

**ECON 2101**  
**Microeconomic Theory**  
**(1st Semester 2007/2008)**

Lecturer: William Chan

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Office hrs: T 4:00-5:00p.m., Th 4:00-5:00p.m. or by appointment

Tutor: Ho Cheung Cheng

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**Course Objective:** To equip students with basic knowledge of the microeconomic theory and the ability to apply the theory to real world issues and problems.

**Prerequisites:** ECON1001 (Introduction to Economics) or equivalent is required. Students are expected to have prior knowledge of elementary calculus.

**Required Text:** Pindyck, Rubinfeld and Koh. *Microeconomics: An Asian Perspective*. Singapore: Prentice Hall, 2006.

**Recommended Reference:** Varian, Hal R., *Intermediate Microeconomics: A Modern Approach*, Seventh Edition. New York, New York: W.W. Norton & Company, Inc., 2005.

<b>Course Requirements:</b>	Tutorials	6%
	Test 1 (October 12, 2007)	22%
	Test 2 (November 26, 2007)	22%
	Final (To be scheduled)	50%

Weekly tutorials will be scheduled. Students are advised to work on the problem sets and be prepared to discuss the solutions during the tutorials. Lecture outlines and problem sets can be downloaded from the course website (at <http://www.econ.hku.hk/~wchan/econ2101>).

**Course Outline:**

<u>Week</u>	<u>Topic</u>
I - III	The Theory of Consumer Choice and the Demand for Goods: PRK, ch. 3-4.
IV-V	Theory of the Firm and the Supply of Goods: PRK, ch. 6-8.
VI	Equilibrium in the Competitive Product Market: PRK, ch. 9.
VII-VIII	Monopoly and Monopsony: PRK, ch. 10-11.
IX-X	Monopolistic Competition, Oligopoly, Game Theory: PRK ch. 12-13.
X	Demand in the Factor Market: PRK, ch. 14.
XI	General Equilibrium and Economic Efficiency: PRK, ch. 16.
XII	Externalities and Public Goods: PRK, ch. 18. (Intertemporal Considerations PRK, ch. 15; Economics of Information and Uncertainty: PRK, chaps 5,17.)