

Syllabus

for course at advanced level

Microeconomics
Mikroekonomi

7.5 Higher Education
Credits
7.5 ECTS credits

Course code:	EC7110
Valid from:	Autumn 2013
Date of approval:	2013-05-23
Department	Department of Economics
Subject	Economics
Specialisation:	A1F - Second cycle, has second-cycle course/s as entry requirements

Decision

This syllabus was approved by the Board of the Department of Economics on May 23, 2013.

Prerequisites and special admittance requirements

Admission to this course requires that the student is either (1) enrolled in a Master's Programme in Economics at Stockholm University, or (2) has (a) general eligibility for second-cycle programmes, (b) special eligibility for the Master's Programme in Economics at Stockholm University, and (c) prerequisites equal to the mandatory courses that have been given prior to this course according to the current curriculum for the Master's Programme in Economics.

Course structure

Examination code	Name	Higher Education Credits
711A	Microeconomics	7.5

Course content

A basic aim of the course is to provide the students with a solid foundation in microeconomic theory using mathematical techniques. The course aims at providing a deeper knowledge within the classical theory of consumers and firms. Demand and supply of goods and factors of production are derived. The course also aims at providing a deeper knowledge of issues related to general equilibrium, social welfare, and the median voter.

Learning outcomes

After completing the course, students should be able to:

- apply and master the mathematical techniques in order to analyse and explain consumer and producer decisions.
- account for, and formally derive, the relationships that explain and describe consumer and producer theory.
- account for, and formally derive, price and allocation in a Walrasian equilibrium.

- formally derive Pareto efficient allocations and explain, as well as prove, the first theorem of welfare economics.
- formally derive and explain the political decision that follows when a social planner and a median voter have the power to decide.

Education

Instruction will be in the form of lectures. The course will be taught in English.

Forms of examination

Examination is conducted through a written exam where the maximum score is 100 points. Grades will be set according to a 7-tier goal related scale. Passing grades include grades A, B, C, D, E, where A is the highest and E is the lowest. Failing grades include F and FX. Grade F is lower than grade FX.

Grading criteria:

- **A (Excellent):** The student should be able to provide a well developed overall picture of the theory of the consumer and the theory of the firm. He/she should also master the mathematical techniques that are used to explain consumer and producer decisions. Moreover, the student should also be able to formally analyse Walrasian equilibrium price and allocation outcomes and relate these outcomes to concepts such as Pareto efficiency. In addition, the student should be able to formally describe, as well as prove, the first theorem of welfare. Furthermore, the student should be able to explain and formally solve simple decision-making problems facing the social planner and the median voter.
- **B (Very good):** The student should master the mathematical techniques used to explain consumer and producer decisions. The Students should be able to derive and carefully explain the relationships that describe the theory of the consumer and the theory of the firm. He/she should also be able to formally analyse Walrasian equilibrium price and allocation outcomes, and relate these outcomes to concepts such as Pareto efficiency. Moreover, the student should be able to formally describe, as well as prove, the first theorem of welfare. Furthermore, he/she should be able to explain and formally solve simple decision-making problems facing the social planner and the median voter.
- **C (Good):** The student should master the mathematical techniques used to explain consumer and producer decisions. The students should be able to derive and carefully explain the relationships that describe the theory of the consumer and the theory of the firm. He/she should also be able to formally analyse Walrasian equilibrium price and allocation outcomes, and relate these outcomes to concepts such as Pareto efficiency. Furthermore, the student should be able to formally solve simple decision-making problems facing the social planner and the median voter.
- **D (Satisfactory):** The students should master the mathematical techniques used to explain consumer and producer decisions. The student should be able to derive and carefully explain the relationships that describe the theory of the consumer and the theory of the firm. He/she should also be able to formally analyse Walrasian equilibrium price and allocation outcomes and relate these outcomes to concepts such as Pareto efficiency. Furthermore, the student should be able to describe the decision-making problems facing the social planner and the median voter.
- **E (Enough):** The student should master the mathematical techniques used to explain consumer and producer decisions. He/she should also be able to derive and carefully explain the relationships that describe the theory of the consumer and the theory of the firm.
- **FX (Unsatisfactory):** The student can describe, but not formally apply, the mathematical techniques used to explain consumer and producer decisions. Furthermore, the student can describe, but not formally derive, the relationships that describe the theory of the consumer and the theory of the firm.
- **F (Completely unsatisfactory):** The Students cannot explain the classical theory of the consumer and the firm.

Interim

In the event that the course is no longer offered in the course programme, the student will have three opportunities to re-take the exam in the three semesters after the course was last given.

Required reading

See course homepage available from www.ne.su.se.