City University of Hong Kong

Information on a Course
offered by Department of Economics and Finance
with effect from Semester A in 2019/2020

Part I   Course Overview

Course Title: **Advanced Microeconomics**

Course Code: **EF8070**

Course Duration: **1 semester**

Credit Units: **3**

Level: **P8**

Medium of Instruction: **English**

Medium of Assessment: **English**

Prerequisites:
(Course Code and Title) **Nil**

Precursors:
(Course Code and Title) **Nil**

Equivalent Courses:
(Course Code and Title) **Nil**

Exclusive Courses:
(Course Code and Title) **Nil**

Part II   Course Details

1.   Abstract

This course aims to provide students with a deep understanding of advanced microeconomics. Six to seven standard topics are covered. These include consumption theory, production theory, welfare economics, general equilibrium, and decision-making under uncertainty. In the process of studying these topics, the course will also equip students with tools and techniques that are currently used in many applied areas of modern economics such as industrial organization, international trade etc.

Also, Discovery and Innovation is encouraged through the application of the models and concepts of microeconomic theory in new and innovative real-life cases.

2.   Course Intended Learning Outcomes (CILOs)

No.	CILOs#	Weighting* (if applicable)	Discovery-enriched curriculum related learning outcomes (please tick where appropriate)		
			A1	*A2*	*A3*
1.	Have a good understanding of the basic concepts and models of modern microeconomic theory, and their real-life and business applications.	-	√	√	√
2.	Be able to correctly to identify and apply the concepts and models studied in class to analyze real-world issues, such as consumer's or producer's behavior in various strategic contexts, and make sound predictions using the tools of microeconomic theory.	-	√	√	√
3.	Finally, the students will be able to apply the tools and techniques studied in class to answer questions, not only specific to microeconomics, but in more general areas of interest to economists, such as industrial organization, international trade.	-	√	√	√

* If weighting is assigned to CILOs, they should add up to 100%.   -

A1:   *Attitude*
   Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.
A2:   *Ability*
   Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to self-life problems.
A3:   *Accomplishments*
   Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

3. Teaching and Learning Activities (TLAs)

TLA	Brief Description	CILO No.			Hours/week (if applicable)
		1	2	3	
Lectures	Lectures will introduce the basic concepts and models. The presentation, whereas possible, will try to motivate and provide intuition for the concepts and models introduced. Students are encouraged to participate in discussion, and thus discover the underlying concepts by themselves in the process.	√	√	√	3 hours/week
Exercises	Exercises are given regularly with solutions. Not graded to avoid cheating. The main purpose of the problem sets is to deepen the understanding of the material presented in class. Occasionally, they will contain applications to some real-life economic issues, such as taxation, trade, etc. Innovative thinking is encouraged in answering the questions related to real-world economic applications.	√	√	√	-

4. Assessment Tasks/Activities (ATs)

Assessment Tasks/Activities	CILO No.			Weighting*	Remarks
	1	2	3		
Continuous Assessment: 60 %					
Group Assignments	√	√	√	20 %	
Mid-term Examination	√	√	√	40 %	
Examination: 40 % (duration: 3 hours , if applicable)					
Final Examination	√	√	√	40 %	
The weightings should add up to 100%.				100%	

Students are required to pass both coursework and examination components in order to pass the course.

5. Assessment Rubrics

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B, B-)	Fair (C+, C, C-)	Marginal (D)	Failure (F)
1. Group Assignments	Ability to apply the concepts, models, and techniques studied in class to analyze various economic and business problems.	High	Significant	Moderate	Basic	Not even reaching marginal levels
2. Mid-term Examination	Ability to apply the concepts, models, and techniques studied in class to analyze various economic and business problems.	High	Significant	Moderate	Basic	Not even reaching marginal levels
3. Final Examination	Ability to apply the concepts, models, and techniques studied in class to analyze various economic and business problems.	High	Significant	Moderate	Basic	Not even reaching marginal levels

Part III Other Information

1. Keyword Syllabus

Consumer Choice; Utility Maximization and Expenditure Minimization; Substitution Effect and Income Effect; Revealed Preference; Aggregation; Production Function; Profit Maximization and Cost Minimization; Exchange and the two Fundamental Theorems of Welfare Economics; General Equilibrium; Market Failures, Decision-Making under Risk and Uncertainty.

2. Reading List
2.1 Compulsory Readings

Textbooks

1.	Mas-Colell, A., Whinston, M.D. and Green, G. (1995). Microeconomic Theory. Oxford University Press.

Background reading

1.	Varian, Hal. (1992). Microeconomic Analysis. 3rd ed. North Press.
2.	Jehle, G.A. and Reny, P.J. (2011). Advanced Microeconomic Theory. 3rd ed. Pearson.
3.	Kreps, D. (1990). A Course in Microeconomic Theory. Princeton University Press.

2.2 Additional Readings

References for mathematical techniques

1.	Rudin, Walter (1976). Principles of Mathematical Analysis. 3rd edition. McGraw-Hill.
2.	Simon, Carl P. and Blume, Lawrence E. (1994). Mathematics for Economists. 1st edition. W. W. Norton & Company.