

Intermediate economics
Autumn 2009
Lars Calmfors

Topics in the course

- Causes and effects of government budget deficits and external imbalances
- Economic growth
- Determination of employment
- Determination of exchange rates
- Monetary and fiscal policy under varying conditions

Focus

- The current economic crisis
- Focus on Europe and Sweden

Objectives for the course

- To provide deeper insights in macroeconomic theory and to apply it to current macroeconomic problems
- To provide an understanding for what analytical model simplifications to use depending on the problem at hand
- To provide an understanding of how reasonable various model assumptions are and of the limitations of various models
- To provide an analytical background that can help evaluate basic macroeconomic arguments used in the political debate in Sweden and elsewhere

Examination

F: No requirements

Fx: Knowledge of the conclusions from the models discussed in the course

E: Also ability to derive the models discussed in the course diagrammatically and explain the intuition behind them

D: Also ability to apply the models discussed to similar problems as those discussed in the course

C: Also ability to apply the models to other problems than those discussed in the course

B: Also ability to derive the models discussed mathematically

A: Also ability to make own evaluations of what models to use for specific problems and judge the relevance of different model approaches for different sets of real-world problems

Written examination after the course.

- Maximum number of points: 100 (40 required for E)
- 5 seminar exercises: passing them gives credit of 10 points to final examination
 - groups of 3-4 students
 - answers in writing to seminar teacher 12 o'clock day before seminar
 - answers to all seminars (also the first)
 - participation in four out of five seminars