Microeconomics

Bachelor – Semester 3

Competitive Equilibrium and Market Failures

Schedule: Friday, 15:00–17:00, Amphi H, Centre PMF
Instructors: Stéphane Gauthier (sessions 1 to 6) and Laurie Bréban (sessions 7 to 12)
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Lectures

The lecture course consists of 12 two-hour sessions. It covers the following topics:

1. Aggregate demand, aggregate supply, partial equilibrium
2. Optimality of partial equilibrium
3. Tax incidence in partial equilibrium
4. Free entry and long-run equilibrium
5. Externalities
6. Public goods
7. Exchange: the Edgeworth box
8. Equilibrium, equity and efficiency

Tutorials

The lecture course is accompanied by 10 tutorial sessions of 90 minutes each. Tutorials start in the week of 28 September.

The booklet containing the tutorial exercises for sessions 1 to 6 is available on the EPI. It comprises 6 topics – one per tutorial session. Several exercises are provided for some topics, but only one will be solved in class. The choice of exercise is left to the tutorial instructor's discretion. Most exercises are adapted from past final exam papers.

Assessment

Continuous assessment is based on 3 marks:

1. a participation mark awarded in tutorials;
2. two marks from written tests taken in tutorials, one mid-semester and one at the end of the semester.

The continuous assessment mark may be harmonised to take into account possible differences between tutorial instructors. If harmonisation is necessary, the rules will be explained in detail on the EPI.

The final mark is the unweighted average of the continuous assessment mark (harmonised if applicable) and the final exam mark.