Department of Economics

Stockholm University

Syllabus

for course at first level

Intermediate Microeconomics
Intermediate Microeconomics

7.5 Higher Education Credits
7.5 ECTS credits

Course code:	EC2101
Valid from:	Autumn 2015
Date of approval:	2007-06-13
Changed:	2015-03-05
Department	Department of Economics
Main field:	Economics
Specialisation:	G1F - First cycle, has less than 60 credits in first-cycle course/s as entry requirements

Decision

This syllabus was approved by the Board of the Department of Economics on March 5, 2015.

Prerequisites and special admittance requirements

Economics I, 30 credits, or the equivalent.

Course structure

Examination code	Name	Higher Education Credits
210A	Intermediate Microeconomics	7.5

Course content

The aim of this course is to show how classic price theory and game theory can be used to explain how different markets work. In price theory the focus is on the mechanisms controlling consumption and production decisions, as well as the assumptions being made regarding competition, information, preferences and externalities. Topics discussed include decisions under uncertainty, moral hazard and adverse selection, monopoly pricing, and public goods. Game theory focuses on strategic interaction and is used to analyse e.g. oligopolistic competition and contracts. Using the tools of analysis from price and game theory, this course explains how different economic structures arise and work, and how they can be shaped in a socially and economically efficient fashion. Moreover, basic concepts relating to general equilibrium theory and welfare theory are introduced.

Learning outcomes

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

•Give an account of the central components of modern price and game theory, and describe how these methods of analysis can be used in order to explain consumption and production decisions.
•Perform practical calculations of problems that consumers and producers may encounter, and intuitively explain how and why the selected calculation method has been used and how this may explain the results.

Education

Instruction is given in the form of lectures and group work. The language of instruction is English.

Forms of examination

The course is examined on the basis of written examinations. To receive a passing grade on an examination it is required that the student obtains at least 40% of the total points on the assignments that are to be handed in before each group session.

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 has a well-developed overall picture of the central concepts in modern price and game theory and is capable of applying any of these to perform a coherent practical analysis of problems that consumers and producers may encounter. Using the tools of analysis, the student is able to explain how different economic structures arise and function, and relate different results to assumptions about competition, information, preferences and externalities.

•B (Very Good): The student has an overall picture of modern price and game theory and is able to perform a coherent practical analysis of problems that consumers and producers may encounter. In addition, the student is able to explain the formation of different economic structures and how different assumptions about competition, information, preferences and externalities may affect results.

•C (Good): The student has a good command of modern price and game theory and is able to apply these theories to make practical calculations of problems that consumers and producers may encounter. The student is able to give an account of the formation of different economic structures and of different assumptions about competition, information, preferences and externalities.

•D (Satisfactory): The student has a good command of the elementary concepts of modern price and game theory and is able to make practical calculations of problems that consumers and producers may encounter. The student is aware of different economic structures and of different assumptions about competition, information, preferences and externalities.

•E (Adequate): The student is able to describe the elementary concepts of modern price and game theory and is able to make simple practical calculations of problems that consumers and producers may encounter.

•Fx (Inadequate): The student is able to describe only some concepts of modern price and game theory and is able to apply approaches only to solutions of simple problems, without being able to conduct an overall analysis.

•F (Totally Inadequate): The student is unable to describe the central concepts of modern price and game theory and cannot make practical calculations of problems that consumers and producers may encounter.

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: NE2010 Fortsättningskurs i nationalekonomi (30 ECTS credits), NE2300 Fortsättningskurs i nationalekonomi på ekonomlinjen (30 ECTS credits), NE2400 Fortsättningskurs i nationalekonomi för matematik-ekonomilinjen (30 ECTS credits), NE2410 Fortsättningskurs i nationalekonomi för matematik-ekonomilinjen (22.5 ECTS credits), NE2500 Fortsättningskurs i samhällskunskap med inriktning mot nationalekonomi (30 ECTS credits), KG8140 Fysisk och ekonomisk planering med statistik - inriktning nationalekonomi (60 ECTS credits) or NE2015 Microeconomics (7.5 ECTS credits).

Required reading

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