

Course  
Outline 2017  
**ECON 201: MICROECONOMICS (15 POINTS)**

**Semester 2 (1175)**

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### **Course Prescription**

Study of the allocation of scarce resources among competing end uses. Intermediate-level analysis of the economic behaviour of individual units, in particular consumers and firms. Although the focus is on perfectly competitive markets, attention is also given to other types of markets. Analysis also includes concepts of expected utility and uncertainty, and welfare economics.

#### **Programme and Course Advice**

*Prerequisites:* ECON 101 or 191, or 180 points in a BSc major in Mathematics or Statistics with a GPA of at least 5 and at least a B in MATHS 150 or MATHS 153.

Note that ECON 201 introduces students to the rigorous use of analytic theory and methods in economics. A sound understanding of the key concepts and results involves developing a clear understanding of how these can be expressed in formal terms.

Please also note that students should, prior to beginning of lectures: (a) have some feel for interpreting simple graphs; (b) be comfortable with elementary algebraic manipulation.

ECON 201 is a prerequisite for most Stage III, Honours and Master's Economics courses.

#### **Goals of the Course**

This is an intermediate course designed to give students a solid understanding of economic intuition, theoretical constructs and analytical tools. The course provides a set of microeconomic models for students who are: (1) intending to advance further with economics; (2) expecting to be involved in business and policy fields; and (3) interested in humanities and social science and ways of analysing social processes.

### **Learning Outcomes**

By the end of this course it is expected that the student will:

1. know the basic principles of microeconomics;
2. understand the building blocks that underpin demand and supply, models of market structure and models involving externalities and public goods;
3. be familiar with the structure of economic models;
4. be able to derive solutions to a wide range of economic models;
5. be able to describe and discuss their results; and
6. be acquainted with the application of the models to real-world situations.

## Content Outline

- Topic 1:** Introduction and Review (Varian: chapters 1, 14, 15, 16 and Appendix)  
**Topic 2:** Consumer Preferences and Utility (Varian: chapters 3, 4, 2, 5)  
**Topic 3:** Consumer Choice and Demand (Varian: chapters 6, 7, 8, 9, 10))  
**Topic 4:** Technology Costs, Profit and Supply (Varian: chapters 19, 20, 21, 22, 23)  
**Topic 5:** Competitive Equilibrium (Varian: chapters 23, 15, 16, 32, 33)  
**Topic 6:** Monopoly (Varian: chapters 25, 26, 27)  
**Topic 7:** Game Theory and Oligopoly (Varian: chapters 29, 28, 30)  
**Topic 8:** Uncertainty (Varian: chapter 12)  
**Topic 9:** Asymmetric Information, Incentives, Auctions (Varian: chapters 38, 18)  
**Topic 10:** Welfare, Externalities, Public Goods (Varian: chapters 34, 35, 37)  
**Topic 11:** Recent Developments in Micro (Varian: chapters 31, 36)

## Learning and Teaching

There are three one-hour lectures, and one one-hour tutorial each week. **Tutorials will commence in the second week.**

*Tutorials* are aimed at providing an opportunity to tackle problems. Tutorial problems and solutions will be posted on CANVAS each week.

The material presented in the problem solving sessions in tutorials is designed to supplement and complement lectures, and forms an intrinsic part of the course. Attendance is strongly advised. It is a good idea for students to attempt the tutorial questions before coming to the tutorial.

## Teaching Staff

Professor Tim Hazledine

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## Learning Resources

*Textbook:*

Hal R. Varian Intermediate Microeconomics: A Modern Approach, 9th Edition, Norton.

A **Coursebook** containing powerpoint lecture slides will be available from the Business and Economics Student Resource Centre, Level 0, Owen G. Glenn Building, 260-064. These slides as well as other materials, including tutorial questions and answers, will also be viewable on Canvas.

## Assessment

**Coursework** is worth 40% of the total mark, consisting of **two Tests** each worth 20%; the **Final Examination** is worth 60%. **Plussage** does **NOT** apply.

### **Test Dates**

First Test: Week 5, Thursday, August 24, 2pm.

Second Test: Week 9, Thursday, October 5, 2pm.

More details will be provided at lectures and on Canvas.

<b>Learning Outcome</b>	<b>Tests</b>	<b>Final Examination</b>
1	X	X
2	X	X
3	X	X
4	X	X
5	X	X
6	X	X

## **Economics 201: Microeconomics**

### **Additional Course Information**

#### **INCLUSIVE LEARNING**

Students are urged to discuss privately any impairment-related requirements face-to-face and/or in written form with the course convenor/lecturer and/or tutor.

#### **STUDENT FEEDBACK**

Student feedback is encouraged in this course. During the semester, students may directly submit their feedback to the lecturer through a face-to-face appointment, or they may wish to submit feedback through the class representative.

#### ***Class representatives***

At the beginning of each semester, you will elect a class representative for the paper. The role of the class representative is to gather feedback from students in the course and bring this to the lecturer and/or the Department. Class representatives' email addresses are posted on Canvas and you are encouraged to contact them with feedback relating to the course. You are also welcome to talk to the class representatives in person.

#### ***Staff-Student Consultative Committee***

Class representatives also submit feedback to the Department of Economics Staff Student Consultative Committee (SSCC), which meets up to three times per semester to gain feedback regarding the course. Only class representatives may attend the SSCC meetings, and they will ask the class for feedback before the SSCC meeting.

#### ***Course and teaching evaluations***

At the end of the semester, you will have the opportunity to submit an evaluation of the course in a formative feedback questionnaire.