



APPLIES TO ACADEMIC YEAR 2007/2008

## EMS 9354 Intermediate Microeconomics

### Program

Bachelor in Real Estate (3. year)

### Responsible for the course

Christian Riis

### Department

Economics

### Term

According to study plan

### ECTS Credits

6

### Language of instruction

Norwegian

EMS 9354 Microeconomics is the standard introductory course in microeconomics. Algebra and elementary calculus are required as a background for students taking this course - up to and including partial derivatives. The reasoning in the course is based on graphs and standard optimization problems, where the Lagrangian technique is mentioned. We try to develop both intuition and technical skills in the course. The exam contains more formal optimization problems than is customary in a standard course at "principles" level at a US university.

### Objective

The purpose of the course is to train students in the systematic analysis of consumer and firm behaviour in various market situations. The course also analyzes the efficiency of resource use given different market forms (perfect competition, monopoly, oligopoly).

### Prerequisites

MET 2591 Mathematics or equivalent.

### Compulsory literature

#### Books:

Pindyck, R.S. og D.L. Rubinfeld. 2005. Microeconomics. 6th ed.. Upper Saddle River, N.J.: Prentice Hall. (Utvalgte deler)

### Recommended literature

#### Other:

Dag Morten Dalen, Espen R. Moen og Christian Riis. 2007. Kompendium: Moderne mikroøkonomi. Gyldendal  
NOU 2002:2. 2002. Boligmarkedene og boligpolitikken. Oslo: Statens forvaltningstjeneste. Side 23 - 108.

### Course outline

1. Introduction to Microeconomic Analysis
2. Demand, supply and market equilibrium
3. Consumer Behavior
  - The budget constraint and consumer preferences
  - Effects of changes in price and income levels
  - Demand functions and elasticities
4. Firm behavior
  - Production theory
  - The optimal use of input factors
  - The cost of production
  - The profit objective
5. Market theory
  - Perfect competition
  - Monopoly
  - Oligopoly
  - Game theory

6. Market forms and resource allocation.

**Computer-based tools**

None

**Course structure**

The course is based on 36 lecture hours and 6 hours of interactive exercises.

**Evaluation**

A five-hour individual written examination concludes the course.

**Evaluation code(s)**

EMS 93541 - written exam, which accounts for 100% of the grade in EMS 9354, 6 ECTS credits.

**Aids at the examination**

Advanced calculator is permitted.

Support materials at written examinations are explained under exam information in our web-based student handbook. Please note use of calculator. <http://www.bi.no/studenthandbook>

**Makeup exam**

A make-up exam each term.