



**LUND**  
UNIVERSITY

School of Economics and Management

## **NEKA52, Economics: Macroeconomic Theory and Economic Policy, 9 credits**

*Nationalekonomi: Makroekonomisk teori och ekonomisk politik, 9 högskolepoäng*  
First Cycle / Grundnivå

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### **Details of approval**

The syllabus was approved by The Board of the Department of Economics on 2011-06-07 and was last revised on 2015-11-04. The revised syllabus applies from 2015-11-04, autumn semester 2016.

### **General Information**

This is an online introductory course in economics. The course is optional within a number of undergraduate programs at Lund University.

*Language of instruction:* Swedish  
Teaching is in Swedish.

*Main field of studies*

Economics

*Depth of study relative to the degree requirements*

G1N, First cycle, has only upper-secondary level entry requirements

### **Learning outcomes**

#### **Knowledge and understanding**

Students shall be able to understand and give an account of:

- basic macroeconomic terminology,
- the fundamentals of the national and financial accounts, what they mean and how they can be used,
- how unemployment and inflation are measured and the problems involved in measuring these two phenomena,
- the costs of unemployment and inflation to the aggregate economy,
- the short and medium term connection between unemployment and inflation,

- the factors that affect long-term inflation,
- the benefits to the economy of financial intermediaries,
- the different types of unemployment and the most important principles behind the functioning of the labour market seen from a macroeconomic perspective,
- certain labour market policies and how they have been applied in Sweden,
- the most important factors underlying long-term GDP growth,
- the development of Sweden's long-term growth,
- how money is created and its role in the economy,
- the role of the central bank in monetary policy and its importance to interest rates,
- how the Swedish central bank (Riksbanken) affects the economy,
- the factors that affect the long-term exchange rate,
- the effect of changes in the exchange rate in an open economy, like the Swedish economy,
- the Keynesian model and its implications for the short-term development of the macroeconomy,
- the basic macroeconomic model and its implications for the medium term development of the economy,
- how fiscal policy and monetary policy affect the economy,
- advantages and disadvantages of different macroeconomic policies,
- Sweden's macroeconomic policy goals,
- how the most important Swedish economic institutions function and their limitations,
- advantages and disadvantages of fixed and floating exchange rates and of monetary unions like the EMU,
- EMU's implications for the economy.

### **Competence and skills**

Students shall have the ability to independently:

- analyse a nation's economy with the help of data from national accounts, financial accounts and other macroeconomic data,
- to analyse a given problem by choosing one of the macroeconomic models that were discussed during the course,
- analyse the effects of different macroeconomic events on the economy as a whole,
- analyse the effects that different economic policy measures have on the economy,
- suggest appropriate economic policy measures to achieve given macroeconomic goals,
- analyse and evaluate the macroeconomic development in Sweden since 1970 on an aggregate level,
- analyse and discuss macroeconomics that are discussed in the news media and other macroeconomic events,
- give an account of and discuss their macroeconomic abilities,
- communicate an analysis of a macroeconomic course of events to educated people in a written text.

### **Judgement and approach**

Students shall develop the ability to pursue further studies in the subject. Students shall develop the ability to analyse fundamental macroeconomic questions with a high degree of independence. Students shall increase their understanding of, and be able to analyse, economics as seen in the news and in political discussions. Students shall also adopt a critical and scientific approach.

## Course content

The course starts with a short introduction to the central questions within macroeconomics followed by a presentation of some basic concepts, such as the national accounts, the financial accounts, unemployment and inflation. The course then deals with the issue of long-term growth and the factors causing growth, an analysis of the labour market from a macroeconomic perspective, Swedish labour market policy, the role and function of money, the role of the central bank in monetary policy and how the Swedish central bank (Riksbank) works, how inflation (the price level) and the exchange rate are determined in the long run, how the exchange rate affects an open economy like Sweden, the Keynesian model for short-run analysis of the economy, the AS–AD-model and the Phillips curve for medium term analysis of the economy, various macroeconomic events and their effect on the economy at large, the effects of macroeconomic policies (financial and monetary policies) on society, the connection between inflation and unemployment, different strategies for stabilisation policies, the macroeconomic goals that determine the Swedish economic policy, the most important Swedish institutions for the economic policy and functioning of the Swedish economy, some macroeconomic experiences to be drawn from the Swedish economy since 1970, and finally, advantages and disadvantages with different exchange rate regimes and monetary unions like the EMU.

## Course design

1. Teaching: The course is an internet based course for distance learning and does not consist of any traditional tuition. Tuition takes place through the internet.

## Assessment

1. Examination: Written exams take place at the end of the course. There will be further opportunities for examination close to this date. In addition, there are home assignments and internet based tests. Other forms of examination can be included to a limited extent.

2. Limitations on the number of examination opportunities: –

The University views plagiarism very seriously, and will take disciplinary action against students for any kind of attempted malpractice in connection with examinations and assessments. Plagiarism is considered to be a very serious academic offence. The penalty that may be imposed for this, and other unfair practices in examinations or assessments, includes suspension from the University for a specified period.

*Subcourses that are part of this course can be found in an appendix at the end of this document.*

## Grades

Marking scale: Fail, E, D, C, B, A.

1. Grading: The official grading scale is A, B, C, D, E and Fail.
2. Weighting grades for different parts of the course: –
3. Grading scales for different parts of the course: –

## Entry requirements

General and courses corresponding to the following Swedish Upper Secondary School Programs: English 6, Mathematics 3b/3c and Social Studies 1b/1a1+1a2.

## Further information

1. Transitional regulations: This course replaces NEKB12 "Macroeconomic Theory and Economic Policy".
2. Limitations in the period of validity: –
3. Limitations: This course cannot be included in the same degree as either of the courses NEKB12 "Macroeconomic Theory and Economic Policy", NEK104 "Macroeconomic Theory and Economic Policy", the sub-course "Macroeconomic Theory and Economic Policy" in NEKA11 "Economics: Level 1" or the sub-course "Macroeconomic Theory and Economic Policy" in NEKA12 "Economics: Level 1".
4. Similar courses: The course has the same content as the sub-course "Macroeconomic Theory and Economic Policy" in NEKA12 "Economics: Level 1".
5. Limitations in renewed examination: –

## Subcourses in NEKA52, Economics: Macroeconomic Theory and Economic Policy

Applies from H11

1101 Macroeconomic Theory and Economic Policy, 9,0 hp  
Grading scale: Fail, E, D, C, B, A