



APPLIES TO ACADEMIC YEAR 2004/2005

SØK 2220 Economics I - Micro-/Macroeconomics

Program

Bachelor of Science in Business (1. year)

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

A five-hour individual written exam concludes the course.

Evaluation code(s)

SØK 22201 - Written exam count 100% of the grade in the course SØK 2220 Economics I - Micro-/Macroeconomics, 9 credits.

Aids at the examination

Non-programable calculator

Makeup exam

Next ordinary exam