 credits N0006N

Nationalekonomi B, Makroteori

First cycle, N0006N

Education level	Grade scale	Subject	Subject group (SCB)
First cycle	U G VG *	Nationalekonomi	Economics

Main field of study

Economics

Entry requirements

In order to meet the general entry requirements for first cycle studies you must have successfully completed upper secondary education and documented skills in English language and completed courses of at least 30 credits in Economics with at least the grade Pass. The following courses should be included: Introductory Macroeconomics (N0011N) 7,5 credits and Applied Macroeconomics (N0012N) 7,5 credits, or equivalent. Good knowledge in English, equivalent to English 6.

Selection

The selection is based on 1-165 credits.

Course Aim

After completing the course students should have the ability to:

Knowledge and understanding

- Describe and explain central macroeconomic definitions as well as assumptions in macroeconomic models
- Derive, mathematically and graphically the Mundell-Fleming model
- Graphically derive both static and dynamic models for aggregate demand and supply, as well as mathematically describe the models
- Explain, graphically and mathematically models of long-run economic growth

Skills and abilities

- Apply the Mundell-Fleming model to analyze the business cycle and the effectiveness of stabilization policies in a small open economy under different exchange rate regimes.
- Apply aggregate supply and demand models to analyze stabilization policies in a small open economy affects various macroeconomic variables, especially GDP and inflation in the short- to medium run under different exchange rate regimes and different inflation expectations
- Apply models of long-run economic growth to analyze specific issues such as poverty traps and economic integration
- Analyze different specific macroeconomic issues such as persistence in the labor market and how government budget deficits and debt affects the economy

Judgement

- Critically assess assumptions in macroeconomic models, as well as strengths and shortcomings of the models
- Critically assess macroeconomic arguments in the current political debate.

Contents

Central during the course is the fact that we in Sweden live in a small open economy. The course contents:

The demand side – The Keynesian model:

- The goods market and the IS curve.
- The Keynesian multiplier
- Intertemporal decisions
- The money market and the LM curve
- The foreign exchange market and the FE curve
- The Mundell-Flemming model

The supply side – The labor market

- Potential GDP and the aggregate supply in intermediate run
- Actually GDP and the aggregate supply in short run
- Unemployment

Models for aggregate and supply

- AD/AS
- DAD/SAS (dynamic model)
- Expectations

Economic growth

- Growth accounting
- The Solow model
- Optimal level of investment
- Poverty traps
- Endogenous growth

Budget deficits and public debt
Persistence at the labor market

Realization

Each course occasion's language and form is stated and appear on the course page on Luleå University of Technology's website.

The course will consist of lectures.

Examination

If there is a decision on special educational support, in accordance with the Guideline Student's rights and obligations at Luleå University of Technology, an adapted or alternative form of examination can be provided. The course ends with a (individual) written exam covering the theoretical content of the course equivalent to 6 credits. The exam is given the grades VG (passed with honor), G (passed) or U (failed).

The examination also include mandatory seminars equivalent to 1.5 credits. At the seminars students in groups present solutions to macroeconomics problems. The seminars are given grades G (passed) or U (failed). For the grade G (passed) students must pass three out of four seminars.

The grades of the written examination will determine the final grade of the course.

Unauthorized aids during exams and assessments

If a student, by using unauthorized aids, tries to mislead during an exam or when a study performance is to be assessed, disciplinary measures may be taken. The term “unauthorized aids” refers to aids that the teacher has not previously specified as permissible aids and that may assist in solving the examination task. This means that all aids not specified as permissible are prohibited. The Swedish version has interpretative precedence in the event of a conflict.

Remarks

Students must register for the courses themselves, or contact ETKS educational administration eduetks@ltu.se, not later than three days after the quarter commences. Failure to do so can result in the place being lost. This rule also applies to students with a guaranteed place.

Overlap

The course N0006N is equal to IEN328

Course offered by

Department of Social Sciences, Technology and Arts

Modules

Code	Description	Grade scale	Cr	Status	From period	Title
0002	Written exam	U G VG *	6	Mandatory	A14	
0003	Seminars	U G#	1.5	Mandatory	A14	

Study guidance

Study guidance for the course is to be found in our learning platform Canvas before the course starts. Students applying for single subject courses get more information in the Welcome letter. You will find the learning platform via My LTU.

Last revised

by Director of Undergraduate Studies Daniel Örtqvist, Department of Social Sciences, Technology and Arts 2021-02-17

Syllabus established

by Department of Business Administration and Social Sciences 2007-02-28