COURSE SYLLABUS

Macroeconomic Principles, 7.5 credits

Macroeconomic Principles, 7,5 högskolepoäng

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 Sep 21, 2020	**Subject group:**	NA1
		Specialised in:	G1N
Valid From:	Jan 18, 2021	**Main field of study:**	Economics
Version:	4		

Intended Learning Outcomes (ILO)

After completing the course students will be able to:

Knowledge and understanding

1. Calculate and explain macroeconomic indicators, such as how gross domestic product and inflation are measured and how an economy's economic performance should be adjusted for the price level.
2. Describe the mechanisms of open economies and how they relate to exchange rates and government policies.

Skills and abilities

3. Analyze the causes of economic growth and discuss which factors are critical to obtain economic growth.
4. Apply a general equilibrium framework to analyze the effects of economic changes, including government policies, on macroeconomic factors, such as the interest rate, inflation, output, and unemployment.
5. Relate macroeconomic principles to real-world topics.

Judgement and approach

6. Critically assess the status of an economy at aggregate level and propose rational economic decisions.
7. Evaluate the effectiveness of government policies.

Contents

The course introduces macroeconomic indicators, models, and theories that are useful for studying the mechanisms of an aggregate economy, in the short-, medium-, and long-term.

Important elements of the course are:

- Macroeconomic indicators such as gross domestic product, CPI, inflation, and unemployment rate measures.
- Real wage formation and unemployment in the labor market.

• The Solow model and determinants of long-run economic growth.
• 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.
• The market for money and the market for goods and services.
• The IS-LM-BP model for closed and open economies.
• The AD-AS model and Phillips curves.
• Decisions about government spending, discretionary fiscal policy, and automatic stabilizers.
• The role of the central bank and the effectiveness of monetary policy.
• Effects of macroeconomic policies on inflation.
• The role of the exchange rate in trade and its implication on macroeconomic policies.

Connection to Research and Practice

The macroeconomic models introduced in the course are based on research. The theories on economic growth broadly connect to JIBS research area renewal. Macroeconomic indicators, theories, and models are put into practice through the exercises and the assignment, which involve real-world issues.

Type of instruction

The course includes lectures and exercises, assignment, and written examination

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.

Individual written exam (ILOs: 1-4, 6-7) representing 6.5 credits.
Group assignment (ILO: 5) representing 1 credit.

Registration of examination:

Name of the Test	Value	Grading
Individual written exam[I]	6.5 credits	A/B/C/D/E/FX/F
Group assignment[I]	1 credit	U/G

[I] All parts of the compulsory examination in the course must be passed with a passing grade (A-E or Pass) before a final grade can be set. The grade is set in accordance with JIBS grading policy.

Course evaluation

It is the responsibility of the examiner to ensure that each course is evaluated. There must be course evaluators identified among the students. The evaluation is carried out continuously as

well as at the end of the course, through a survey. After the course the course Examiner meets with student evaluators to discuss the survey results and possible improvements. A summary report is also created. The report is followed up by program directors and discussed with faculty and relevant others (e.g. Associate Dean of Education, Associate Dean of faculty, Director of PhD Candidates, Dean, or 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:

- Wagner, Gernot, and Martin L. Weitzman. C*limate shock: The economic consequences of a hotter planet. Princeton University Press, 2015 ISBN: 9780691159478 https://* press.princeton.edu/books/hardcover/9780691159478/climate-shock

Additional articles may be provided during the course.