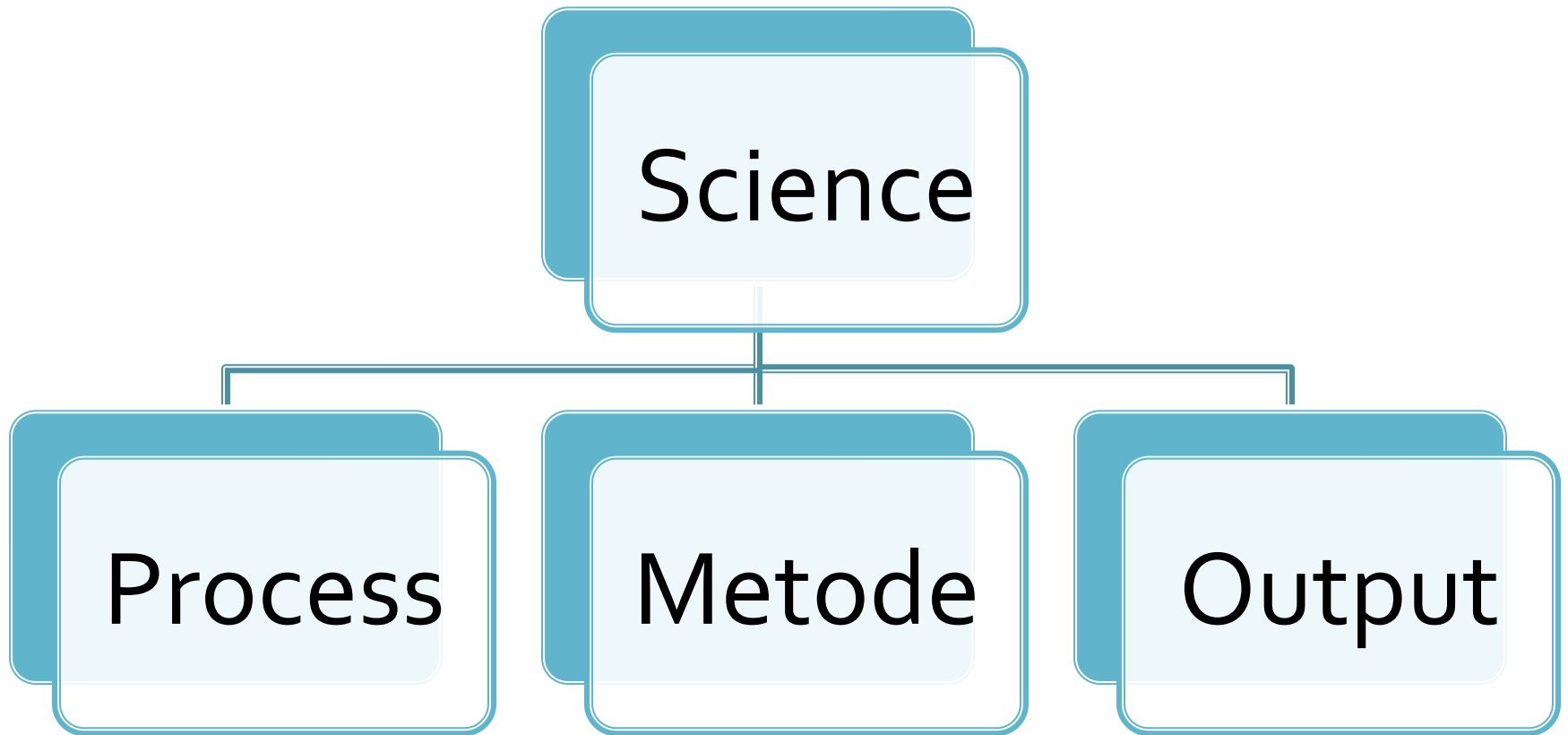


Dewi Pancawati N., S.Pd.,M.M.

THE PROBLEMS OF MACRO ECONOMIC SCIENTIFIC

Apa Ilmu Itu?



What's Science?

- Human efforts are cognitive rational (process), using a specific method (method), so that a systematic body of knowledge that explains causality of an object associated with natural and social phenomena

The Point of Scientific

- What is learned or object of study science? (ontologi aspect)
- How can science study the object of study?(epistemologi aspect)
- What is the value to science(aksiologi aspect)

The Ontologi Aspect of Macro Economic

- Studying the behavior of economic life or the national agregatif

The Ontologi Aspect of Macro Economic

Focus of Problems

Inflation

Unemployment

Balance of
Payment
Imbalances

Economic
Growth

The Ontologi Aspect of Macro Economic

The Ontology Aspect of Macro Economic

- Macro Economic Theory → a set of variable definitions and concepts, assumptions, and relationships between economic variables that can be used agregatif as a framework to explain the thinking, prediction, and control the various symptoms or behavior in the economic life agregate

