

UNIVERSITY OF HAWAII AT MANOA
DEPARTMENT OF ECONOMICS

Econ 301

Intermediate Microeconomics: Price Theory

Summer Session I, 2007

MTWRF, 12-1:15

Kuykendall 301

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Office hours: Mon. Wed.; 1:30-3:00 pm or by appointment

Course Description: This course introduces the basic concepts and analytical frameworks of neoclassical microeconomics. We will study the decision-making problem of consumers, firms, and governments that attempt to maximize their benefits under various resource constraints. Since each agent has the complex decision-making in the real world, we formulate the problem faced by the agents in a simple framework of optimization and analyze the consequences of the agent behavior in a market. We spend substantial time on the consumer and producer theory that is the foundation of microeconomics, and we ask how each agent interacts in a whole market economy.

Prerequisites:

Students should have completed Econ 131 (Principles of Economics, micro).

Course Materials:

Required textbook:

Microeconomics, 6th edition, Pindyck and Rubinfeld, 2005, Pearson Prentice Hall

Other useful textbooks:

Microeconomics, 4th edition, Jeffrey M. Perloff, 2006, Addison-Wesley

Intermediate Microeconomics: A Modern Approach, 7th edition, Hal R. Varian, 2006, W.W. Norton & Co.

Grading: Attendance and class participation	10 %
Problem sets	20 %
First midterm	20 %
Second midterm	20 %
Final exam	30 %

Attendance and Class Participation

Students are required to attend every lecture and actively participate in class by asking and answering questions on materials covered in class. Attendance is made mandatory for you to understand the basic concepts of microeconomics in class and prepare to solve problem sets. Class participation is encouraged for you to clarify ambiguous and difficult points of the lecture and solidify your understanding of the material covered in class. However, tardiness and leaving early are not acceptable excuses for not understanding the lecture and missing important announcements in class.

Problem sets

Problem sets are assigned on a regular basis and will count a 20 % of the final grade. Problem solving is the key to understand each topic deeply and the best way to prepare for exams. The lowest two scores of the problem sets will be dropped from grading consideration.

Exams

The first midterm exam covers a topic on the consume theory and chapters 1-5. The second midterm exam covers the producer theory and competitive markets from chapter 6 to 9. Final exam is a comprehensive one and includes every topic covered in the lecture. However, a number of questions come from the topics after the second midterm. I will not administer an early or make-up exam for any reasons except for the case of emergency. In this case, you are required to show an official proof for the event.

Class schedule

Tentative class schedule is attached in the next page and indicates the date of exams and holidays along with suggested readings for the lecture. The class schedule is subject to changes and any changes that occur will be announced in class.

Tentative schedule of Econ301 Summer I 2007, subject to changes

Date	Lecture	Topic	Readings
21-May	1	Introduction	Ch.1 : 1.1 - 1.4
22-May	2	Supply and Demand	Ch.2 : 2.1 - 2.4, 2.7
23-May	3	Supply and Demand	Ch.2 : 2.1 - 2.4, 2.7
24-May	4	Consumer Behavior	Ch.3 : 3.1 - 3.3, 3.5
25-May	5	Consumer Behavior	Ch.3 : 3.1 - 3.3, 3.5
28-May	Holiday: Memorial Day		
29-May	6	Individual and Market Demand	Ch.4 : 4.1 - 4.4
30-May	7	Individual and Market Demand	Ch.4 : 4.1 - 4.4
31-May	8	Individual and Market Demand	Ch.4 : 4.1 - 4.4
1-Jun	9	Consumer Behavior under Uncertainty / Review	Ch.5 : 5.1 - 5.2
4-Jun	10	First Midterm	
5-Jun	11	Production	Ch.6 : 6.1 - 6.4
6-Jun	12	Production	Ch.6 : 6.1 - 6.4
7-Jun	13	Cost of Production	Ch.7 : 7.1 - 7.4
8-Jun	14	Cost of Production	Ch.7 : 7.1 - 7.4
11-Jun	Holiday: Kamehameha Day		
12-Jun	15	Profit Maximization and Competitive Supply	Ch.8 : 8.1 - 8.8
13-Jun	16	Profit Maximization and Competitive Supply	Ch.8 : 8.1 - 8.8
14-Jun	17	Competitive Markets	Ch.9 : 9.1 - 9.6
15-Jun	18	Competitive Markets / Review	Ch.9 : 9.1 - 9.6
18-Jun	19	Second Midterm	
19-Jun	20	Market Power: Monopoly	Ch.10: 10.1 - 10.4
20-Jun	21	Market Power: Monopoly	Ch.10: 10.1 - 10.4
21-Jun	22	Monopolistic Competition and Oligopoly	Ch.12: 12.1 - 12.2
22-Jun	23	Game Theory and Competitive Strategy	Ch.13: 13.1 - 13.3
25-Jun	24	Game Theory and Competitive Strategy	Ch.13: 13.1 - 13.3
26-Jun	25	General Equilibrium and Economic Efficiency	Ch.16: 16.1 - 16.3
27-Jun	26	General Equilibrium and Economic Efficiency	Ch.16: 16.1 - 16.3
28-Jun	27	Externalities and Public Goods / Review	Ch.18: 18.1, 18.5
29-Jun	28	Final Exam	

Note: Chapters in the readings refer to the textbook by Pindyck and Rubinfeld.