https://courseoutline.auckland.ac.nz/dco/course/ECON/701/1213

Business and Economics

ECON 701 : Microeconomic Theory (15 POINTS)

2021 Semester One

Course Prescription

Advanced treatment of traditional topics from "core" microeconomics, including consumer theory and duality, expected utility theory, general equilibrium, game theory and the economics of information.

Course Overview

This course given a broad coverage of the central areas of modern microeconomic theory. It deepens the coverage of the areas covered in the undergraduate course ECON 301 and also covers game-theoretic methods that were not covered in that course. The course is designed to introduce students to some central themes and results in graduate microeconomic theory. The chosen topics are also important for understanding many applied fields, such as labour economics, industrial organisation, international trade and public economics. It is assumed that students taking this course have obtained a good grade in ECON 301 Advanced Microeconomics. It is especially important that students have a thorough grasp of the mathematics of constrained optimisation (Lagrange's method). The lecture notes from ECON 301 is an excellent place to review these ideas prior to the start of ECON 701.

Course Requirements

No pre-requisites or restrictions

Capabilities Developed in this Course

Capability 1: Disciplinary Knowledge and Practice
Capability 2: Critical Thinking
Capability 3: Solution Seeking
Capability 4: Communication and Engagement
Capability 5: Independence and Integrity
Capability 6: Social and Environmental Responsibilities

Graduate Profile: Bachelor of Commerce (Honours)

Learning Outcomes

By the end of this course, students will be able to:

1. Develop the relevant mathematical techniques (such as Lagrange's method) to address key economic problems of optimizing in the presence of resource constraints. (Capability 1 and 4.1)
2. Develop a thorough understanding of the work-horse expected utility model, and become familiar with its advantages and drawbacks and its application in economics analysis. (Capability 2 and 4.3)
3. Analyse the basic general equilibrium model, become familiar with the Welfare theorems, identify Pareto optimal allocations and compute equilibrium prices. (Capability 4.2 and 6)
4. Develop an understanding of moral hazard and adverse selection problems, their extensions and applications. (Capability 2 and 5.2)
5. Acquire a basic toolkit from game theory including ability to identify appropriate solution concepts and compute equilibrium strategies. (Capability 3 and 5.1)

Assessments

Assessment Type	Percentage	Classification
Assignments	30%	Individual Coursework
Test	20%	Individual Test
Final Exam	50%	Individual Examination
3 types	100%	

Assessment Type	Learning Outcome Addressed				
	1	2	3	4	5
Assignments	✔	✔	✔	✔	✔
Test	✔	✔	✔		
Final Exam	✔	✔	✔	✔	✔

Workload Expectations

This course is a standard 15 point course and students are expected to spend 10 hours per week involved in each 15 point course that they are enrolled in.

For this course, you can expect 3 hours of lectures, a 1 hour tutorial, 2 hours of reading and thinking about the content and 4 hours of work on exercises, assignments, and test preparation.

Delivery Mode

Campus Experience

Attendance is expected at scheduled activities including tutorials to complete components of the course.
Lectures will be available as recordings. Other learning activities including tutorials will not be available as recordings.
The course will not include live online events .
Attendance on campus is required for the test and exam.
The activities for the course are scheduled as a standard weekly timetable.

Learning Resources

Prescribed Text:
G.A. Jehle and P.J. Reny, Advanced Microeconomic Theory, 3rd edition, Addison-Wesley, 2011.
Other Useful References:
Mas-Colell, M.D. Whinston and J.R. Green, Microeconomic Theory, Oxford University Press, 1995.

Student Feedback

At the end of every semester students will be invited to give feedback on the course and teaching through a tool called SET or Qualtrics. The lecturers and course co-ordinators will consider all feedback and respond with summaries and actions.

Your feedback helps teachers to improve the course and its delivery for future students.

Class Representatives in each class can take feedback to the department and faculty staff-student consultative committees.

On the basis of last year's experience I would like to emphasise that a good knowledge of the material covered in ECON 301 is expected.

Digital Resources

Course materials are made available in a learning and collaboration tool called Canvas which also includes reading lists and lecture recordings (where available).

Please remember that the recording of any class on a personal device requires the permission of the instructor.

Academic Integrity

The University of Auckland will not tolerate cheating, or assisting others to cheat, and views cheating in coursework as a serious academic offence. The work that a student submits for grading must be the student's own work, reflecting their learning. Where work from other sources is used, it must be properly acknowledged and referenced. This requirement also applies to sources on the internet. A student's assessed work may be reviewed against online source material using computerised detection mechanisms.

Inclusive Learning

All students are asked to discuss any impairment related requirements privately, face to face and/or in written form with the course coordinator, lecturer or tutor.

Student Disability Services also provides support for students with a wide range of impairments, both visible and invisible, to succeed and excel at the University. For more information and contact details, please visit the Student Disability Services' website http://disability.auckland.ac.nz

Special Circumstances

If your ability to complete assessed coursework is affected by illness or other personal circumstances outside of your control, contact a member of teaching staff as soon as possible before the assessment is due.

If your personal circumstances significantly affect your performance, or preparation, for an exam or eligible written test, refer to the University's aegrotat or compassionate consideration page https://www.auckland.ac.nz/en/students/academic-information/exams-and-final-results/during-exams/aegrotat-and-compassionate-consideration.html.

This should be done as soon as possible and no later than seven days after the affected test or exam date.

Learning Continuity

In the event of an unexpected disruption we undertake to maintain the continuity and standard of teaching and learning in all your courses throughout the year. If there are unexpected disruptions the University has contingency plans to ensure that access to your course continues and your assessment is fair, and not compromised. Some adjustments may need to be made in emergencies. You will be kept fully informed by your course co-ordinator, and if disruption occurs you should refer to the University Website for information about how to proceed.

Student Charter and Responsibilities

The Student Charter assumes and acknowledges that students are active participants in the learning process and that they have responsibilities to the institution and the international community of scholars. The University expects that students will act at all times in a way that demonstrates respect for the rights of other students and staff so that the learning environment is both safe and productive. For further information visit Student Charter https://www.auckland.ac.nz/en/students/forms-policies-and-guidelines/student-policies-and-guidelines/student-charter.html.

Disclaimer

Elements of this outline may be subject to change. The latest information about the course will be available for enrolled students in Canvas.

In this course you may be asked to submit your coursework assessments digitally. The University reserves the right to conduct scheduled tests and examinations for this course online or through the use of computers or other electronic devices. Where tests or examinations are conducted online remote invigilation arrangements

may be used. The final decision on the completion mode for a test or examination, and remote invigilation arrangements where applicable, will be advised to students at least 10 days prior to the scheduled date of the assessment, or in the case of an examination when the examination timetable is published.