

Syllabus

for course at first level

Microeconomic Theory and Applications
Mikroteori med tillämpningar

**15.0 Higher Education
Credits**
15.0 ECTS credits

Course code:	EC1111
Valid from:	Autumn 2013
Date of approval:	2009-11-03
Changed:	2013-02-14
Department	Department of Economics
Main field:	Economics
Specialisation:	GXX - First cycle, in-depth level of the course cannot be classified

Decision

This syllabus was approved by the Board of the Department of Economics on November 3, 2009 and revised on February 14, 2013.

Prerequisites and special admittance requirements

Swedish upper secondary school courses English B, Mathematics C and Social Sciences A or equivalent.

Course structure

Examination code	Name	Higher Education Credits
111B	Test 1	2.5
111C	Test 2	2.5
111D	Exam	10

Course content

This course provides an introduction to the theory on pricing of individual markets and the application of theory to issues of welfare economics. The course consists of a theoretical and an applied component. The theoretical section deals with the factors determining supply and demand, market equilibrium, market power, and economic efficiency. Some of the issues that are discussed in the applied section include justice, motivations for and effects of taxes, regulation and competition policies, as well as collective decision making, discrimination, environmental policies, the formation of contracts and labour market policies.

Learning outcomes

Upon completion of this course, the student is expected to be able to:

- * Understand and explain how prices and quantities are determined in markets characterised by perfect and imperfect competition;
- * Analyse and identify the effects of different types of regulation on pricing in different types of markets;
- * Measure the effects on welfare of different types of regulations and market failures;
- * Calculate equilibria in simple games.

Education

Instruction is given in the form of lectures, group work and seminars. The language of instruction is Swedish.

Forms of examination

The course is examined on the basis of two written tests and a written examination. Some of the points on the exam may be awarded for continuous assessment during the course.

Test 1 and test 2 are examined using the grades pass (G) and fail (U). On the written exam students will receive letter grades on a seven-point scale related to the learning objectives of the course: Passing grades are A, B, C, D and E, where A is the highest grade and E the lowest. Failing grades are F and Fx, where F is lower than Fx.

Assessment criteria:

- * A (Excellent): The student is able to explain clearly and with well-motivated conclusions how prices and quantities are determined in perfect and imperfect competition. The student is able to analyse and measure price and welfare effects of regulations and market failures comprehensively and correctly, and calculate equilibria in simple games correctly and with clear argumentation.
- * B (Very Good): The student is able to clearly explain and analyse how prices and quantities are determined in perfect and imperfect competition. The student is able to analyse and measure price and welfare effects of regulations and market failures fairly comprehensively and correctly, and calculate equilibria in simple games correctly and with motivation.
- * C (Good): The student is able to explain and analyse how prices and quantities are determined in perfect and imperfect competition. The student is able to identify and measure price and welfare effects of regulations and market failures, and calculate equilibria in simple games.
- * D (Satisfactory): The student is able to explain how prices and quantities are determined in perfect and imperfect competition. The student is able to identify and measure price and welfare effects of regulations and market failures fairly correctly, and has some understanding of simple games.
- * E (Adequate): The student has some basic understanding of how prices and quantities are determined in perfect and imperfect competition. The student is able to identify the main price and welfare effects of regulations and market failures, and has some understanding of the simplest games.
- * Fx (Inadequate): The student fulfils the requirements above for E in principle, but has failed to provide clear argumentation upon request.
- * F (Totally Inadequate): The student is unable to analyse basic issues without making major mistakes.

The grade for the whole course will be the same as for the written exam, if the student has been given G for both test 1 and test 2. If not, the grade will be F regardless of the grade for the written exam.

If students fail a course unit and receive the grade Fx or F on an examination, there are no restrictions on how many times they are allowed to retake the examination in order to obtain a grade of E or higher.

Interim

If this course is discontinued, students have the right to be examined on the course once per semester for three further semesters.

Limitations

This course may not be included in a degree together with any of the following courses: NE1060 Grundkurs i nationalekonomi (30 ECTS credits), NE1200 Grundkurs i mikroteori med tillämpningar (15 ECTS credits), NE1300 Grundkurs i nationalekonomi, part time (30 ECTS credits), NE1400 Grundkurs i nationalekonomi för matematik-ekonomilinjén (30 ECTS credits), NE8400 Grundkurs i nationalekonomi på ekonomlinjen (30 ECTS credits) or KG8110 Grundkurs i samhällsplanering (90 ECTS credits). EC1010, 30 hp, EC1020, 30 hp, EC1101, 15 hp or EC 1102, 15 hp.

Required reading

- ☐ Krugman och Wells, Microeconomics, Worth publishers. Senaste upplagan.
- ☐ J. Häckner, A. Jacobsson & A. Muren (red.) Tillämpad mikroekonomi, Studentlitteratur. latest edition.
- ☐ Articles from the course homepage.