



DRT

DROI1205 Political economics

[75h+60h exercises] 13.5 credits

Teacher(s): Chantal Kegels (supplée Anne-Marie Kumps), Anne-Marie Kumps
Language: french
Level: 1st cycle course

Aims

This course provides a general introduction to the foundations of political economics. It aims to give students an overall view of economics, which is considered to be a science as well as a reality.

The lectures focus on the principal concepts and analytical methods that serve as an introduction to the logic of economics and on which are based the answers given by contemporary economic science to the problem of allocating scarce physical and human resources.

Although the problems are concrete in nature, the course must not be regarded as a panorama of actuality. Analysis of the economic problems of society needs tools for reflection e.g. concepts whose degree of abstraction varies according to the questions to be solved.

Instead of opposing theory with practice, the course makes use of theory with a view to explaining concrete situations.

This course, which is intended for future lawyers, illustrates the relations between law and economics using concrete examples.

Content and teaching methods**Microeconomics (45 hrs)**

After a general introduction to the scope of political economics, a brief historical review and an explanation of the basic concepts, the first part of the course analyses the context of perfect competition with particular attention for:

- the law of supply and demand
- the theory of consumer behaviour
- the theory of production and cost
- the labour market
- the capital market
- the natural resources market

The second part focuses on how prices are fixed in an environment of imperfect competition.

The following market structures are considered:

- monopoly
- monopsony
- monopolistic competition
- oligopoly
- Baumol

The third part is devoted to the general equilibrium of the markets and the intervention of the public sector with regard to microeconomics.

Macroeconomics (30 hrs)

The first part of the course consists of an introduction aimed at highlighting the links between microeconomics and macroeconomics and at presenting the main measuring instrument, national accounts.

The second part analyses the conditions and characteristics of the short-term equilibrium through the following main steps: components of national demand, global equilibrium and multipliers, national income and price levels.

The third part focuses on long-term equilibrium and analyses the long-term effects of perturbations in aggregate supply and demand .

The fourth part examines public action in a chapter devoted to monetary policy and another chapter exploring economic policies. These policies are illustrated in the European context.

The final part opens the economy to the rest of the world and looks at the consequences for both internal and external equilibrium.

Other credits in programs

DROI12	Deuxième candidature en droit	(13.5 credits)	Mandatory
---------------	-------------------------------	----------------	-----------