**Confirmation**

This course syllabus was confirmed by School of Business, Economics and Law on 2010-01-18 and was last revised on 2018-11-15 by Department of Economics to be valid from 2019-01-21, spring semester of 2019.

*Field of education:* Social Sciences 100%
*Department:* Department of Economics

**Position in the educational system**

This is a 30 higher education credit freestanding introductory course at first-cycle level.

The course can be part of the following programmes: 1) Program in Environmental Social Science (S1SML), 2) European Studies Program (S1EUR), 3) Program in Environmental Social Science (S1SMI), 4) European Studies (SEURM) and 5) Program in Political Science (S1STV)

*Main field of studies*  
Economics

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

**Entry requirements**

General entrance requirements for university studies and the Swedish upper secondary courses English B, Mathematics C, Civics A or English 6, Mathematics 3b/3c, Civics 1b/1a1-1a2 or equivalent.

**Learning outcomes**

After completion of the course, the student shall be able to:
1. describe and explain the main features and development of the Swedish economy and the world economy.
2. identify, describe and explain economic problems at micro and macro level using relevant economic theory.
3. analyse economic problems using basic economic theory, basic mathematics and diagrams.
4. identify, illustrate and problematise global and local work focusing on accountability, ethics and follow-up related to environmental, social and economic sustainability issues (applies only to students in the Programme in Environmental Social Science, see further information under Assessment).

How overall learning goals of the Bachelor's degree are related to the learning outcomes of the course:

<table>
<thead>
<tr>
<th>Overall learning goals Bachelor’s degree</th>
<th>Learning outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge and understanding</td>
<td>1</td>
</tr>
<tr>
<td>Skills and abilities</td>
<td>2+3</td>
</tr>
<tr>
<td>Judgement and approach</td>
<td>4</td>
</tr>
</tbody>
</table>

See information below on content and specific learning outcomes for sub-courses.

Sub-course 1: Principles of Macroeconomics (Grundläggande makroekonomi) 7.5 higher education credits

After completion of the course, the student shall be able to:

1. explain the basic concepts and relationships in the national accounts and balance of payments and in relation to money, exchange rates, employment, inflation and economic growth. The student shall also be familiar with the basic background and empirics in connection with these issues.
2. explain the basic models of macroeconomic relations and be familiar with and be able to analyse both hypothetical and real economic events and situations.
3. describe and explain the main features of the current state and development of the Swedish economy as well as ways of measuring these aspects. The student should also be able to explain the role of central authorities and organisations – such as the Riksbank, the government, the parliament and the European Central Bank – in the macroeconomic course of events.
How overall learning goals of the Bachelor's degree are related to the learning outcomes of the course:

<table>
<thead>
<tr>
<th>Overall learning goals Bachelor's degree</th>
<th>Learning outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge and understanding</td>
<td>1+2+3</td>
</tr>
<tr>
<td>Skills and abilities</td>
<td>2</td>
</tr>
<tr>
<td>Judgement and approach</td>
<td>1+2+3</td>
</tr>
</tbody>
</table>

**Sub-course 2: Principles of Microeconomics (Grundläggande mikroekonomi) 7.5 higher education credits**

After completion of the course, the student shall be able to:

1. describe the basic economic theory of consumer decisions and the factors influencing demand. The student should also be able to explain how a firm should utilise production resources to minimise the cost of production and how supply is determined.
2. describe how short-run and long-run equilibrium can be determined under perfect competition, as well as explain and critically analyse the meaning of economic efficiency. In addition, the student should be able to explain the formation of prices under different forms of imperfect competition, as well as critically compare perfect competition with imperfect competition with regard to economic efficiency.
3. identify different types of market failures and suggest and critically compare different measures that policymakers may implement in the form of taxes, subsidies, quantitative regulations, etc.

