

**HKUST Dept of Economics**  
**Econ 2103 L5**  
**Principles of Microeconomics**  
**Spring 2023**

**Course website:** <https://canvas.ust.hk>

**Venue:** LSK Room 1005      **Lecture time:** WedFri 4:30PM - 5:50PM

**Tutorial time: T5:** Thu 04:30PM - 5:20PM **Tutorial venue:** LSK Room 1014

**Instructor:** YU, Yan Kelly

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Office hours: Fri 2:30PM—3:20PM

Office: LSK 6083B

**Teaching Assistant:** TSOI, Pang

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Office hours: Thu 3:00PM-3:50PM

Office: LSK 6066

**Course Description:**

As an introductory course, this course intends to cover fundamental concepts and theories used in microeconomic analysis. Economics provides a powerful way of thinking which helps you to understand many economic and social phenomena. I'll use many real world examples to enhance your learning. By studying how consumers and firms make decisions, you will understand how a market works to allocate resource into most valued uses. You will also learn when markets don't work and what some remedies are in that case. Firms' optimal decision under different market structures will also be studied.

**Course Intended Learning Outcomes (Course ILOs)**

Upon completion of this course, you will be able to:

1. Understand and apply theories on markets: including the market price determination, the efficiency and fairness of market system, the conditions under which markets can perform well, and how the market will change in responding to changing environment. (SILO 1, 4)
2. Understand the framework to address the role of government and able to apply it: when and in which direction the government should intervene the markets, also how to evaluate the impact of relevant government's policies on markets.(SILO 1, 4)
3. Understand consumers' optimal decision making and apply it. (SILO 1, 4)
4. Understand firms' optimal decision making under different market structure and apply it. (SILO 1, 4)
5. Understand the economic methodology and be able to apply it. (SILO 1, 4)

For the details of SILOs, please refer to:

<http://undergrad.bm.ust.hk/academics/academic-programs/learning-outcomes>

**Teaching Approach**

This course is primarily delivered through lectures and tutorials.

| Teaching and learning activities | Roles in the course   | Course ILOs addressed |
|----------------------------------|---|-----------------------|
| Lectures                         | Learn key concepts and models and their applications                                    | 1,2,3,4,5             |
| Tutorials                        | Review basic math, discuss answers to homework questions and additional economic issues | 1,2,3,4,5             |

Tutorial does NOT meet every week. You will be notified when there is a tutorial.

### **Textbook:**

Required: Mankiw, *Principles of Microeconomics 9e*, Asia Edition, Cengage.  
ISBN 978-981-49-1535-9

eBook purchase link:

Principles of Microeconomics, MindTap, 12 Months Digital Access

<https://www.cengageasiaestore.com/hk/9780357562840.html>

When you access the eBook, you will need a course key MTPN-4ZCZ-SKMW to enroll to this course.

**Discount Code:**

**HK300223**

You will enjoy discount with HKD \$30 off and the promotional period is 1st Feb 23-25th Feb 23.

### **Assessment:**

| Assessment Activities            | Weighting  | Course ILOs assessed |
|----------------------------------|------------|----------------------|
| Best 5 of 6 homework assignments | 25%        | 1,2,3,4,5            |
| 1 midterm exam                   | 0% or 25%  | 1,2,3,4,5            |
| 1 final exam                     | 50% or 75% | 1,2,3,4,5            |

Your total score is based on the higher of the two weighting schemes:

Scheme 1: 25% HW + 25% Midterm +50% Final

Scheme 2: 25% HW + 75% Final

Assessment is based on detailed Topic intended learning outcomes, which will be provided at the end of each topic.

**Midterm is scheduled on March 24, 2023 (Friday) during lecture time.**

There is no make-up for the midterm exam. If you miss the final exam with valid reason, you'll have a make-up exam scheduled within 24 hours of the missed final. Sick-leave notice must be issued before the exam time, if any.

You will be given 6 homework assignments during the semester via Canvas. Late homework will NOT be accepted. Only best 5 of the 6 homework assignments will be counted towards your grade. Homework is not graded precisely. As long as you submitted the homework and got most of the questions correctly, you will receive full marks for that homework. Copying others' homework is cheating and will be reported to the school and subject to formal investigation.

Please check website for your grade of homework assignments and midterm as soon as you get them back. Any discrepancy should be reported to TA within 1 week from the date of returning your assignments and midterm. Late complaints will not be entertained.

### **Academic Integrity**

**Please read the information on academic integrity carefully and follow the instruction: <https://registry.hkust.edu.hk/resource-library/academic-honor-code-and-academic-integrity> . You should be familiar with Academic Honor Code and the content on Academic Integrity website.**

I try my best to make the course requirement as clear as possible. When you have any question and when you encounter any difficulty in studying, please do not hesitate to consult me either in or out of class throughout the semester. I'd be delighted to help you succeed in the course. Please remember that ultimately it is you who are responsible for your performance in the course. It is that you earn the grade, not I give you the grade! You know what grade you need to earn (or want to earn) for graduation, scholarships, exchange opportunities, honors, etc. So, when the grade is out, one thing that I absolutely will **NOT** do is to change your grade because what you want (need) is different from what you get.

### **Course Outline**

#### **Part I. Introduction**

- Chapter 1&2. What is Economics
- Chapter 2&3. Gains form Trade

#### **Part II. How Markets Work**

- Chapter 4. Demand and Supply
- Chapter 5. Elasticity
- Chapter 7. Efficiency and Equity
- Chapter 6 & 8. Government Policies
- Chapter 9. International Trade

#### **Part III. Firms and Organization of Industry**

- Chapter 13. Cost of Production and Market Structure
- Chapter 14. Perfect Competition
- Chapter 15. Monopoly
- Chapter 17. Oligopoly

#### **Part IV. Additional Topics (if time allows)**