

## **POLITICAL ECONOMICS**

Degree in Legal Studies (Solicitors)

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Code: 13707

Main Scientific Area: Economics

Lecturer: Cláudia Filipa Gomes Cardoso

Language of Instruction: Portuguese

Regime: S1

Contact Hours: 60h Total Workload: 108h

ECTS: 6,0

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### **Objectives**

The main objective of the curricular unit is to provide students with an articulated knowledge of the basic concepts of economic theory and its application to Law. After an introductory approach, fundamental themes of microeconomic theory and macroeconomic theory will be developed. In the micro-economic field, the functioning of the market will be analysed through the supply and demand mechanism, market structures, and the resolution of market failures, in particular externalities. In the macroeconomic sphere, the measure of global economic activity and the main economic policy issues will be studied.

### **Learning Outcomes**

At the end of the curricular unit, students should be able to know the main economic concepts and relate the knowledge generated by economic science with the application to Law.

### **Course Contents**

I. Introduction

1. Economics as science

2. Scarcity and choices

2.1 Scarcity of resources

2.2 Frontier of production possibilities

2.3 Opportunity cost

II. Microeconomics

1. Demand, supply, and market

1.1 Demand

1.2 Supply

1.3 Market equilibrium

1.4 Changes to equilibrium

1.5 Regulated prices

2. Market structures

2.1 Perfect competition

2.2 Imperfect competition

2.2.1 Monopoly

2.2.2 Oligopoly

2.2.3 Monopolistic competition

3. Efficiency and market failures

3.1 Market failures

3.2 Role of the State

4. Externalities and the Coase Theorem

4.1 Positive and negative externalities

4.2 Coase theorem

4.3 Application to Law

III. Macroeconomics

1. Measure of economic activity

1.1 Calculation of the value of the Product

1.2 Real and nominal evolution of the Product

1.3 Inflation and unemployment

2. Economic policy

2.1 Economic stabilisation issues

2.2 Economic growth issues

## 2.3 Wealth redistribution issues

### **Recommended Bibliography**

Frank, R. H. (2006). *Microeconomia e Comportamento*. Lisboa: McGraw-Hill.

Samuelson, P. A. e W. D. Nordhaus (2011). *Economia*. Lisboa: McGraw-Hill.

### **Learning and Teaching Methods**

The programmatic contents were defined based on the objectives that are intended to be achieved for this curricular unit, as well as the skills to be acquired by the students. For a better understanding of the themes addressed at the level of the micro and macroeconomic domains, the curricular unit is initiated with the presentation of the basic concepts of economic theory, which corresponds to Part I of the programmatic contents.

The analysis of the behaviour of the main economic players and their interaction in the markets implies the analysis of the functioning of the market through the demand and supply mechanism, knowledge of market structures and market failures. These issues are addressed in Part II of the programmatic content. Understanding the fundamental

macroeconomic issues justifies the study of the measure of global economic activity and the main economic policy issues. These themes are analyzed in Part III of the program contents.

### **Assessment Methods**

In the continuous evaluation regime, two written tests will be performed (individual and on-site), with weight of 25% (1st test), 50% (2nd test) and 25% (3rd test) in the final classification. In each test, students are required to score a minimum of 5 values. The minimum final classification for approval to the curricular unit is 10 values. There will be no oral test.

The dates of the elements of continuous evaluation will be advertised by the direction of the degree.

The evaluation by final examination shall take place in the way provided for in the respective regulation.