



Faculty of Economic Sciences, Communication and IT
Economics

Syllabus

Course Approval

The syllabus was approved by the Faculty Board of Economic Sciences, Communication and IT on 26 October 2011, and is valid from the Spring semester of 2012 at Karlstad University.

Course Code: IEGA02

Economics for Industrial Management, 7.5 ECTS Credits

(Nationalekonomi med inriktning industriell ekonomi, 7.5 Swedish credit points)

Degree Level: Bachelor

Progressive Specialisation: G2F (First cycle, has at least 60 credits in first-cycle course/s as entry requirements)

Language of Instruction

Swedish

Prerequisites

The courses CBGA01 Engineering 30 ECTS cr, CBGA02 Physical Models 30 ECTS cr, CBGB03, Environment and Energy Systems Engineering 30 ECTS cr, and CBGB04 Materials and Design 30 ECTS cr, or equivalent.

Major Field of Study

IEA (Industrial Management)

Learning Outcomes

In the area of microeconomic theory are students should, on completion of the course, be able to:

- explain the role of prices in market economy,
- define and use the concepts price and income elasticity,
- explain why resources in a perfectly functioning market economy become effectively allocated,
- explain why the existence of external effects and collective utilities lead to ineffective resource allocation in market economy,
- explain the connection between company cost and supply of goods and services,
- explain the market forms complete competition, monopolitical competition, oligopol and monopoly, and
- explain wage-fixing in different market forms.

In the area of macroeconomic theory students should, on completion of the course, be able to:

- give an account of macroeconomic connections based on national accounts,
- apply macroeconomic models to both long and short terms and use them to analyse the effects of economic-political measures,
- explain how the monetary market works and how it is related to the goods and service market,
- explain how the Swedish monetary policy works,
- explain the concepts unemployment and inflation and these are defined in macroeconomic models, and
- explain what determines exchange rates.

Content and Form of Instruction

The microeconomic theory unit is based on fundamental principles of economics, for instance, weighing costs against advantages, the principle of diminishing returns and the concept of alternative cost. These principles are used to study how household consumption behaviour impacts on the demand for goods and services and how producers' production and cost structures impact on the supply of goods and services. The unit also focusses on how the public sector can influence a market through taxation and regulations and how these can be used to increase welfare in times of information problems, environmental problems and lack of competition because of monopoly and oligopol.

The macroeconomic theory unit explains aggregated entities such as total production and its use, inflation, unemployment, national budget and balance of payments, and how the entities influence one another. The potentials and limitations of economic politics are treated. Economic politics is divided into financial politics, directly influencing real entities in the economy, and monetary politics, indirectly impacting on the real economy through interests and inflation. Different exchange rate systems are presented as well as the different conditions of economic politics in different exchange rate systems. Macro theory is also discussed in terms of its division between long-term growth and short-term fluctuation and their respective driving forces.

Reading List

See separate document.

Examination

Assessment is based on a written exam and oral and written presentations.

Grades

One of the grades 5 (Pass with Distinction), 4 (Pass not without Distinction), 3 (Pass), or U (Fail) is awarded in the examination of the course.

Quality Assurance

Follow-up relating to learning conditions and goal-fulfilment takes place both during and upon completion of the course in order to ensure continuous improvement. Course assessment is based on student views and experiences as reported in written course evaluations and/or group discussions. Students will be informed of the result of the evaluation and of the measures to be taken.

Course Certificate

A course certificate will be provided upon request.

Additional Information

Students who enrolled before 1 July 2007 will complete their studies in accordance with the requirements of the earlier admission. Upon completion students may request degree and course certificates to be issued under the current ordinance if they meet its requirements.

The local regulations for studies at the Bachelor's and Master's levels at Karlstad University stipulate the obligations and rights of students and staff.