APPLIES TO ACADEMIC YEAR 2014/2015

ELE 3729 Applied Microeconomics

Programme
Elective

Responsible for the course
Terje Synnestvedt

Department
Department of Economics

Term
According to study plan

ECTS Credits
7,5

Language of instruction
Norwegian

Introduction

Learning outcome

The main objective of this course is to give students insight into how key economic issues can be analyzed by microeconomic theory. Students will develop an understanding of why we have a public sector and how government intervention, including direct and indirect regulations, affects the economy. Students will gain insight into the purpose and elements of cost-benefit analyzes and develop an understanding of the complexities associated with privatization and competition issues.

Aquired knowledge
After completing the course, students should be able to explain phenomena in an unregulated economy that creates an efficient use of scarce resources, including phenomena such as externalities, public goods, imperfect competition, natural monopoly and imperfect information. The students should be able to propose measures, where such phenomena exist, providing a better resource allocation. Students should be able to explain the different steps of a cost-benefit analysis, and be able to discuss the advantages and disadvantages of specific privatization and competition issues.The students should also be able to explain what is ment by competitive advantages.

Aquired skills
Students should be able to determine what microeconomic approach that is most relevant to investigate a specific problem. Furthermore, students should be able to analyze a problem using both verbal, graphical and mathematical presentations.

Reflection
The students should develop a critical sense to statements related to the society's allocation of resources and be able to assess an economic issue from different individuals / groups' interests.

Prerequisites
SØK 3520 Microeconomics or eqivalent

Compulsory reading
Books:
Grønn, Erik. 2008. Anvendt mikroøkonomi. 2. utg. Cappelen akademisk. Utvalgte deler

Recommended reading

Course outline
- Efficiency
- Taxes and subsidies
- Market failure (externalities, public goods, imperfect competition, natural monopoly and imperfect information).
- Public sector, some facts
- Government failure
- Taxation
- Cost-benefit analysis
- Environmental Economics
- Industrial organization
- International trade
- Privatization and competition

Computer-based tools
No specified computer-based tools are required

Learning process and workload

The course consists of 36 lecture hours + 6 hours of plenary review of exercises.

Recommended use of hours for students:

Activity	Use of hours
Lectures	36
Plenary review of exercises	6
Preliminary self-study in advance and after lecturer	100
Solving exercises	55
Examination	3
Total use of hours recommended	**200**

Use of hours
36 hours - Lectures
6 hours - Plenary review of exercises
3 hours - Contructing exercises
45 hours - Total

Examination
A three hours individual written exam concludes the course.

Examination code(s)
ELE 37291 - Written exam, counts for 100% to obtain final grade in ELE 3729, 7,5 credits.

Examination support materials
BI-defined exam calculator is allowed. TEXAS INSTRUMENTS BA II Plus™
Examination support materials at written examiniations are explained under examination information in the student portal @BI. Please note use of calculator and dictionary. https://at.bi.no/EN/Pages/Exa_Hjelpemidler-til-eksamen.aspx

Re-sit examination
A re-sit examination is offered the next time the course is scheduled.

Additional information