



LUND
UNIVERSITY

School of Economics and Management

NEKH41, Economics: Economic Growth, 7.5 credits *Nationalekonomi: Ekonomisk tillväxt, 7,5 högskolepoäng* First Cycle / Grundnivå

Details of approval

The syllabus was approved by The Board of the Department of Economics on 2011-06-07 and was last revised on 2022-09-13. The revised syllabus applies from 2022-09-13, autumn semester 2022.

General Information

This is a single subject intermediate course in economics belonging to the "Macroeconomics" specialisation. The course is optional within a number of undergraduate programmes at Lund University.

Language of instruction: Swedish

In some semesters the course can be taught in English, see the appropriate application catalogue.

Main field of studies

Economics

Depth of study relative to the degree requirements

G1F, First cycle, has less than 60 credits in first-cycle course/s as entry requirements

Learning outcomes

Knowledge and understanding

Students shall understand and be able to account for:

- the importance of long-run growth for a country's material well-being, both in terms of the growth rate and the level of income,
- what factors determine a country's long-run growth rate and what factors determine a country's long-run income level,
- the effects of investment in physical capital, investment in human capital, technological development and innovations on long-run growth,
- neoclassical growth models like the Solow model,
- growth models based on endogenous and semi-endogenous growth,

- the principles of growth accounting and the conclusions that can be derived from growth accounting,
- how the infrastructure of a country affect growth and the income level,
- how natural resources and land affect growth and the income level,
- how equality between men and women affect growth and the income level,
- how other important economic, political, institutional and cultural factors affect growth and the income level,
- the costs and possible negative consequences of high economic growth and measures intending to increase the growth rate,
- what factors cause prolonged periods of particularly high or particularly low growth rates,
- how differences in a country's initial situation affect what factors are most important to improve growth,
- the results of some important empirical investigations into economic growth and some methodological considerations that arise in connection with those investigations.

Competence and skills

Students shall have an ability to independently:

- identify the long-run equilibrium of an economy and the equilibrium growth rate and income level using the models that are treated in the course,
- identify the evolution of an economy from its original position to equilibrium using the models that are treated in the course,
- analyse what countries can be expected to exhibit high and low future growth rates,
- analyse how a number of economic, political, institutional and cultural factors affect long-run growth,
- determine what factors or features of an economy that has been particularly important for the growth rate of the country,
- analyse why some countries historically have exhibited particularly high or low growth rates,
- discuss what measures can be undertaken to improve a country's growth rate,
- understand the basic mechanisms of growth models,
- discuss costs and possible negative consequences of high economic growth and measures intending to increase the growth rate,
- analyse an economy using small extensions of the models that are treated in the course,
- present and explain their analyses and conclusions in a clear and concise manner, both orally and in writing.

Judgement and approach

Students shall have the ability to pursue further studies in the subject and the ability to write a paper on topics related to economic growth. Students shall also have the ability to search for and evaluate relevant information.

Course content

The course deals with theoretical and empirical insights into long-run economic growth, i.e. the causes of the growth of real GDP per capita over a long time horizon. The aim is to improve the knowledge and understanding of why some countries exhibit higher growth rates than others and of why some countries are rich and other countries are poor. The course also analyses how and to what extent

economic policy can contribute to improve economic growth. The course starts with the neoclassical growth model that focuses on savings, investment and capital accumulation. Then, the model and analysis is extended to include technology, research and development, education, human capital and infrastructure. A selection of models applicable to different types of countries are presented. Within this context, the course also analyses the role of economic policy in improving growth. In addition, the course discusses why similar countries may exhibit different growth rates and the reasons for countries exhibiting exceptionally high growth rates during certain periods of time. During the course the various theories are related to empirical studies.

Course design

1. Teaching: Tuition mainly consists of lectures.

Assessment

1. Examination: The examination consists of a written exam and home assignments. The written exam takes place at the end of the course. There will be further opportunities for examination close to this date. Points from the home assignments are only carried forward to exams during the same term.

2. Limitations on the number of examination opportunities: –

The University views plagiarism and other academic dishonesty 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.

The examiner, in consultation with Disability Support Services, may deviate from the regular form of examination in order to provide a permanently disabled student with a form of examination equivalent to that of a student without a disability.

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. Grade (Definition), Points or percentage out of maximum points, Characteristic

A (Excellent), 85–100, A distinguished result that is excellent with regard to theoretical depth, practical relevance, analytical ability and independent thought.

B (Very good), 75–84, A very good result with regard to theoretical depth, practical relevance, analytical ability and independent thought.

C (Good), 65–74, The result is of a good standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.

D (Satisfactory), 55–64, The result is of a satisfactory standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.

E (Sufficient), 50–54, The result satisfies the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought, but

not more.

U (Fail), 0–49, The result does not meet the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought. Students have to receive a grade of E or higher in order to pass a course.

2. Weighting grades from different parts of the course: –

3. Grading scales for different parts of the course: –

Entry requirements

At least 20 ECTS-credits from the introductory course in economics, of which at least 7.5 ECTS-credits in microeconomics are needed for admission till all intermediate courses in economics. To be admitted to this particular course students must also have 7.5 ECTS-credits in basic macroeconomics.

Further information

1. Transitional regulations: This course replaces NEKK18 "Economic Growth".

2. Limitations in the period of validity: –

3. Limitations: This course may not be included in the same degree as NEK652 "Macroeconomic Analysis C" or NEKK18 "Economic Growth".

4. Similar courses: –

5. Limitations in renewed examination: –

Subcourses in NEKH41, Economics: Economic Growth

Applies from V12

1101 Economic Growth, 7,5 hp
Grading scale: Fail, E, D, C, B, A