

Econ511

Advanced Microeconomics I

1st, 2018-2019

Course Information

Instructor:

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Office Hour: Mon/Thur 14:00-15:00

Teaching Assistant:

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Classes:

Lectures: Mon/Thur, 10:30-12:20

Venue: PHBS Building, Room 225

Course Website:

cms.phbs.pku.edu.cn

1. Course Description

1.1 Context

Course overview:

We cover basic tools and current topics in modern microeconomic theory. This course is the first part of a two sequence in microeconomic theory. The objective of the course is to introduce utility maximization of consumers, profit maximization of producers, and their interaction in perfectly competitive markets. Topics include utility and preferences, labor supply decisions, production technology, cost minimization, profit maximization as well as partial equilibrium analysis. Some mathematical tools such as constrained maximization, envelop theorem, etc. will also be reviewed. Compared to undergraduate-level, there are more mathematical methods and rigorous derivations involved. Basic knowledge of Calculus, Linear Algebra and Probability Theory is required. Some topics of recent interest may be covered.

Prerequisites: Mathematics (GEN500) or Business Mathematics (ECON500)

The course assumes that students have taken undergraduate intermediate microeconomics classes. It also assumes that students are comfortable with multivariable calculus, linear algebra, and basic real analysis.

1.2 Textbooks and Reading Materials

There is no required textbook in this course. However, you will find the following popular textbooks very useful.

(NS) Walter Nicholson and Christopher Snyder. *Microeconomic Theory: Basic Principles and Extensions*, 11th or 12th Edition by South-Western College Pub

(JR) Geoffrey A. Jehle and Philip J. Reny. *Advanced Microeconomic Theory*, 3rd Edition, Pearson, 2011

(MWG) Mas-Colell, Whinston, and Green. *Microeconomic Theory*. Oxford University Press, 1995.

2. Learning Outcomes

2.1 Intended Learning Outcomes

Learning Goals	Objectives	Assessment (YES with details or NO)
1. Our graduates will be effective communicators.	1.1. Our students will produce quality business and research-oriented documents.	No
	1.2. Students are able to professionally present their ideas and also logically explain and defend their argument.	No
2. Our graduates will be skilled in team work and leadership.	2.1. Students will be able to lead and participate in group for projects, discussion, and presentation.	No
	2.2. Students will be able to apply leadership theories and related skills.	No
3. Our graduates will be trained in ethics.	3.1. In a case setting, students will use appropriate techniques to analyze business problems and identify the ethical aspects, provide a solution and defend it.	Yes, homework and participation
	3.2. Our students will practice ethics in the duration of the program.	Yes, homework and participation
4. Our graduates will have a global perspective.	4.1. Students will have an international exposure.	Yes, participation
5. Our graduates will be skilled in problem-solving and critical thinking.	5.1. Our students will have a good understanding of fundamental theories in their fields.	Yes, homework and exams.
	5.2. Our students will be prepared to face problems in various business settings and find solutions.	Yes, homework
	5.3. Our students will demonstrate competency in critical thinking.	Yes, homework and exams

2.2 Course specific objectives

This course offers introduction to microeconomic theory designed to meet the needs of students in the economics master program or those majoring in finance and management who want to have a deeper understanding of microeconomic theory. By the end of the course, students are expected to know the concepts, assumptions, theorems, proofs and applications of modern microeconomic models.

2.3 Assessment/Grading Details

Attendance (10%), Problem sets (10%), Midterm (35%), Final exam (45%)

PHBS grading policy:

1. Grades would be awarded in letter grades (eg. A+, A-, ..., D+, D, F).
2. Percentage of the distribution of each letter grade is limited. No more than 30% for A- or above. B- or above should be lower than 90%.

2.4 Academic Honesty and Plagiarism

It is important for a student's effort and credit to be recognized through class assessment. Credits earned for a student work due to efforts done by others are clearly unfair. Deliberate dishonesty is considered academic misconducts, which include plagiarism; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; or altering, forging, or misusing a University academic record; or fabricating or falsifying of data, research procedures, or data analysis.

All assessments are subject to academic misconduct check. Misconduct check may include reproducing the assessment, providing a copy to another member of faculty, and/or communicate a copy of this assignment to the PHBS Discipline Committee. A suspected plagiarized document/assignment submitted to a plagiarism checking service may be kept in its database for future reference purpose.

Where violation is suspected, penalties will be implemented. The penalties for academic misconduct may include: deduction of honour points, a mark of zero on the assessment, a fail grade for the whole course, and reference of the matter to the Peking University Registrar.

For more information of plagiarism, please refer to *PHBS Student Handbook*.

3. Topics, Teaching and Assessment Schedule

This is only a tentative schedule. List of topics is subject to change at the instructor's discretion.

- Week 1. Introduction and math review
- Week 2. Consumer theory
- Week 3. Income and substitution effect
- Week 4. Labor supply
- Week 5. Midterm/Revealed preference
- Week 6. Production theory
- Week 7. Profit maximization
- Week 8. Partial equilibrium analysis
- Week 9. Uncertainty

4. Miscellaneous