



APPLIES TO ACADEMIC YEAR 2016/2017

EXC 3525 Macroeconomics

Programme

Bachelor of Business Administration - BBA (2. year), Exchange Program

Responsible for the course

Anders Tveit

Department

Department of Economics

Term

According to study plan

ECTS Credits

7,5

Language of instruction

English

Introduction

Macroeconomics is the study of the economy as a whole. It deals with phenomena such as long-run economic growth, business cycles, unemployment, inflation, and deficits on the balance of payments. Analyses on how governments and central banks can influence the macroeconomy through fiscal and monetary policy are particularly important in macroeconomics.

Learning outcome

An important goal of this course is to familiarize students with important macroeconomic concepts, indicators, and relations, and to give students insights into macroeconomic theories (with corresponding empirical knowledge) of long-run economic growth processes, structural unemployment, inflation and other nominal variables, and business cycles. Another goal is to equip students with sufficient knowledge to understand theories and macroeconomic models that explain how fiscal and monetary policy, such as inflation targeting, can be used to influence the macro economy.

Acquired Knowledge

After taking this course, you should be able to understand and explain important macroeconomic concepts, indicators and the most common policy targets and instruments of fiscal and monetary policy in advanced economies. You are expected to understand the crucial distinction between real and nominal variables and concepts. You should also be able to distinguish wrong statements in macroeconomics from correct ones, as well as descriptive statements from normative ones. You should also have acquired a good overview of macroeconomic relations and empirical knowledge. Finally, you should understand the logical structure of basic macroeconomic growth models and elementary models of business cycles and inflation.

Acquired Skills

After taking this course, you should be able to find relevant economic data and indicators from respectable data sources in order to describe the macroeconomic situation and recent history of a particular country. You should also be able to decide which macroeconomic theory or model that is most relevant for a particular policy issue. Finally, you should be able to apply basic models of long-run growth, business cycles and inflation to draw logical conclusions about the effects of changes in crucial parameters and policy instruments.

Reflection

After taking this course, you should be ethically conscious about the conflicts of interest and inherent goal conflicts and trade-offs in macroeconomic policy. You should be able to look at a macroeconomic policy issue from different perspectives concerning the interests of different groups in society. You should also have developed a critical attitude making you conscious of the difference between political ambitions behind announcements of goals and the real effects of macroeconomic policies in practice.

Prerequisites

No particular prerequisites.

Compulsory reading

Books:

Burda, Michael and Charles Wyplosz. 2013. Macroeconomics: A European Text. 6th Edition. Oxford University Press. Chapter 1-13, 15, 17 (403 pages in all)

Recommended reading

Journals:

OECD. Last version. "General assessment of the macroeconomic situation". OECD Economic Literature. OECD. Recommended reading

Course outline

1. National accounts and economic indicators
2. Economic growth and the wealth of nations
3. The labour market and structural unemployment
4. Money, prices and exchange rates in the long run
5. Consumption and investment
6. Aggregate demand, business cycles and the short-run effects of monetary and fiscal policy
7. Nominal and real exchange rates
8. Long-run effects of fiscal policy.

Computer-based tools

No specified computer-based tools are requested.

Learning process and workload

Five sets of coursework requirements will be posted on Itslearning. In order to attend the final exam students have to receive passing marks for at least three of these five assignments. Information about deadlines will be given at the start of the term.

Answers to the work requirements should be posted electronically through Itslearning. Feed-back will be given in class.

Activity	Use of hours
Lectures	36
Feedback on assignments (coursework requirements)	6
Reading of literature and preparing for lectures	131
Coursework requirements	24
Final exam	3
Total use of hours recommended	200

Use of hours

42 hours lectures and feedback on assignments

3 hours til de som er ansvarlig for gjennomføringen av de automatiserte testene

45 timer totalt

Coursework requirements

The students must get three out of the five assignments approved in order to take the written exam. (See learning process and workload.)

Examination

A three- hour individual written exam concludes the course.

Examination code(s)

EXC 35251 - Written exam. Accounts for 100 % of the final grade in EXC 3525 Macroeconomics 7,5 credits.

Examination support materials

BI approved exam calculator. Examination support materials at written examinations are explained under examination information in the student portal @bi. Please note use of calculator and dictionary in the section on support materials (https://at.bi.no/EN/Pages/Exa_Hjelpemidler-til-eksamen.aspx).

Re-sit examination

Students who have not got approved three of the five assignments must retake the assignments at the next scheduled course. Students that have not passed the written exam or who wish to improve their grade must retake the exam in connection with the next scheduled examination.

Additional information