



## COURSE SYLLABUS

# Macroeconomic Principles, 7.5 credits

*Macroeconomic Principles, 7,5 högskolepoäng*

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Course Code:	JMPG14	Education Cycle:	First-cycle level
Confirmed by:	Council for Undergraduate and Masters Education Jan 13, 2014	Disciplinary domain:	Social sciences (75%) and natural sciences (25%)
Revised by:	Council for Undergraduate and Masters Education Oct 22, 2014	Subject group:	NA1
Valid From:	Jan 19, 2015	Specialised in:	GIN
Version:	2	Main field of study:	Economics
Reg number:	IHH 2014/4472		

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### Intended Learning Outcomes (ILO)

After completing the course students will be able to:

#### *Knowledge and understanding*

1. Calculate and interpret macroeconomic indicators including how prices and inflations are measured and how an economy's performance should be adjusted for price level.
2. Describe the workings of open-economies and how it relates to exchange rates and government policies.

#### *Skills and abilities*

1. Analyze the causes of economic growth and develop a critical perspective on which factors are crucial to obtain economic growth.
2. Demonstrate the effect of government policies on interest rate, price level and output in a general equilibrium framework.

#### *Judgement and approach*

1. Critically assess the current status of an economy at an aggregate level and from this being able to make rational and good economic decisions for the future.
2. Consider the implication of the government policies and evaluate its effectiveness.

### Contents

The course aims at studying the workings of an aggregate economy including the behavior of the economy given both the long-run, and short-run fluctuations in economic conditions, and which counter measures that should be implemented in economic down- or upturns. Integral parts of the course are to retrieve knowledge and understanding of various economic measurements, components of aggregate spending and the two markets which the economy comprise of: the market for goods and services and the market for money.

Examples of important elements of the course are:

- Macroeconomic indicators such as gross domestic product, CPI, inflation and unemployment rate measures.
- Determinants of economic growth in the long-run.

- The financial system and the allocation of saving.
- Components of aggregate spending: consumption, investments, government expenditure and net exports
- The effect of a change in aggregate spending on the equilibrium output.
- Decisions about government spending, discretionary fiscal policy and the workings of automatic stabilizers.
- The role of the central bank and the effectiveness of monetary policy
- Effects of macroeconomic policies on price level.
- The role of the exchange rate on trade and its implication on macroeconomic policies.

### Type of instruction

Lectures and exercises. Economic theories from the course literature will be presented and explained, while in exercises numerical applications will be solved

The teaching is conducted in English.

### Prerequisites

General entry requirements and English B, Mathematics C and Civics A (Field-specific entry requirements 4) and required grade Passed.

Exemption from the requirement of having Swedish course B is given.

### Examination and grades

The course is graded A, B, C, D, E, FX or F.

Course grades are given based on the performance on the written exam and the written assignment.

The assignment is not compulsory during the course. The assignment can only be handed in once per course opportunity and before the specified deadline. Grading of the assignment is based on a pass (10 points) or fail (0 points) basis. The assignment is intended to be a group work and is thus judged on a group basis; hence all members of the group have a mutual responsibility for all material handed in. If passing the assignment the 10 points will be added to the final exam grade. Students have to score at least 16 points from the multiple-choice question part, otherwise students get an automatic fail.

The final exam itself consists of a total of 90 points. The two parts (non-compulsory assignment and the written exam) lead to an overall examination grade, 100 percent of total credits.

Registration of examination:

Name of the Test	Value	Grading
Examination <sup>1</sup>	7.5 credits	A/B/C/D/E/FX/F

<sup>1</sup> Determines the final grade of the course, which is issued only when all course units have been passed.

### Course evaluation

It is the responsibility of the examiner to ensure that each course is evaluated. At the outset of the course, evaluators must be identified (elected) among the students. The course evaluation is carried out continuously as well as at the end of the course. On the completion of the course the course evaluators and course examiner discuss the course evaluation and possible improvements. A summary report is

created and archived. The reports are followed up by program directors and discussed in program groups and with relevant others (depending on issue e.g. Associate Dean of Education, Associate Dean of faculty, Director of PhD Candidates, Dean and Director of Studies). The next time the course runs, students should be informed of any measures taken to improve the course based on the previous course evaluation.

## Other information

### Academic integrity

JIBS students are expected to maintain a strong academic integrity. This implies to behave within the boundaries of academic rules and expectations relating to all types of teaching and examination.

Copying someone else's work is a particularly serious offence and can lead to disciplinary action. When you copy someone else's work, you are plagiarizing. You must not copy sections of work (such as paragraphs, diagrams, tables and words) from any other person, including another student or any other author. Cutting and pasting is a clear example of plagiarism. There is a workshop and online resources to assist you in not plagiarizing called the Interactive Anti-Plagiarism Guide.

Other forms of breaking academic integrity include (but are not limited to) adding your name to a project you did not work on (or allowing someone to add their name), cheating on an examination, helping other students to cheat and submitting other students work as your own, and using non-allowed electronic equipment during an examination. All of these make you liable to disciplinary action.

## Course literature

### Course literature

The main textbook:

- McDowell, M., Thom, R., Pastine, I., Frank, R., & Bernanke, B., (2012), Principles of Economics, 3rd European Edition, McGrawHill, ISBN: 978-007713273-6.

Assignment material:

- Paul Krugman (2009) The return of depression economics and the crisis of 2008. ISBN13:9780393337808