Microeconomics - Consumer behaviour theory

ECTS : 3

Volume horaire : 18

Description du contenu de l'enseignement :

The course aims at developing the economic theory of the consumer. Consumption allocation between different goods, trade-off between labour and leisure, optimal intertemporal allocation of resources will be the main topics of this semester.

Compétence à acquérir :

By the end of this module, students will have demonstrated: **Knowledge** 1. An ability to define microeconomics, to differentiate it from macroeconomics, to understand its methodology, approach and the main assumption used to describe a pure and perfect competitive framework. 2. An ability to understand the concept of budget constraint, indifference curve, utility function, Marginal Rate of Substition (MRS) and to use them to determine an optimal allocation of consumption goods and to build the individual demand function of a consummer. 3. An ability to determine a demand elasticity (price or revenue), to categorise the different types of goods depending on those elasticities to understand the concept of substitution and income effect. 4. An ability to analyse the trade-off between leisure and labour for a consumer and how to deduce from it the supply of labour function. 5. An ability to analyse the trade-off between consumption of present goods and future goods (consumption vs saving), and the capacity to link these microeconomic concepts with financial concepts and instruments. **Skills** 6. An ability to determine mathematically and graphically a Marginal Rate of Substitution and to interpret the result obtained. 7. An ability to compute mathematically and illustrate graphically a Marshalien demand function using indifferences curves, utility functions, Marginal Rate of Substitution and the budget constraints of the consummers. 8. An ability to determine (mathematically and graphically) and to interpret how the demand would evolve when parameters are changing. 9. An ability to determine (mathematically and graphically) the different elasticities and to interpret the results obtained. 10. An ability (1) to determine mathematically and graphically the optimal allocation between leisure and labour (2) to deduce from it the supply of labour and (3) to interpret the results obtained. 11. An ability (1) to determine mathematically and graphically the optimal allocation between present goods and future goods (2) to deduce from it the saving function and (3) to interpret the results obtained. 12. An ability to use and adapt economic concepts studied in class on new topics, situation, context. **Values and Attitudes** 13. An ability to take responsibility for their studies in and outside of class and to be proactive and take initiative for further individual development. 14. An ability to work effectively, and appropriately with others in class.

Mode de contrôle des connaissances :

Grading Criteria Mid Term Exam 1 25% Mid Term Exam 2 25% Final Exam 50%

Bibliographie, lectures recommandées :

Microéconomie Comportement des agents et concurrence parfaitFranck Bien & Sophie Meritet PEARSON (2016)