



APPLIES TO ACADEMIC YEAR 2007/2008

## GRA 6031 Microeconomics

### Program

Common Course, Master of Science in Business and Economics, Master of Science in Financial Economics

### Responsible for the course

Espen Moen

### Department

Economics

### Term

According to study plan

### ECTS Credits

6

### Language of instruction

English

### Objective

The aim of this course is to provide a comprehensive understanding of the economic principles underlying pricing decisions and competitive strategies in the market place. The objective of the course is to advance the students knowledge of microeconomics and to give them an understanding of how microeconomic theory can be applied to shed some light on central issues within private and public decision making. The main focus is on strategic interaction among firms, which is analyzed with a game theoretic approach. In addition, new results based on economics and psychology are presented. Parts of the teaching are case-based.

### Prerequisites

Microeconomics from the bachelor program, SØK 2220 and SØK 2221, or equivalent.

### Compulsory literature

#### Books:

Pepall, Lynne, Daniel J. Richards and George Norman. Industrial organization : contemporary theory & practice. 3rd ed. Mason, Ohio : Thomson/South-Western

### Recommended literature

#### Course outline

- Competition and efficiency
- Monopoly pricing
- Product differentiation
- Oligopoly
- Mergers and acquisition
- Competition policy and antitrust
- Pricing and competition when customers are not fully rational

### Computer-based tools

Blackboard/homepage

### Course structure

Lectures over 42 hours.

Specific Information regarding student evaluation will be provided in class. Please note that while attendance is not compulsory in all courses, it is the student's responsibility to obtain any information provided in class that is not included on the course homepage/Blackboard or text book.

**Evaluation**

Term-paper (pass/fail) and 3 hours written exam. The term paper must be passed in order to sit the exam.

**Evaluation code(s)**

GRA 60312 for the term paper (pass/fail)

GRA60313 for the three hour written exam

Both evaluations must be passed in order to get a grade in the course.

**Aids at the examination**

Bilingual dictionary

Simple calculator

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**

Re-takes are only possible at the next time a course will be held. When course evaluation consists of class participation or process elements, the whole course must be re-evaluated when a student wants to retake an exam. Retake examinations entail an extra examination fee. Please note that students who only retake the exam need to be aware that the exam may be based on the term paper given this semester. Students should therefore regard the term paper as a part of the course literature, even if the students already have a passing grade in the term paper.

**Honor Code**

Academic honesty and trust are important to all of us as individuals, and represent values that are encouraged and promoted by the honor code system. This is a most significant university tradition. Students are responsible for familiarizing themselves with the ideals of the honor code system, to which the faculty are also deeply committed.

Any violation of the honor code will be dealt with in accordance with BI's procedures for cheating. These issues are a serious matter to everyone associated with the programs at BI and are at the heart of the honor code and academic integrity. If you have any questions about your responsibilities under the honor code, please ask.