



**SÖDERTÖRNS HÖGSKOLA | STOCKHOLM**

**Microeconomic Theory 2, 7.5 credits**

*(Mikroekonomisk teori 2, 7,5 högskolepoäng)*

Course code:	43F1009
Discipline for doctoral studies:	Other subjects
Academic school:	School of Social Sciences
Research area for doctoral studies:	Politics, Economy and the Organisation of Society 100%
Grades permitted:	G
Education cycle:	Third cycle
Language of instruction:	English
Valid from:	VT 2017 (spring semester)

**1. Validation**

This course syllabus was validated by Committee for Research and Doctoral Education at Södertörn University on 2017-03-15 according to the stipulations in the Higher Education Ordinance.

**2. Entry requirements**

Admitted to doctoral studentship.

**3. Learning outcomes**

On completion of the course, the student is able to:

- use and derive advanced microeconomics theory to analyse market competition, technological change and productivity growth, with mathematically formalised models.
- describe and apply formal mathematical models to prognosticate how supply and demand for specific goods will develop.
- know about duality and optimisation for modern applied economic analysis.
- know about and have the tools to analyse the welfare economics effects of technical and commercial development.
- use game theory for the analysis of strategic decisions.
- use advanced microeconomics theories and models and know how they can be applied to decision-making in companies.

#### **4. Course contents, modules and examinations**

The main focus of the course is the study of market failures caused by imperfect competition, externalities, public goods, or asymmetric information. Furthermore, the course provides an introduction to game theory, partly as a method for analysing markets with imperfect competition, but also for other types of strategic interaction, as well as welfare theory. Finally, course general knowledge of micro-economic/financial theory for asset markets. The course develops a formal mathematical framework for the analysis of price formation, the efficiency of markets, and strategic interaction on markets. The mathematical models are based on optimisation and multivariable analysis. The course starts with a brief overview of these fields. The following themes are treated:

- Consumer and producer theory
- Competition
- Theory of general equilibrium
- Welfare analysis
- Strategic behaviour and game theory
- Information asymmetries

#### **5. Course design**

Lectures

#### **6. Course assessment**

Assessment is based on a written examination. The grading criteria are distributed prior to the start of a course or module.

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#### **7. Reading list**

The following course literature and other resources are used on the course:  
Varian, Hal. R. 1992, Third edition  
Microeconomic Analysis  
W.W Norton & Co, ISBN/ISSN: 0-393-95735-7

#### **8. Restrictions on accreditation**

The course may not be accredited as part of a degree if the contents are partly or wholly the same as a course previously taken in Sweden or elsewhere.