The Ontology Aspect of Macro Economic

- Variable → quantities that can be measured (or can be scaled), whose value can vary. (Akley, 1978:6)
- Example:
 - National Income (Y)
 - Household Consumption Expenditure (C)
 - Government Consumption Expenditure (G)
 - Investment spending (I)
 - Aggregate price level or the General Price Level (P)
 - Money Supply (M^s)
 - Export (x)
 - Import (m)
 - Money Demand (L)
 - Taxes (Tx)
 - National Saving (S)
 - Interest Rate (i)
 - Foreign exchange rates (E)
 - The Supply and Demand of Labor (N^d dan N^s)
 - Aggregate Wage Level (W)
 - Job Opportunities Volume (N)

The Ontology Aspect of Macro Economic

Aggregate Economic Variables

Stock Variable

Not having the time dimension

Cth: A savings in 2008 are xxx

Flow Variable

Having the time dimension

Cth: A per-year savings are xxx

The Ontology Aspect of Macro Economic

- The relationship between variables is expressed by using the functions
- Function → Mathematical concept that shows how independent variables affect the dependent variable
- Cth: $C=f(Y)$ where $dC/dY > 0$. Means, the amount of aggregate consumption expenditure positively influenced by the size of national income. Positive means if Y rises then C also rises

The Ontology Aspect of Macro Economic

- Macro Economic Model → Theoretical construction of macroeconomic theories formulated quantitatively.
- Because expressed quantitatively, the macro models of the economy has a group of mathematical equations, the equation consists of identity, behavior and condition of balance equation

The Ontology Aspect of Macro Economic

Identity Equation

- Describes a definition / meaning similarity indicates a variable declared in one / more other variables
- Exp: $Y = C+I$, national income is consumption expenditure plus investment expenditure

Behaviour Equation

- Describes the relationship of causality between variables that were formulated in the form of the function.
- Exp: $C=C(Y)$

