


Teacher(s)	Latzer Hélène ;
Language :	French
Place of the course	Bruxelles Saint-Louis
Learning outcomes	<p>At the end of this learning unit, the student is able to :</p> <p>The aim of this course is to provide the students with a first approach to a rigorous analysis of the micro-economic mechanisms of a market economy. More specifically, the objectives are:</p> <ol style="list-style-type: none"> 1. Familiarize the students with the basic concepts and the fundamental mechanisms of the micro-economic analysis; 2. Get the students to use those mechanisms and concepts to carry out a rigorous analysis of several "real-life" economic problems and economic policy recommendations; 3. Train the students to read critically and synthesize the contents of economic articles/texts. <p>The chosen methodology is a qualitative and graphical presentation of economic models, so as to draw the students' attention to the explanative power as well as the limits of the modelling approach.</p>
Evaluation methods	<p>The final grade will be composed of two separate components. The first grade that will be taken into account is the one assigned to a written essay that will have to be handed in during the semester, and in which the student is expected to clearly identify and expose the economic concepts contained in a newspaper article. The grade obtained by the student for this work will represent a maximum of 2 points in the final course grade. The second grade will be the one attributed to a final written exam, which will require both a theoretical knowledge of the economic concepts as well as the ability to apply those concepts to concrete economic problems.</p>
Teaching methods	<p>a) Plenary lectures</p> <p>During the plenary lectures, the professor presents the concepts and mechanisms associated to the different models. Those lectures will follow the course outline presented above.</p> <p>From a methodological standpoint, numerous press articles will be used as bibliographical support beyond the reference book. The objective is twofold: train the students to a careful reading and synthesis of economic texts, as well as draw the students' attention to the omnipresence of economic questions in the public debate.</p> <p>b) Exercise sessions</p> <p>The exercise sessions are carried out in small groups, and aim at checking knowledge acquisition as well as applying the theoretical concepts presented in class to solve exercises and case studies. So as to benefit from those sessions, the students should have reviewed the corresponding lectures. Those exercise sessions will also be partly devoted to critical reading of economic articles.</p> <p>c) Personal work</p> <p>Regular personal work is critical for success. As the course goes on, each student is expected to devote sufficient time so as to make sure he/she understands the subjects being treated. The revision period at the end of the semester should not be the occasion to discover the course content, but rather to strengthen the comprehension of a course that is already known by the student. Personal meetings with the course assistants and the professor can be arranged for the students who specifically ask it.</p>
Content	<p>The Economics 1 course will start with a presentation of the demand and supply economic model in order to provide an analysis of the mechanisms and inner workings of competitive markets (price determination, equilibrium quantity, etc.). It will also be the occasion to investigate the impact on the competitive equilibrium of some public policies such as price control and indirect taxation.</p> <p>The course will then determine why, and under which conditions, free trade can be viewed as an efficient way to coordinate the actions of specialized economic agents. Through a careful examination of the (utopic) necessary conditions a market must fulfil so as to be considered perfectly competitive, it will be brought to the students' attention that those conditions are seldom (if ever) respected: the course will then provide an overview of several market failures, as well as study in detail several types of imperfect competition.</p> <p>Finally, the question of the possibility (and the necessity) of public intervention in a market economy will remain a central focus throughout the course.</p> <p>Part I: Introduction</p> <p>Chapter 1: "To think like an economist" - basic concepts (Mankiw, chapitres 1 et 2)</p> <p>Chapter 2: Example of an economic model - interdependence and the gains from trade (Mankiw, ch. 3)</p> <p>Part II: Supply and demand - how markets work</p> <p>Chapter 3: The market forces of supply and demand (Mankiw, ch. 4, ch. 5)</p> <p>Chapter 4: Consumers, producers and the efficiency of markets (Mankiw, ch. 7, 8)</p> <p>Chapter 5: Supply, demand and government policies (Mankiw, ch. 6)</p>

	<p>Part III: Market failures under perfect competition Chapter 6: Externalities (Mankiw, ch.10) Chapter 7: Public goods and common resources (Mankiw ch. 11) Part IV: Firm behavior in competitive markets Chapter 8: The costs of production (Mankiw, ch. 13) Chapter 9: Firms in competitive markets (Mankiw, ch. 14) Part V: Imperfect competition Chapter 10: The monopoly (Mankiw, ch. 10) Chapter 11: Other examples of imperfect competition (Mankiw ch. 11)</p>
<p>Bibliography</p>	<p>Ouvrage de référence: Mankiw, Gregory et Mark Taylor, Principes de l'Economie, de Boeck, collection Ouvertures économiques, 1ère édition 2010, 2ième édition 2011 ou 3ème édition 2013.</p>
<p>Faculty or entity in charge</p>	<p>ESPB</p>

Programmes containing this learning unit (UE)				
Program title	Acronym	Credits	Prerequisite	Learning outcomes
Bachelor in Economics and Management	ECGB1BA	5		
Bachelor : Business Engineering	INGB1BA	5		