

EF8070: ADVANCED MICROECONOMICS

Effective Term

Semester A 2025/26

Part I Course Overview

Course Title

Advanced Microeconomics

Subject Code

EF - Economics and Finance

Course Number

8070

Academic Unit

Economics and Finance (EF)

College/School

College of Business (CB)

Course Duration

One Semester

Credit Units

3

Level

R8 - Research Degree

Medium of Instruction

English

Medium of Assessment

English

Prerequisites

Nil

Precursors

Nil

Equivalent Courses

Nil

Exclusive Courses

Nil

Part II Course Details

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.

Course Intended Learning Outcomes (CILOs)

CILOs		Weighting (if app.)	DEC-A1	DEC-A2	DEC-A3
1	Explain the basic concepts and models of modern microeconomic theory, and their real-life and business applications.		x	x	x
2	Identify correctly and apply the concepts and models studied in class to discuss 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.		x	x	x
3	Explain and 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.		x	x	x

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 real-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.

Learning and Teaching Activities (LTAs)

LTAs		Brief Description	CILO No.	Hours/week (if applicable)
1	Lectures	Students will engage in formal lectures which 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.	1, 2, 3	3 hours/week
2	Exercises	Students will participate in exercises that 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.	1, 2, 3	-

Assessment Tasks / Activities (ATs)

	ATs	CILO No.	Weighting (%)	Remarks ("- for nil entry)	Allow Use of GenAI?
1	Group Assignments	1, 2, 3	20	For assignments and group project, students can use Generative Artificial Intelligence Tools to help them understand the concepts/ questions/ problems, or analyze data. But the final version must be their own work, e.g., students cannot copy and paste the AI answers as their own answers. Students are not allowed to use Generative Artificial Intelligence Tools in mid-term examination(s)/ quiz(zes).	Yes
2	Mid-term Examination	1, 2, 3	40	-	No

Continuous Assessment (%)

60

Examination (%)

40

Examination Duration (Hours)

3

Minimum Continuous Assessment Passing Requirement (%)

0

Minimum Examination Passing Requirement (%)

0

Assessment Rubrics (AR)**Assessment Task**

Group Assignments (for students admitted before Semester A 2022/23 and in Semester A 2024/25 & thereafter)

Criterion

Ability to apply the concepts, models, and techniques studied in class to analyze various economic and business problems.

Excellent

(A+, A, A-) High

Good

(B+, B, B-) Significant

Fair

(C+, C, C-) Moderate

Marginal

(D) Basic

Failure

(F) Not even reaching marginal levels

Assessment Task

Group Assignments (for students admitted from Semester A 2022/23 to Summer Term 2024)

Criterion

Ability to apply the concepts, models, and techniques studied in class to analyze various economic and business problems.

Excellent

(A+, A, A-) High

Good

(B+, B) Significant

Marginal

(B-, C+, C) Basic

Failure

(F) Not even reaching marginal levels

Part III Other Information

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.

Reading List

Compulsory Readings

Title	
1	Mas-Colell, A., Whinston, M.D. and Green, G. (1995). Microeconomic Theory. Oxford University Press.
2	Varian, Hal. (1992). Microeconomic Analysis. 3rd ed. North Press.
3	Jehle, G.A. and Reny, P.J. (2011). Advanced Microeconomic Theory. 3rd ed. Pearson.
4	Kreps, D. (1990). A Course in Microeconomic Theory. Princeton University Press.

Additional Readings

Title	
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.