



LUND
UNIVERSITY

School of Economics and Management

NEKG21, Economics: Intermediate Microeconomic Analysis, 7.5 credits

Nationalekonomi: Mikroekonomisk analys, 7,5 högskolepoäng
First Cycle / Grundnivå

Details of approval

The syllabus was approved by The Board of the Department of Economics on 2011-06-07 and was last revised on 2015-11-04. The revised syllabus applies from 2015-11-04, autumn semester 2016.

General Information

This is a single subject intermediate course that can be a part of all specialisations within economics. The course is also an obligatory sub-course within NEKG11 'Economics, Level 2'. The course is optional within a number of undergraduate programmes at Lund University.

Language of instruction: Swedish

Teaching is in Swedish. (In some semesters the course can be taught in English, see the appropriate application catalogue).

Main field of studies

Economics

Depth of study relative to the degree requirements

G1F, First cycle, has less than 60 credits in first-cycle course/s as entry requirements

Learning outcomes

1. Knowledge and understanding

Students shall:

- understand and be able to describe the underlying principles guiding optimal individual consumption decisions,
- understand and be able to describe the underlying principles guiding optimal individual consumption decisions under uncertainty,
- understand and be able to describe the underlying principles guiding the optimal production decisions by firms in both the short run and the long run,

- understand and be able to describe the underlying principles behind general equilibrium in an exchange economy,
- understand the basic problems faced by a monopolist in terms of pricing and price discrimination,
- understand simple instances of quantity competition (the Cournot model).

2. Skills and abilities

Students shall have the ability to independently:

- formulate and solve the utility maximisation and expenditure minimisation problems faced by an individual,
- formulate and solve the cost minimisation and profit maximisation problems faced by a firm,
- analyse the basic problems faced by a monopolist in terms of pricing and price discrimination,
- analyse simple instances of quantity competition (the Cournot model),
- describe and explain their analyses and conclusions clearly orally as well as in writing.

3. Applying knowledge and making judgements

Students shall be able to acquire further knowledge in the area with little guidance or support.

Course content

The course deals primarily with economic decision making concerning consumption and production. The course starts with a treatment of the underlying principles that guide an individual's optimal consumption decisions under both certainty and uncertainty. This treatment leads to the utility maximisation and expenditure minimisation problems faced by an individual which, in turn, determine individual demand. Next, there is a treatment of the underlying principles guiding the optimal production decisions by firms in both the short run and the long run. This treatment leads to the cost minimisation and profit maximisation problems faced by a firm which, in turn, determine firm supply. There is also a treatment of general equilibrium in a simple exchange economy, and a treatment of the problems faced by a monopolist in terms of pricing and bundling ("price discrimination"). The course is concluded by an extension of the monopolist's problem to the Cournot model.

Course design

1. Teaching: Tuition consists of lectures and supervised exercises.

Assessment

1. Examination: Written exams take place at the end of the course. There will be further opportunities for examination close to this date. The course also contains two optional home exercises, which will be graded and the marks carried forward to examinations taken the same term.

2. Limitations on the number of examination opportunities: –

The University views plagiarism very seriously, and will take disciplinary action against students for any kind of attempted malpractice in connection with examinations and assessments. Plagiarism is considered to be a very serious academic offence. The penalty that may be imposed for this, and other unfair practices in examinations or assessments, includes suspension from the University for a specified period.

Subcourses that are part of this course can be found in an appendix at the end of this document.

Grades

Marking scale: Fail, E, D, C, B, A.

1. Grading: Grade (Definition), Points or percentage out of maximum points, Characteristic

A (Excellent), 85–100, A distinguished result that is excellent with regard to theoretical depth, practical relevance, analytical ability and independent thought.

B (Very good), 75–84, A very good result with regard to theoretical depth, practical relevance, analytical ability and independent thought.

C (Good), 65–74, The result is of a good standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.

D (Satisfactory), 55–64, The result is of a satisfactory standard with regard to theoretical depth, practical relevance, analytical ability and independent thought.

E (Sufficient), 50–54, The result satisfies the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought, but not more.

U (Fail), 0–49, The result does not meet the minimum requirements with regard to theoretical depth, practical relevance, analytical ability and independent thought. Students have to receive a grade of E or higher in order to pass a course.

2. Weighting grades from different parts of the course: –

3. Grading scales for different parts of the course: –

Entry requirements

At least 20 ECTS-credits from the introductory course in economics, of which at least 7.5 ECTS-credits in microeconomics are needed for admission till all intermediate courses in economics. Students are strongly recommended to have knowledge of mathematics corresponding to NEKG33 "Mathematical Methods for Economics".

Further information

1. Transitional regulations: This course replaces NEKB21 "Microeconomic Analysis".

2. Limitations in the period of validity: –

3. Limitations: This course may not be included in the same degree as the sub-course in microeconomic analysis within NEKA21 "Economics, Level 2", the sub-course in microeconomic analysis within NEK231 "Economics, General Course", the sub-course in microeconomic analysis within NEKG11 "Economics, Level 2", the course NEKB41 "Intermediate Microeconomic Analysis", NEK601 "Microeconomic Analysis B" or NEKB21 "Microeconomic Analysis".

4. Similar courses: This course has the same contents as the sub-course in microeconomic analysis within NEKG11 "Economics: Level 2".
5. Limitations in renewed examination: –

Subcourses in NEKG21, Economics: Intermediate Microeconomic Analysis

Applies from H11

1101 Microeconomic Analysis, 7,5 hp
Grading scale: Fail, E, D, C, B, A