Microeconomics - Imperfect Competition

ECTS : 3

Volume horaire : 18

Description du contenu de l'enseignement :

The course aims at providing an explanation / exploration of the fundamental microeconomics theories related to a situation of imperfect competition and more specifically the case of monopoly, duopoly and goods differentiation.

Compétence à acquérir :

By the end of this module, students will have demonstrated: **Knowledge** 1. An ability to analyse how a partial equilibrium in a monopoly situation is determined, to understand the source of inefficiency generated. 2. An ability to analyse a partial equilibrium in a monopoly situation when the monopoly firm implement a price discrimination strategy (first and third degree) with one or two parts tariffs. 3. An ability to understand the concept of natural monopoly and to interpret the equilibrium obtained in this situation. 4. An ability to describe the different duopoly models (Cournot-Nash, Stackelberg, Bertrand), their assumptions, differences and implications. 5. An ability to describe the different non-homogeneous goods duopoly model (Launhardt Hotteling, Hotteling-Chamberlin (linear city model)), their assumptions, differences and implications. 6. An ability to analyse the model of monopolistic competition and to compare it with situations of monopoly and pure and perfect competition. **Skills** 7. In a context of a simple monopoly, to determine mathematically and graphically (1) a partial equilibrium (2) surpluses (or change in surpluses) for each economic agents (3) deadweight-losses (4) how they evolve when different parameters are changing (elasticity etc.) and (5) the type of economic policy to implement to reduce the inefficiencies. 8. In a context of a natural monopoly, to determine mathematically and graphically (1) a partial equilibrium (2) surpluses (or change in surpluses) for each economic agents (3) deadweight-losses (4) how they evolve when different parameters are changing (elasticity etc.) and (5) the type of economic policy to implement to reduce the inefficiencies. 9. In a context of a duopoly, to determine mathematically and graphically (1) a partial equilibrium (2) surpluses (or change in surpluses) for each economic agents (3) deadweight-losses (4) how they evolve when different parameters are changing (elasticity etc.) through different type of model such as Cournot-Nash, Stackelberg or Bertrand model. 10. In a context of a duopoly, to determine mathematically and graphically the different strategies of domination of one firm on another firm (price limit, partial monopoly, eviction strategy). 11. In a context of a duopoly and when goods are not homogeneous, to determine mathematically and graphically (1) a partial equilibrium (2) surpluses (or change in surpluses) for each economic agents (3) deadweight-losses (4) how they evolve when different parameters are changing (elasticity etc.) through different type of model such as Launhardt Hotteling or Hotteling-Chamberlin (linear city model). 13. In a context of monopolistic competition, to determine mathematically and graphically long term and short term equilibrium, and how it differs from a simple monopoly situation or a pure and perfect competitive framework. 14. To use and adapt economic concepts studied in class on new topics, situation, context. **Values and Attitudes** 15. An ability to take responsibility for their studies in and outside of class and to be proactive and take initiative for further individual development. 16. An ability to work effectively, and appropriately with others in class.