

UNIVERSITY OF STOCKHOLM
Department of Economics
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**Exam for the intermediate level course:
EC2202 The Swedish Model – 7.5 credit points
April 30 2013, 9.00-12.00**

Write your identification number on each paper and cover sheet (the number stated in the upper right hand corner on your exam cover).

Do not write answers to more than one question in the same cover sheet. Explain notions/concepts and symbols. Only legible exams will be marked. No aids are allowed. You can answer either in English or in Swedish.

Examination time: 3 hours.

The exam consists of 8 questions for each student (7 short questions and 1 essay question), 50 points in total. For the grade E 20 points are required, for D 25 points, C 30 points, B 37 points and A 45 points.

Good luck!

I. Short questions

Answer 7 of 8 questions only. Not more than 1/2 page per answer (max 5 point per question).

1. How is the Scandinavian model defined in Gylfason et al. (2010)?
2. Provide at least two explanations for why wage gaps declined in Sweden from the early 1960 to the mid-1980s.
3. Which are the two Phillips-curve views on the low inflation in Sweden in the 1990s and 2000s?
4. Which two taxes are recommended by social researchers in order to finance the welfare state in a globalized world?
5. Which were the two most important determinants of the increase in unemployment from the 1960s to the 1990s in the OECD countries according to Nickell et al. (2005)?
6. Provide at least two explanations for the decline in trade-union membership in Sweden in the 2000s.

7. Which were the new components of Swedish monetary and fiscal policy in the 1990s?
8. What was the main factor behind the high productivity growth in Sweden from the mid-1990s until the mid-2000s?

II. Essay question

Choose one of the questions only. Approximately 2-3 pages (max 15 points)

1. The Rehn-Meidner model was largely applied in Sweden in the 1960s. In what respects has Sweden continued to follow the model and in what respects has the country departed from the model since the mid-1970s?
2. According to official statistics youth unemployment is above 20 per cent in Sweden today. Provide explanations for this high rate using the course slides and literature as a starting point.