EXC 3520 Microeconomics

Programme
Bachelor of Business Administration - BBA (2. year), Exchange Program

Responsible for the course
Christian Riis

Department
Department of Economics

Term
According to study plan

ECTS Credits
7,5

Language of instruction
English

Introduction
Microeconomics deals with the behaviour of individual economic units, such as consumers, workers, investors, owners of land and business firms. Microeconomics explains how these units make economic decisions. Another important concern of microeconomics is how these economic units interact in markets and in industries.

Learning outcome
Acquired knowledge
Students will be trained in the systematic analysis of consumer and firm behaviour in various market situations, and shall learn to understand the efficiency of resource use given different market forms (perfect competition, monopoly and monopolistic competition). The exam contains more formal optimization problems than is customary in a standard course at "principles" level at a US university.

Acquired skills
Students shall be able to solve basic microeconomic optimization problems, and to understand the main principles of economic modelling.
Students will be able to reason based on graphs and standard optimization problems, where the Lagrangian technique is mentioned, and they will develop both intuition and technical skills during the course.

Reflection
Students will be encouraged to reflect on and distinguish between the impact market changes have on efficency versus their distributive effects, and to be conscious the distinction between efficiency goals and other considerations not captured by the market analysis.

Prerequisites
EXC 2910 Mathematics or equivalent.
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.

Compulsory reading
Books:
Pindyck, Robert S., Daniel L. Rubinfeld. 2013. Microeconomics. 8th ed. Pearson. Selected parts

Recommended reading

Course outline
1. Introduction to microeconomic analysis
2. Demand, supply and market equilibrium
3. Consumer behaviour
   - The budget constraint and consumer preferences
   - Effects of changes in price and income levels
   - Demand functions and elasticities
1. Firm behaviour
   - Production theory
   - The optimal use of input factors

- The cost of production
- The profit objective
1. Market theory
  - Perfect competition
  - Effects of taxation
  - Monopoly
  - Oligopoly
  - Game theory
1. Market forms and resource allocation.

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

Learning process and workload
The course comprises 36 hours of teaching and 6 hours of review of exercises and discussions in class.

Recommended use of hours for students:

Activities	Hours
Lectures	36
Review of exercises	6
Student preparations	36
Exercises	49
Independent study	68
Exam	5
Recommended use of time	**200**

Use of hours
36 hours - Lectures
 9 hours - Review of exercises and discussions in class
 45 hours total

Examination
A five-hour individual written examitation concludes the course.

Examination code(s)
EXC 35202 – written examination accounts for 100% of the grade in the course EXC 3520 Microeconomics, 7.5 credits.

Examination support materials
BI approved exam calculator. Examination support materials at written examinations are explained under examination information in the student portal @bi. Please note use of calculator and dictionary in the section on support materials (https://at.bi.no/EN/Pages/Exa_Hjelpemidler-til-eksamen.aspx).

Re-sit examination
A re-sit examnination is offered every term.
Re-sit students must take the exam in EXC 35202 as of 2013-2014. There will be no continuation of previous exam code EXC 35201.

Additional information