# SØK 2220 Economics I - Micro-/Macroeconomics

**Program**
Master of Business and Economics Program

**Responsible for the course**
Dag Morten Dalen, Erling Steigum

**Department**
Economics

**Term**
According to study plan

**ECTS Credits**
9

**Objective**
The course gives an introduction to economics, with emphasize on micro- and macroeconomic theory and analysis. The course aims at giving the students analytical tools to get a better understanding of the function of modern economies. The first part of the course - microeconomics - develops analyses of how the market behavior of consumers and firms affect supply, demand and prices under different markets structures. Microeconomic analysis explains how the market economy functions, and evaluates the efficiency of the resource allocation under different market structures and regulations.

The second part of the course gives an introduction to macroeconomics, which is the study of economies as aggregate entities. Economic growth, business cycles, unemployment and inflation are important macroeconomic phenomena. After being introduced to the fundamental variables and relationships in the national accounts, the students are introduced to macroeconomic theory and analysis. The aim is to give the students concepts and analytical tools to understand how economies work, and how economic policy affects the macroeconomy.

**Prerequisites**
None

**Compulsory literature**
Pindyck, Robert S. og Daniel L. Rubinfeld. 2001. *Microeconomics.* 5th ed. Upper Saddle River, N.J.: Prentice Hall. (Selected parts).
Steigum, Erling. 2003. *Moderne makroøkonomi* . Gyldendal Akademisk, Oslo.

**Recommended literature**
Grønn, Erik. 2001. *Mikroøkonomi: Formler og oppgaver: Løsningsforslag.* 5.utg. Oslo: Cappelen Akademisk Forlag

**Course outline**
Supply, demand and market equilibrium
Consumer behavior
Production, costs, and profit maximizing
Perfect competition
Monopoly
International trade
National accounts and macroeconomic data
Economic growth
Structural unemployment
Money, exchange rates and Inflation
Business cycles

**Computer-based tools**

None

**Course structure**
54 hours with lectures and 9 hours exercises.

**Evaluation**
5 hours written exam

**Evaluation code(s)**
22201

**Aids at the examination**
Non-programable calculator

**Makeup exam**
Next ordinary exam