

- Faculté des sciences économiques
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### Economic Policy (5ER2001)

Filières concernées	Nombre d'heures	Validation	Crédits ECTS
<b>Master en finance</b>	<b>Cours: 2 ph TP: 2 ph</b>	<b>écrit: 2 h</b>	6

ph=période hebdomadaire, pg=période globale, j=jour, dj=demi-jour, h=heure, min=minute

#### Période d'enseignement:

- Semestre Automne

#### Equipe enseignante:

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#### Objectifs:

This course provides the microeconomic theories and analytical tools for understanding the functioning of markets and the effects of economic policies on market interactions. The main focus is on the application of economic principles in guiding policy decisions especially in cases where markets fail to achieve efficiency. The course presents various grounds for government intervention such as public goods, externalities, imperfect competition and asymmetric information. It also includes theories related to efficiency and equity in competitive markets as well as also government failure and social choice. While relying on a combination of lectures and exercises the course puts an emphasis on solving problem sets and examples that are continuously covered in both lectures and exercise sessions. The course is especially recommended for students preparing for the Chartered Financial Analyst (CFA) exam. By embedding the corresponding topics in some of the lectures and/or exercise sessions, the course provides assistance and complementary material for the CFA Economics section at Level I.

#### Contenu:

The course content is organized in five main areas:

- Competitive markets, market equilibrium, efficiency and equity
- Public goods and externalities
- Markets with imperfect competition, monopoly and regulation
- Markets with asymmetric information
- Public choice and rent seeking

#### Forme de l'évaluation:

Final grade is based on a 2-hour written final exam during the last lecture (75% of the final grade) and a Midterm exam (25% of the grade). Attendance and participation in class discussions are rewarded by a bonus of up to 10% of the final grade. Students who miss more than 4 hours lecture do not qualify for the bonus.  
Retake (August/September): 2h written exam (100%)

Neither documents nor connected devices are permitted during the exams.  
In case of violation of these rules, the students are in a situation of fraud and the unauthorized items will be removed. The exam could be deemed as failed.

#### Documentation:

CFA Curriculum Program, Economics (Level I), CFA Institute, Wiley, 2016. (Readings 13, 14, 15 & 16)

CFA Curriculum Program, Economics (Level II), CFA Institute, Wiley, 2016. (Readings 14 & 15)

Microeconomic Analysis, Hal R. Varian., 3rd edition, Norton, 1992.

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#### **Pré-requis:**

This course is primarily designed for graduate students especially those aiming to sit for the CFA exam.

An undergraduate-level understanding of basic principles and concepts in micro-economics, algebra and graph analysis is assumed.

#### **Forme de l'enseignement:**

Lecture: 2 hours per week

Exercise: 2 hours per week

Office Hours: By appointment, or post your questions in the forum provided for this purpose on Moodle.