

ECON 201A: Microeconomics: Theory of the Firm and Consumer

Class location and time: TR 09:30A -- 10:45A BUNCHE 3211
 F 09:00A -- 10:50A BUNCHE 3211

Instructor	Office	E-Mail Address	Office Hours
John Riley	Bunche 8367	riley@ucla.edu	By arrangement*
Teaching Assistant	Office	E-Mail Address	Office Hours
Anton Cheremukhin	Bunche 2265	chertoha@ucla.edu	W,F 12:00, email

* - Office Hours: By arrangement with Christine Frank or [Email](mailto:riley@ucla.edu) J. Riley to set up an appointment.

The goals of this introductory course are to help students understand the fundamental elements of microeconomic theory and to see how these can be put to productive use. While we will make much use of mathematics (algebra and calculus) it is not the mathematics per se which students find demanding. The bigger challenges are learning how to express problems in the language of mathematics and then extracting economic insights from the mathematical formulation.

Throughout the term there will be homework assignments which are voluntary. However, if you hand them all in on time, they will count for 40% of the final grade. The Mid-term will be worth 10% and the final 50%. Otherwise full weight will be placed on the Final Examination and Mid-term. The Final will be on **(Mon Dec 11, or Wed Dec. 13 or Fri Dec 15)**, 11:30 - 2:30.

There will be an end of term celebration on Friday, December 15.

Textbooks:

The primary text for the course is John Riley's beta-text "*The Essence of Microeconomics*" forthcoming, CUP. This will be available as a course reader as well as electronically. Website: <http://www.econ.ucla.edu/riley/201/essence2005.htm>

In addition, as an alternative text you might prefer the following.

Geoffrey Jehle and Phil Reny "*Advanced Microeconomic Theory*"

A very fine state-of-the-art encyclopedic text is

Mas-Colell, Whinston and Green (MWG) "*Microeconomic Theory*" First Edition, 1995

Those interested in the the field of Uncertainty and Information may wish to look at

Hirshleifer J. and John Riley "*The Analytics of Uncertainty and Information*" Cambridge U. Press, 1995.

Course Outline

1. Static Optimization

Necessary conditions and the Envelope Theorem

Jehle/Reny, Chapter 2. Riley, Chapters 1 and 3 MWG App 954-966

2. Theory of the Consumer

Riley Chapter 4

3. Theory of the Firm

Riley Chapter 5

4. Walrasian Equilibrium and Efficiency

Jehle/Reny Chapter 7 (280-289, 294-300, 302-306, 308-315)

Riley, Chapter 6 "Equilibrium and Efficiency" MWG Ch 16, 515-544, Ch 16. 545-565

5. Dynamic Optimization

Riley, Chapter 7 "Time," MWG Ch 20 732-742 (difficult) MWG Ch 15 529-538

6. Uncertainty

Riley Chapter 8 Jehle/Reny Chapter 4 (195-217) MWG Ch 6 167-204, Ch 19, 687-693

Hirshleifer & Riley, Economics of Uncertainty and Information, 1995, Chapters 1-2
MWG Ch 6 167-204, Ch 19, 687-693