



APPLIES TO ACADEMIC YEAR 2009/2010

## SØK 2700 Applied Microeconomics

### Programme

Bachelor in Auditing (2. year), Bachelor in Business Administration (2. year), Bachelor in Finance (2. year), Bachelor in IT-management (2. year)

### Responsible for the course

### Department

Department of Economics

### Term

According to study plan

### ECTS Credits

6

### Language of instruction

Norwegian

### Introduction

### Objective

The purpose of the course is to develop an understanding for why we have a public sector and the trade-offs between efficiency and distributional concerns. More specialized topics addressed in this course include an understanding of the role of taxes in the allocation of resources and the distribution of welfare, market failure, public choice, privatization and international economics.

### Prerequisites

The foundation program in Business Administration and SØK 9354 Microeconomics or the equivalent.

### Compulsory reading

#### Books:

Grønn, Erik. 2008. Anvendt mikroøkonomi. 2. utg. Oslo: Cappelen Akademisk. (Utvalgte deler)

### Recommended reading

#### Books:

Synnestvedt, Terje. 2009. Artikler og oppgaver i anvendt mikroøkonomi. 3.utg. Oslo: Zigma Forlag

#### Other:

Finansdepartementet. 2005. Veileder i samfunnsøkonomiske analyser. Kan fritt lastes ned fra [www.regjeringen.no](http://www.regjeringen.no) eller [www.sfsno.no](http://www.sfsno.no)

### Course outline

- Public sector, facts and figures
- Markets, efficiency and distribution
- Market failure (Externalities, Public goods, Imperfect Information, Natural monopoly etc.)
- Taxation economics
- Cost-benefit analysis
- Resource and environmental economics
- International economics
- Public choice
- Privatization

### Computer-based tools

Computer-based tools are not used in this course.

### Course structure

36 hour in class, including exercises.

**Examination**

It will be held a mid-term exam that will be judged passed/failed and must be passed to obtain final grade in the course. In addition students may be called in to oral examination based on the mid-term exam and will be a part of the judgement passed/failed. A three-hour individual written examination concludes the course.

**Exam code(s)**

SØK 27001 - Midterm exam in form of an individual written assignment. Passes/fail  
SØK 27002 - written exam, which accounts for 100% of the grade in SØK 2700 Applied Microeconomics, 6 credits.

**Examination support materials**

BI-approved calculator are allowed.

Exam aids at written examinations are explained under exam information in our web-based Student handbook. Please note use of calculator and dictionary.  
<http://www.bi.edu/studenthandbook/examaids>

**Re-sit examination**

A makeup exam is held in every term.

**Additional information**

Due to changes in our Bachelor Programmes from autumn 2009, there also will be changes in every single course. This course will be lectured for the last time spring 2010. Re-sit exam will be offered every term even spring 2012.