Terms Balance Equation

- Describes a condition for achieving a balanced position between the variables

The Ontology Aspect of Macro Economic

Macro Economy Actors

Household

Producer

Government

Financial
Institutions

Foreign
Sector

The Ontology Aspect of Macro Economic

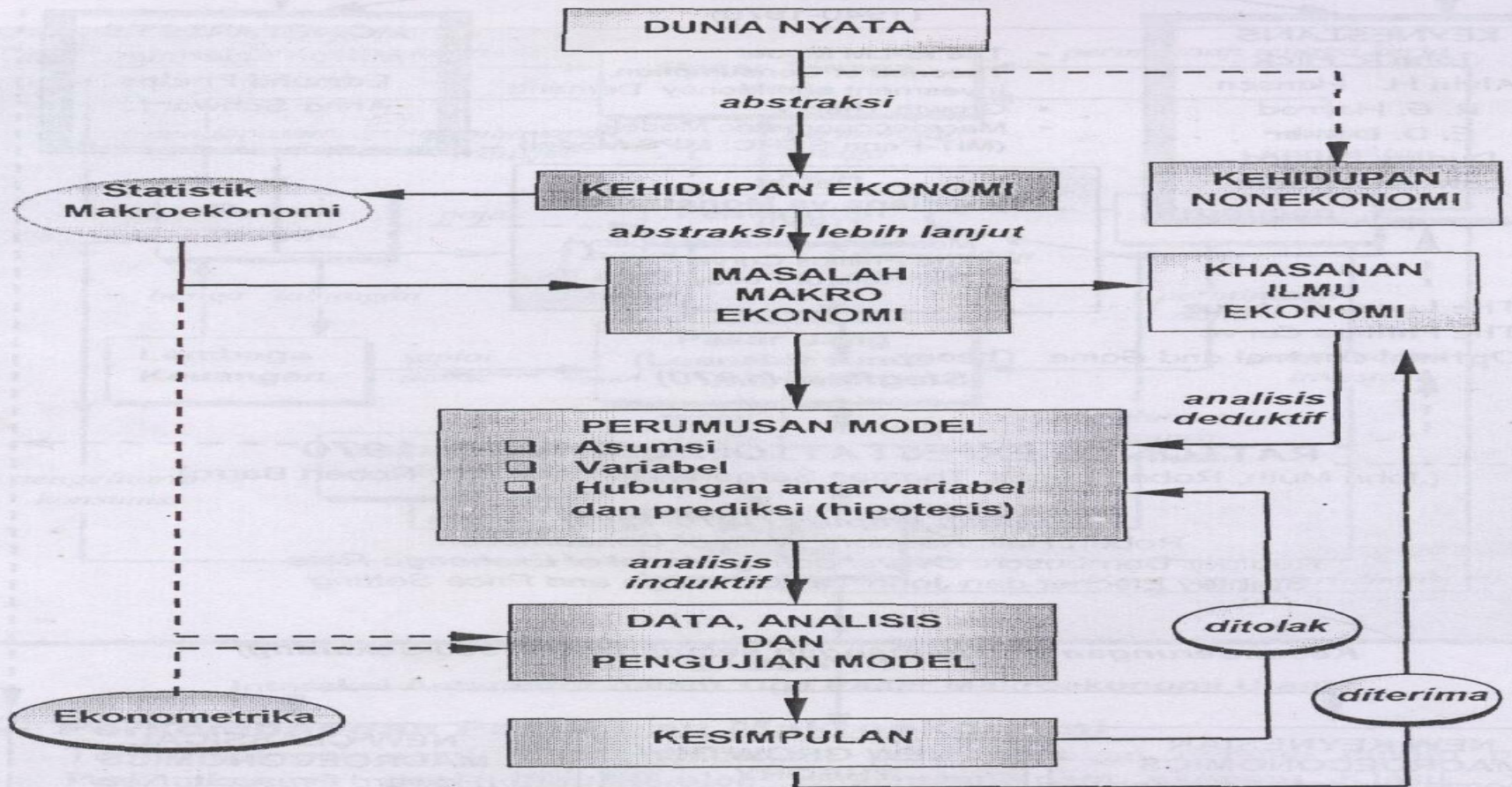
Macro Market Economy

Market
goods

Financial
markets

Labor
market

The Epistemology Aspect of Macro Economic



GAMBAR 6
Aspek Epistemologi Makroekonomi

The Axiology Aspect of Macro Economic

Macro Economic Policy

- Fiscal Policy → All government action to control the course of national economic life in the desired direction, which is implemented through the State Budget
- Monetary Policy → All the central bank action to control the economic life in the desired direction by controlling the money supply

Macro Economic Achievements

- The rate of Low Inflation
- Low unemployment rate
- Balance of payment is not lame
- Economic growth rate is relatively high

The Axiology Aspect of Macro Economic

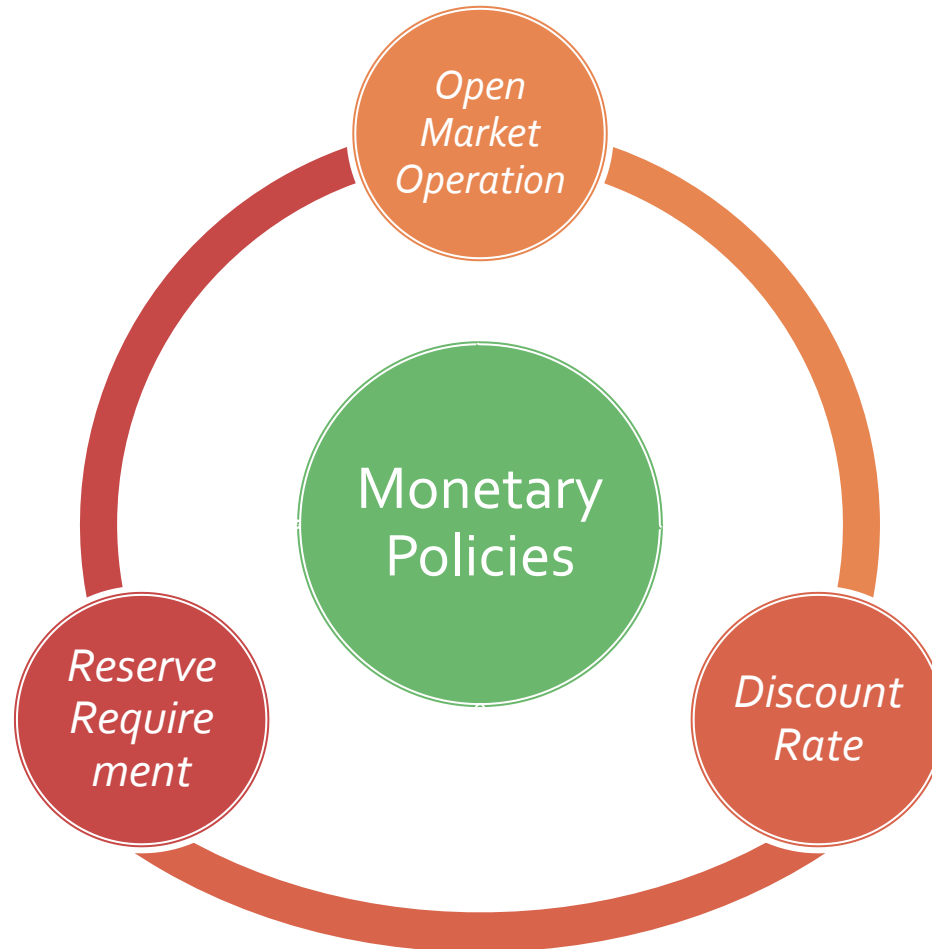
Government Budget Sides

Acceptance

(Sourced mainly
from tax
revenue)

Expenditures (G
dan Tr)

The Axiology Aspect of Macro Economic



Have a Good Day...

Life Is not About Finding Yourself.

Life is About Creating Yourself

G.Bernard Shaw