



Faculty of Arts and Social Sciences
Economics

Syllabus

Economics for Industrial Management

Course Code:	IEGA02
Course Title:	Economics for Industrial Management <i>Nationalekonomi med inriktning industriell ekonomi</i>
Credits:	7.5
Degree Level:	Undergraduate level
Progressive Specialisation:	First cycle, has at least 60 credits in first-cycle course/s as entry requirements (G2F)

Major Field of Study:
IEA (Industrial Management)

Course Approval

The syllabus was approved by the Faculty of Arts and Social Sciences 2018-01-24, and is valid from the Autumn semester 2018 at Karlstad University.

Prerequisites

Admission to the programme Master of Science in Industrial Engineering and Management (TACIE)

Learning Outcomes

Upon completion of the course, students should be able to:

- give an account of the role of prices in market economy,
- define and use the concepts of price and income elasticity,
- give an account of why resources in a perfectly functioning market economy become effectively allocated, and why the existence of external effects and collective utilities lead to ineffective resource allocation in market economy,
- give an account of the connection between company cost and supply of goods and services,
- give an account of the market forms complete competition, monopolitical competition, oligopol and monopoly,
- give an account of wage-fixing in different market forms,
- give an account of macroeconomic connections based on national accounts,
- apply macroeconomic models in both long and short terms and use them to analyse the effects of economic-political measures,
- give an account of how the monetary market works and how it is related to the goods and service market,
- give an account of how the Swedish monetary policy works,
- give an account of the concepts unemployment and inflation and how these are defined in macroeconomic models, and
- give an account of what determines exchange rates.

Content

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 oligopoly.

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.

Grades

One of the grades 5 (Pass with Distinction), 4 (Pass with Some 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 evaluation is partly based on student views and experiences obtained in accordance with current regulations and partly on other data and documentation. Students will be informed of the result of the evaluation and of any measures to be taken.

Course Certificate

A course certificate will be provided upon request.

Additional information

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