Microeconomic Theory II
Econ 5220 Spring 2017

Venue: Room 5510 (Lift 25-26)
Time: Tuesday and Thursday, 10:30AM - 12:20PM
Start: Feb 2
End: May 9

Instructor: Xiaojian Zhao
Office: LSK, Room 6083
Office hour: By Appointment
Email: xjzhao@ust.hk
Homepage: http://sites.google.com/site/xjzhao81/

Teaching Assistant
ZOU Xianqiang (xzou@connect.ust.hk)

Course Description
This course covers basic theories in modern microeconomics including general equilibrium theory, game theory, contract theory, and economics of information with applications to industrial organization, finance etc.

Prerequisite
Microeconomic Theory I

Assessment Scheme
- Class Participation: 5%
- Mid-term Exam: 45%
  - The midterm exam will be held in class on March 30.
- Final Exam: 50%
  - All exams are closed-book exams, and cumulative.

Textbooks
Supplementary Books


Outline

Part I. General Equilibrium Theory

- Pure-Exchange Economy
- Economy with Production
- Economy with Uncertainty

Part II. Incomplete Information Games

- Information Structures
  - Correlated Equilibrium
  - Bayesian Games Revisited
  - Common Knowledge
- Perfect Bayesian Equilibrium

Part III. Contract Theory and Economics of Information

- Screening
- Signaling
- Costly State Verification
- Moral Hazard
- Mechanism Design