

Université Laval
Department of Economics

Autumn 2013

Microeconomics GSE-1003
Professor : Bernard C. Beaudreau

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Textbook:

Parkin, M. and R. Bade. *Microeconomics: Canada in the Global Environment, Eighth Edition* Pearson Education Canada, 2009.

Microeconomics is an introductory undergraduate course that teaches the fundamentals of microeconomics. This is the first course that undergraduates take in economics. For some, it may be the only course they take in the subject, and it provides a solid foundation for economic analysis and thinking that can last throughout their education and subsequent professional careers. For other students, it may provide a foundation for many years of study in economics, business, or related fields.

This course begins with an introduction to supply and demand and the basic forces that determine equilibrium in a market economy. Next, it introduces a framework for learning about consumer behavior and analyzing consumer decisions. We then turn our attention to firms and their decisions about optimal production, and the impact of different market structures on firms' behavior. The final section of the course provides an introduction to some of the more advanced topics that can be analyzed using microeconomic theory. These include international trade, the impact of uncertainty on consumer behavior, the

operation of capital markets, equity vs. efficiency trade-offs in economic policy and social insurance.

By the end of the course, you will be able to understand introductory microeconomic theory, solve basic microeconomic problems, and use these techniques to think about a number of policy questions relevant to the operation of the real economy.

Course Requirements

Weekly Assignments	40%
Mid-Term Exam (October 22)	30%
Final Exam (Exam Week)	30%

There will be two exams in this course. These will take place on October 22 and December 10; each will account for 25% of your grade. There will also be a weekly assignment (posted on the ENA site on Tuesday) that is to be handed in the following week. Late assignments will not be accepted.

Students are expected to come to class prepared to discuss the material assigned for that week. Certain students may be asked to present material from the textbook to their colleagues. Students who miss an exam without a medical note (or other valid excuse) will receive a mark of zero.

The PowerPoint presentations will be available on Monday of each week. Students are invited to print them out and use them to take notes. No laptops, tablets, or other will be allowed in class.

Marking

90-100 *A+*

85- 89 *A*

80 -84 *A-*

75-79 *B+*

70-74 *B*

66-69 *B-*

63-65 *C+*

60-62 *C*

56-59 *C-*

53-55 *D+*

50-52 *D*

<50 *E*

Outline:

Part I: Introduction

Week 1 (September 3): What is Economics? Why Study Economics in a Business Program?

Readings:

1-*Parkin and Bade* Chapter 1;

2-Shawn Grimsley, What Is the Economic Environment in Business? - Definition, Importance & Factors. (<http://education-portal.com/academy/lesson/what-is-the-economic-environment-in-business-definition-importance-factors.html>)

3-Shane Hall, The Importance of Economics As a Subject (http://www.ehow.com/about_6582554_importance-economics-subject.html)

4-Draft Shape of the Australian Curriculum: Economics and Business (http://www.acara.edu.au/verve/_resources/Draft_Shape_Paper_for_consultation_-_Economics_and_Business.pdf)

Week 2 (September 10): The Economic Problem-Opportunity Cost

Readings:

Parkin and Bade Ch. 2.

Part II: Supply in Competitive Markets

Week 3 (September 17): Organizing Production, Output and Costs

Readings:

Parkin and Bade Chapters 10 and 11.

Week 4 (September 24): Marginal Cost and Supply

Readings:

Parkin and Bade, Chapter 12, pp. 274-280; Chapter 3, pp. 64-67.

Part III: Demand and Competitive Market Equilibrium

Week 5 (October 1): Utility and Demand, Indifference Curves

Readings:

Parkin and Bade Chapters 8 and 9.

Week 6 (October 8): Demand and Market Equilibrium

Readings:

Parkin and Bade Chapter 3, pp. 58-63, 68-75; Chapter 12, pp. 281-291.

Week 7 (October 15) Elasticity

Readings:

Parkin and Bade Chapter 4.

Week 8 (October 22) Mid-Term Exam

Week 9 (October 29) Reading Week

Part IV: Properties of Perfectly Competitive Markets

Week 10 (November 5): Efficiency and Equity; Government Actions in Markets

Readings:

Parkin and Bade Chapters 5 and 6

Week 11 (November 12) Global Markets in Action

Readings:

Parkin and Bade Chapter 7.

Part V: Alternative Market Structures and Market Failure

Week 12 (November 19). Monopoly

Readings:

Parkin and Bade Chapter 13.

Week13 (November 26). Monopolistic Competition; Oligopoly

Readings:

Parkin and Bade Chapters 14, 15.

Week 14 (December 3) Externalities; Public Goods

Readings:

Parkin and Bade Chapter 16 and 17

Week 15 (December 10): Final Exam Parts IV-VI.

Règles disciplinaires

Tout étudiant qui commet une infraction au *Règlement disciplinaire à l'intention des étudiants de l'Université Laval* dans le cadre du présent cours, notamment en matière de plagiat, est passible des sanctions qui sont prévues dans ce règlement. Il est très important pour tout étudiant de prendre connaissance des articles 28 à 32 du Règlement disciplinaire. Celui-ci peut être consulté à l'adresse suivante:

http://www.ulaval.ca/sg/reg/Reglements/Reglement_disciplinaire.pdf

Par ailleurs, dans les cas où la réalisation d'un travail écrit figure parmi les moyens d'évaluation retenus pour votre cours, il faut inclure une mention relative aux exigences du respect du droit d'auteur. Je vous invite à inclure également la

mention suivante dans votre plan de cours. Elle est proposée par le Bureau du secrétaire général de l'université Laval.

Plagiat

Tout étudiant est tenu de respecter les règles relatives à la protection du droit d'auteur. Constitue notamment du plagiat le fait de:

copier textuellement un ou plusieurs passages provenant d'un ouvrage sous format papier ou électronique sans mettre ces passages entre guillemets et sans en mentionner la source;

résumer l'idée originale d'un auteur en l'exprimant dans ses propres mots (paraphraser) sans en mentionner la source;

traduire partiellement ou totalement un texte sans en mentionner la provenance;

remettre un travail copié d'un autre étudiant (avec ou sans l'accord de cet autre étudiant);

remettre un travail téléchargé d'un site d'achat ou d'échange de travaux scolaires.

(Source: COMMISSION DE L'ETHIQUE DE LA SCIENCE ET DE LA TECHNOLOGIE, *La tricherie dans les évaluations et les travaux à l'université: l'éthique à la rescousse* (rédaction: Denis Boucher), Québec, 15 mai 2009)