**Module802 - Economic Policy**

**Module label**
Economic Policy

**Module code**
wir802

**Credit points**
6.0 KP

**Workload**
180 h

**Used in course of study**
- Master's Programme Business Administration, Economics and Law > Mantelmodule
- Master's Programme Business Informatics > Module der Wirtschafts- und Rechtswissenschaften (Master)

**Contact person**

- **Module responsibility**
  - Christoph Böhinger
- **Authorized examiners**
  - Die im Modul Lehrenden
- **Module counseling**
  - Anelise Rahmeier Seyffarth
  - Emmanuel Asane-Otoo
  - Georgina Michelle Milliot

**Entry requirements**

**Skills to be acquired in this module**
This course aims at giving students an understanding of reasons, goals and instruments for government policy from a micro- and macroeconomic perspective. Students first need to learn how decentralised markets can result in an efficient equilibrium and what the theoretical assumptions for this outcome are. Against this reference case it is possible to evaluate the consequences when some of the assumptions are not fulfilled in reality. Furthermore, the problems of the aggregated economy with its fundamental uncertainty are approached and the answers of economic policy to changes in variables like inflation, unemployment and economic growth will be evaluated.

With successful completion of the course, students shall be able to approach questions of economic policy making by applying concise economic reasoning, graphical intuition, analytical models and historical understanding. Furthermore, students shall be enabled to follow other Economics courses at Master's level.

**Module contents**
1. Welfare economics: equilibrium and efficiency; theorems of welfare economics; discussion of model assumptions.
2. Macroeconomics: on money; on the balance of payments, on long-run economic growth.
3. Examples for market failure from a microeconomic perspective, e.g. public goods. Deviations from the efficient outcome and discussion of government intervention. 4. Macroeconomic models: IS/LM, AD/AS, IS/PC/MR, neoclassical synthesis, exchange rate overshooting, neoclassical growth model.

**Reader's advisory**


Varian, Hal, 'Intermediate Microeconomics', Norton & Company. (Deutsche Übersetzung: 'Grundzüge der Mikroökonomik'.)

Montiel, Peter, 'International Macroeconomics', Wiley-Blackwell, 2009

Carlin, Wendy and David Soskice, 'Macroeconomics: imperfections, institutions and policies', 2006

Dornbusch, Rüdiger and Stanley Fischer, 'Macroeconomics', McGraw-Hill. (Deutsche Übersetzung: 'Makroökonomik'.)


Fielder, Bernhard and Stefan Homburg, 'Macroeconomics and New Macroeconomics', Springer-Verlag, 1987. (Deutsche Übersetzung: 'Makroökonomin und neue Makroökonomin'.)

Sydsaeter, Knud and Peter Hammond, 'Essential Mathematics for Economic Analysis', Pears.-son. (Deutsche Übersetzung: 'Mathematik für Wirtschaftswissenschaftler')

**Links**

**Language of instruction**
English

**Duration (semesters)**
1 Semester

**Module frequency**
jährlich

**Module capacity**
unlimited

**Reference text**
Die Vorlesung wird in englischer Sprache gehalten.

**Modulart**
je nach Studiengang Pflicht oder Wahlpflicht

**Lern-/Lehrform / Type of program**

**Vorkenntnisse / Previous knowledge**

**Examination**

**Time of examination**
end of semester

**Type of examination**
written exam

**Course type**
Lecture

**SWS**
4.00
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<th>Frequency</th>
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