How overall learning goals of the Bachelor's degree are related to the learning outcomes of the course:

<table>
<thead>
<tr>
<th>Overall learning goals Bachelor's degree</th>
<th>Learning outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge and understanding</td>
<td>1+2+3</td>
</tr>
<tr>
<td>Skills and abilities</td>
<td>1+2+3</td>
</tr>
<tr>
<td>Judgement and approach</td>
<td>2+3</td>
</tr>
</tbody>
</table>

**Sub-course 3. Applied Economics and Trade (Tillämpad ekonomi och handel) 7.5 higher education credits**
After completion of the course, the student shall be able to:

1. describe and evaluate the relevance of different trade theories.
2. explain income distribution effects of trade and different forms of trade policy.
3. apply basic macro-, micro- and trade theory to analyse selected economic problems, as well as report the application both in writing and orally.

How overall learning goals of the Bachelor's degree are related to the learning outcomes of the course:

<table>
<thead>
<tr>
<th>Overall learning goals Bachelor's degree</th>
<th>Learning outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge and understanding</td>
<td>1+2</td>
</tr>
<tr>
<td>Skills and abilities</td>
<td>3</td>
</tr>
<tr>
<td>Judgement and approach</td>
<td>1</td>
</tr>
</tbody>
</table>

Sub-course 4: Principles of Financial Economics (Grundläggande finansiell ekonomi), 7.5 higher education credits

After completion of the course, the student shall be able to:

1. explain the functions of financial markets, the foreign exchange market and financial institutions in a market economy.
2. explain how the interest rate level is determined and how it affects the exchange rate.
3. explain the reasons for interest rate differences that may occur between different financial instruments.
4. calculate and analyse the return on and risk of financial instruments, as well as explain how financial derivatives are used for risk management.

How overall learning goals of the Bachelor's degree are related to the learning outcomes of the course:

<table>
<thead>
<tr>
<th>Overall learning goals Bachelor's degree</th>
<th>Learning outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Knowledge and understanding</td>
<td>1+2+3+4</td>
</tr>
<tr>
<td>Skills and abilities</td>
<td>4</td>
</tr>
<tr>
<td>Judgement and approach</td>
<td>1</td>
</tr>
</tbody>
</table>
Course content
The purpose of the course is to provide the students with (i) basic knowledge about economic theory and policy, (ii) an ability to apply economic theory on various problems and (iii) an awareness of economic trends and development.

The course consists of four compulsory sub-courses:

1. Principles of Macroeconomics
2. Principles of Microeconomics
3. Applied Economics and Trade

and a non-compulsory sub-course: Mathematics for Economics.

Sub-course 0: Mathematics for Economics (Stödundervisning i Matematik), 0 higher education credits
The sub-course is offered in the first half of the semester and aims to provide the student with knowledge and skills in mathematics related to the introductory course in economics. Relevant parts of the material taught at upper-secondary level are revisited and mathematical applications within economics are addressed. The course is not examined.

Sub-courses

1. **Principles of Macroeconomics** (*Grundläggande makroekonomi*), 7.5 credits
   - Grading scale: Pass with Distinction (VG), Pass (G) and Fail (U)
   - This course introduces modern macroeconomic thought and various ways of analysing an economy as a whole. Important components are how key economic variables, such as gross domestic product, inflation, unemployment and growth, are measured and how these are determined in an economy. The potential of economic policy is also discussed.

2. **Principles of Microeconomics** (*Grundläggande mikroekonomi*), 7.5 credits
   - Grading scale: Pass with Distinction (VG), Pass (G) and Fail (U)
   - This course describes how the market mechanisms allocate resources to production of various goods and services and what economic policy tools can be used to adjust the outcome. First, the factors that determine supply and demand in a market and how they interact through the price mechanism are studied. The course continues to address the actions of firms under various market-structure characteristics, as well as price formation in resource markets, in particular the labour market. The concept of economic efficiency is defined and analysed under various market forms. Lastly, the course discusses deficiencies that can occur in the market's
ability to allocate resources as well as various government interventions and their
effects on the outcome.

