

6.00 credits



45.0 h + 15.0 h

Q1

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| Teacher(s)          | Wauthy Xavier ;  |
| Language :          | French   |
| Place of the course | Bruxelles Saint-Louis  |
| Prerequisites       | <i>The prerequisite(s) for this Teaching Unit (Unité d'enseignement – UE) for the programmes/courses that offer this Teaching Unit are specified at the end of this sheet.</i>   |
| Learning outcomes   | <p><b>At the end of this learning unit, the student is able to :</b></p> <p>Define the main microeconomic concepts and specify their scope. To develop the student's ability to carry out a formalized economic analysis by systematic mathematical modeling of individual behavior and their impact on the allocation of economic resources in markets. Use this formalization to analyze the mechanisms underlying the economic facts observed. Demonstrate the main results necessary for the construction and characterization of market equilibrium, in perfect and imperfect competition.</p> <p>Specific objectives: At the end of the course (and TA sessions) the student will be able to:</p> <ul style="list-style-type: none"> <li>- Propose a stylized but coherent analysis of simple economic phenomena based on the individual behavior of the agents concerned.</li> <li>- Use mathematical language to formalize simple economic problems.</li> <li>- Discuss the role of the assumptions used to establish the main results of the course. Discuss the relevance of these findings to the analysis of real economic situations.</li> <li>- Apply theoretical models to solve exercises.</li> <li>- Define the main microeconomic concepts and specify their scope.</li> </ul> |
| Evaluation methods  | <p>Certifying evaluation: Written examination in sessions of examinations covering both theoretical questions, exercise resolutions and simple applications of theory to problems inspired by economic reality. In case the exam is organized in distancial mode, the exam is "open books"; in case the exam is organized in presential mode, the exam is closed books. 12 points for the theory, 8 points for the exercices.</p> <p>Formative evaluation: the questions asked during the lectures allow students to situate their level of understanding of the class material taught in previous lectures. Furthermore, the availability of a portfolio of solved exercises allow students to verify their understanding of the course and exercise sessions during the year.</p>  |
| Teaching methods    | <p>A) The lecture<br/>Lectures of theoretical developments with students' participation via questions asked by the teacher.</p> <p>B) TA sessions<br/>Resolution of exercises by the students under the guidance of the assistants. It is recommended that the students must first review the material that is dealt with.</p>   |
| Content             | <p>The course covers the central areas of analysis of individual economic behavior (microeconomics) and their relation to the market, so as to propose a first formalization of economic exchanges, resulting in the allocation of scarce resources based on the decentralization of decisions via market prices.</p> <p>In the first part, we analyze, on the one hand, consumer behavior and, on the other, the behavior of the firm in perfect competition based on the analysis of production technologies. The characterization and main properties of short and long term competitive equilibrium are studied in a partial equilibrium context.</p> <p>In a second part the competitive equilibrium model is introduced using the construction of demand functions for goods and services from the mathematical formalization of consumer behavior. The analytical framework of an exchange economy is formalized. The problem of general equilibrium and efficiency in the allocation of resources is addressed in this context.</p> <p>In a third part we study one of the main sources of market failure: information asymmetry. If time permits, the other main source of market failure will be addressed: imperfect competition (monopoly, oligopolies).</p>                         |
| Inline resources    | The course's slides as well as the exercice folder are available on the moodle page of the course  |
| Bibliography        | Introduction à la microéconomie", Hal R. Varian, 8 <sup>e</sup> édition française, De Boeck Université.  |
| Other infos         | <p>Didactic materials offered to students:</p> <ul style="list-style-type: none"> <li>- copy of the slides used during the lectures and taking notes during the course</li> <li>- portfolio of exercices with partial solutions.</li> </ul>  |

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| Faculty or entity in charge | ESPB |
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**Programmes containing this learning unit (UE)**

| Program title                        | Acronym                 | Credits | Prerequisite              | Learning outcomes   |
|--------------------------------------|-------------------------|---------|---------------------------|---|
| Bachelor in Economics and Management | <a href="#">ECGB1BA</a> | 6       | <a href="#">BECGE1110</a> |  |
| Bachelor : Business Engineering      | <a href="#">INGB1BA</a> | 6       | <a href="#">BECGE1110</a> |  |