

SYLLABUS

Introductory Macroeconomics 7.5 credits N0011N

Nationalekonomi A, Makroteori

Course syllabus admitted: Autumn 2023 Sp 1 - Present

**DECISION DATE
2020-06-18**

Introductory Macroeconomics 7.5 credits N0011N

Nationalekonomi A, Makroteori

First cycle, N0011N

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 + Swedish upper secondary school courses Mathematics 3b or 3c or Mathematics C, Social Studies 1b or 1a1+1a2.

Selection

The selection is based on final school grades or Swedish Scholastic Aptitude Test.

Course Aim

The course is on a basic level and represents an introduction to macroeconomics. The course treats central relationships, definitions and models within the macroeconomic field focusing on stabilization policy and business cycles. Most of the presentation relies on graphs; however, some simpler mathematical models are used to illustrate and analyze economic relationships. After completing the course, students should be able to:

Knowledge and understanding

- Explain basic macroeconomic definitions and relationships.
- Explain and illustrate how different types of economic policies work in the short- to medium run in a small open economy under different institutional settings.
- Account for and explain basic differences between different macroeconomic schools of thought and their views on the functioning of the economy.

Skills and abilities

- Derive and explain relationships for markets central to the aggregate economy, for instance the labor-, goods-, money- and currency markets.
- Evaluate and discuss what type of economic policy that is effective given different institutional settings, for example prevailing exchange rate regimes.
- Together with other students work with and analyze different macroeconomic problems.
- Present, motivate and discuss his/hers analyses and solutions of different macroeconomic problems.

Judgement

- Critically relate to strengths and limitations regarding different macroeconomic relationships, models and schools of thought.
- Discuss and relate to actual economic policy in Sweden and its effects on for example the business cycle.

Contents

The national accounts

- GDP calculation by the production-, income- and expenditure methods
- GDP over time and between countries
- GDP as welfare indicator

The nation's savings and the balance of payments

Unemployment and inflation

- How to measure unemployment and inflation
- Pros and cons with unemployment
- Re-distributional effects of inflation

Different macroeconomic schools of thought

The labor market

- Voluntary and involuntary unemployment
- Monopolistic trade unions
- Hysteresis according to the insider/outsider model

The concept of money and the role of the central bank

Prices and exchange rates in the long run

- The classical quantity theory of money
- Purchasing power of parity

The business cycle

The Keynesian model

- Consumption, investment, government spending, export and import
- The multiplier analysis
- Fiscal policy

Fiscal and monetary policy in the open economy

- The money market
- The IS/LM model
- The currency market
- The Mundell/Fleming model

Aggregate demand and aggregate supply in the short- to medium run

- Demand and supply shocks

Inflation and unemployment

- Phillips curves
- The role of expectations

Realization

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

Teaching is implemented in the form of lectures and a number of mandatory seminar sessions where students work with various macroeconomic problems. Before the lectures, the student is given the opportunity to conduct quizzes, which covers basic concepts and problems. The purpose of these quizzes is to stimulate learning and thus prepare students for lectures and seminars. The student's independent work, thus is a pivotal part of the course and the learning process.

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) final written exam covering the theoretical content of the course equivalent to 6 credits. The final 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 group wise publically present and motivate solutions to macroeconomics problems. The seminars are given grades G (passed) or U (failed). For the grade G (passed) students must pass three 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 N0011N is equal to IEN341

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	A11	
0003	Seminars	U G#	1.5	Mandatory	A11	

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 Business Administration, Technology and Social Sciences 2020-06-18

Syllabus established

by Institutionen för industriell ekonomi och samhällsvetenskap 2007-02-28