3. **Applied Economics and Trade** (*Tillämpad ekonomi och handel*), 7.5 credits
   Grading scale: Pass (G) and Fail (U)
   The two central aims of the sub-course are to (i) provide basic knowledge of trade
   theory (ii) provide insight regarding how economic theory can be applied to
   analyse various economic issues.
   The trade theory, coupled with the open macro theory presented in the first sub-
   course, enable the students to analyse economic issues in the international
   environment. The issues concern, for example, economic growth and problems in
   developing economies, trade and the labour markets in a globalised economy and
   integration issues in the European market.
   In addition, microeconomic applications are included, which can occur both in a
   national and an international perspective. Examples These applications may
   concern income distribution, environmental problems, discrimination, taxes and
   the labour market. The students choose among a number of economic problems
   that will be analysed using appropriate economic theory and empirics, and in small
   groups write a number of short essays. One of these essays will be presented by the
   student group in a seminar at the end of the course.

4. **Principles of Financial Economics** (*Grundläggande finansiell ekonomi*), 7.5 credits
   Grading scale: Pass with Distinction (VG), Pass (G) and Fail (U)
   This sub-course aims to provide basic knowledge of the functions of financial
   markets and financial institutions in a market economy. A key concept is the
   interest rate and a large part of the course addresses various interest rate theories
   and different reasons for interest rate changes. Furthermore, the foreign exchange
   market, the determination of exchange rates and exchange rate risks are discussed.
   A section of the course addresses the determination of prices and interest rate risks
   for various financial instruments. Finally, the basics of how businesses and
   financial institutions, mainly banks, handle credit and interest rate risks are given.

**Form of teaching**
The content of the course is presented mainly at lectures and in group exercises. A large
part of the knowledge acquisition on the course is done through own work by the
student.

*Language of instruction*: Swedish
The course is given in Swedish but lectures and literature in English can occasionally occur.

**Assessment**

**Sub-course 1: Principles of Macroeconomics**
All the learning outcomes of the course are examined in a final written exam.

**Sub-course 2: Principles of Microeconomics**
All the learning outcomes of the course are examined in a final written exam.

**Sub-course 3: Applied Economics and Trade**
The first two learning outcomes of the course are examined by a written exam. The third learning outcome of the course is examined by written presentations, oral presentations and active attendance on the day of the presentations. Students who are not actively present at the day of the presentations will be given the opportunity to supplement this by active attendance on the corresponding day at the following course.

**Sub-course 4: Principles of Financial Economics**
All the learning outcomes of the course are examined in a final written exam.

If a student, who has failed the same examined component twice, wishes to change examiner before the next examination, a written application shall be sent to the Department of Economics and shall be granted unless there are special reasons to the contrary (Chapter 6, Section 22 of Higher Education Ordinance).

In cases where a course has been discontinued or has undergone major changes, the student shall normally be guaranteed at least three examination occasions (including the ordinary examination) during a period of at least one year from the last time the course was given.

The students in the Programme in Environmental Social Science also have a special sustainability day (Learning outcome 4), which is examined via a written group assignment in connection with the mandatory Sustainability Day: Responsibility. Students who do not attend the sustainability day must complete a special assignment in order to pass the course NEG100.

**Grades**
The grading scale comprises: Pass with Distinction (VG), Pass (G) and Fail (U).
The grading scale for sub-courses 1, 2 and 4 comprises Fail (U), Pass (G) and Pass with Distinction (VG).
The grading scale for sub-course 3 comprises Fail (U) and Pass (G).
A course grade of Pass with Distinction (VG) requires that this grade has been assigned for at least two sub-courses and that a passing grade has been assigned for the remaining sub-courses.

**Course evaluation**

Course evaluation is done digitally and anonymously via the course course website in connection to a lecture on the course. Students can also fill in the survey at a later date.

The survey material is compiled and the results from the course evaluation and proposals for possible improvement measures are discussed at the course committee meeting. After the course evaluation is completed, the result will be published at the course homepage. If a change of course is done based on the course evaluation, this will be communicated at the course introduction for the upcoming student group.