



APPLIES TO ACADEMIC YEAR 2007/2008

SØK 2484 Macroeconomics

Program

Bachelor in Arts and Management (1. year), Bachelor in Auditing (1. year), Bachelor in Banking and Finance (SF), Bachelor in Business Journalism (1. year), Bachelor in Business Law (1. year), Bachelor in Entrepreneurship (1. year), Bachelor in Finance (1. year), Bachelor in International Marketing (1. year), Bachelor in IT-management (1. year), Bachelor in Market Communication (1. year), Bachelor in Marketing (1. year), Bachelor in Public Relations (1. year), Bachelor in Real Estate (1. year), Bachelor in Retail Management (1. year), Bachelor in Tourism Management (1. year), Bachelor of Science in Marketing (1. year), Foundation Program in Business Administration, Foundation Program in Marketeconomy, Bachelor in Business Administration - (1. year)

Responsible for the course

Erling Steigum

Department

Economics

Term

According to study plan

ECTS Credits

6

Language of instruction

Norwegian

Objective

The main goal is to give an introduction to macroeconomics such that participants are able to understand and address important issues related to the macroeconomy and economic policy in Norway and other industrialised countries. In particular, the course aims at

- explaining the most important concepts and relationships in the income and product accounts (national accounts)
- explaining the fundamental difference between the real economy on the one hand, and the monetary system and nominal variables on the other
- giving an introduction to theories of economic growth, macroeconomic fluctuations (business cycles), unemployment, interest rates, exchange rates, and inflation
- explaining how fiscal and monetary policy affect the macroeconomy in a small open economy like Norway.

Prerequisites

No particular prerequisites are required.

Compulsory literature

Books:

Steigum, Erling. 2004. *Moderne makroøkonomi*. Oslo: Gyldendal akademisk. Kap. 1-2, 3 (ikke 3.4.4 og kun resultat 1-4 i vedlegg 3.2), 5 (ikke vedlegg 5.1), 6 (ikke 6.4.1, 6.4.2, 6.4.4, 6.6, 6.7.1), 7, 8 (ikke 8.2), 9 (ikke 9.3 og 9.4), 10 (ikke 10.5), 11 (ikke 11.3, 11.4.2, 11.4.3, vedlegg 11.1) 12, 13 (ikke 13.3, 13.4, 13.5), 14 (ikke 14.1, 14.2.4, 14.2.5, 14.3.4).

Steigum, E. og Robert Hansen. 2005. *Hjelper til Moderne makroøkonomi*. 2. utgave. Oslo: Gyldendal Akademisk

Recommended literature

Other:

Inflasjonsrapport. Oslo: Norges Bank. (siste nummer)

St. meld. nr. 1(2007-2008). Nasjonalbudsjettet 2008. Oslo: Finans-og tolldepartementet

Course outline

1. National accounts and macroeconomics data
2. Foundation of long-run economic growth and the wealth of nations
3. Structural unemployment, price and wage formations
4. Money, exchange rates, interest rates and inflation in the long run
5. Business cycles, aggregate demand and fiscal policy in the short run
6. Financial markets, interest rates and monetary policy in the short run
7. The open economy: Capital mobility, exchange rates, business cycles and macroeconomic policy in the short run
8. Inflation and monetary policy: Inflation targeting by the Central Bank
9. Fiscal policy

Computer-based tools

The use of computer-based tools is not compulsory in this course.

Course structure

The course is based on 36 teaching hours of lectures + 12 hours of exercises. It is also offered as distance teaching. Students who attend the part-time model should contact their college for further information.

Evaluation

The course ends with an individual 3 hours written exam.

Evaluation code(s)

SØK 24842 -Written exam, which accounts for 100% of the grade in SØK 2484
Macroeconomics, 6 ECTS credits.

Aids at the examination

Simple calculator.

Aids at the written examinations are explained under exam information in our web-based student handbook. Please note use of calculator. <http://www.bi.no/studenthandbook>.

Makeup exam

A makeup exam is held in every term.