

HKUST Business School - Department of Economics
ECON 2113
Microeconomics (Fall 2022-2023)

Lecture Time:

L05: Mo 10:30AM - 11:50AM(12); We 10:30AM - 11:50AM(13)
L10: Mo 03:00PM - 04:20PM(12); Fr 10:30AM - 11:50AM(13)

Venue:

L05: Rm 1011, LSK
L10: Rm 1014, LSK

Course Website:

L05: <https://canvas.ust.hk/courses/38464>
L10: <https://canvas.ust.hk/courses/38470>

Instructor: Yu XIE(Emma)

Office: Room 6083A, LSK Bldg

Email: emmax@ust.hk

Office Hours: We 02:00PM – 03:00PM

Zoom Meetings: By appointment

Teaching Assistant: LAU Teresa

Email: ectylau@ust.hk

Tutorial Session:

T05: LSK1011 Tu 17:00-17:50
T10: LSK1011 Tu 18:00-18:50

Office Hours: Mo 12:00-13:00

Course Description:

By studying how consumers and firms make decisions, you will understand how markets allocate resource into most valued uses. You will also learn when markets don't work and what some remedies are in that case. The course emphasizes on Economic way of thinking and its applications.

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)

Business School Intended Learning Outcomes (SILO) available at

<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	Discuss questions related to lecture material and additional economic issues	1,2,3,4,5
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Teaching Mode: face-to-face (f2f)

If you encounter genuine difficulties in arriving on campus in time for the classes (e.g., home quarantine due to COVID, delayed travel plans due to unable to book a quarantine hotel, etc.), please contact me on the study plan and for alternative arrangements (e.g., RVC recordings) as soon as possible. We don't expect any students delaying their arrival in HK for more than two weeks, i.e., you should arrive on campus latest by the end of the add/drop period. Proctored examinations including mid-terms, will be held on campus. Viewing class recordings is not a substitute for attendance. Students should not expect to get “attendance” credit by viewing recordings.

Textbook:

“Microeconomics, fourteenth edition” written by Michael Parkin, published by Pearson.
<https://w5.ab.ust.hk/cgi-bin/std CGI.SH/WService=broker ba p/prg/ba stdt main.r>

Use of Personal Response System (PRS):

PRS will be used in lectures. You may refer to the following user guides to master PRS. The use of PRS is to encourage classroom participation, discussion and sharing among students and with me. Questions will be asked in lectures and the PRS allows you to respond in real time. A summary of answers will be shown and shared.

HKUST IPRS student user guide:

<https://itsc.hkust.edu.hk/services/academic-teaching-support/teaching-tools/prs/iprs>

Assessment:

Assessment Activities	Weighting	Course ILOs assessed
7 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

Homework assignments:

You will be assigned 7 homework assignments during the semester, which are usually assigned on a biweekly basis and submitted on the canvas. Assignments may contain multiple-choice, true & false questions and open-ended questions which require explanation in writing, graph, and calculation. You will encounter similar question types in your mid-term and final exams. Soft copy of the answers must be put into one file and uploaded on canvas before the deadline announced. Handwritten or typed answers are both acceptable. Homework is not graded precisely. As long as you submitted the homework and got most of the questions correctly, you will receive the full marks for that homework. Copying of others' homework is cheating and will be reported to the school and

subject to formal investigation. Suggested answers with detailed explanation will be posted on the canvas after the deadline of each assignment.

Please note that NO late submissions will be accepted. In case you are sick and cannot submit assignments on time, please email TA before the due time with a valid medical or legal document attached.

Midterm and Final Exams:

There will be one midterm exam and one final exam. Question types are similar with those in homework assignments. All students must take exams in person.

Absence from Midterm and Final Exam:

If for any reason you are unable to attend the midterm or final exam, you must seek approval of absence from me directly BEFORE the exam. Your request should be supported by valid documents, such as medical certificate issued by a registered medical practitioner. Absence from an exam without prior approval of absence would result in ZERO score.

There will be NO makeup for Midterm exams. If you miss the midterm exam for any reasons, you will receive ZERO for your midterm exams.

For students who are absent from the final exams with prior approval, a make-up exam will be arranged. Make-up exam will be scheduled as soon as possible and should be within one week after the exam date (to be announced). It is the responsibility for those who request for a make-up exam to ensure their availability. The make-up arrangement can be in the form of written-exam, oral exam or research paper, etc. Please NOTE that the instructor has the final discretion on all arrangements of the make-up exam. Students who request for the make-up final exam should comply all the requirements as communicated by the instructor. Failing to meet any requirement may result in a ZERO score.

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.

Please be aware that ultimately it is you EARNING the grade, not me GIVING you the grade. So, when the grade is out, one thing I will NOT do is to change your grade if what you want (need) is different from what you get.

Academic Honesty and Integrity:

Academic integrity and honesty are key values at HKUST. Please read the information on academic integrity carefully. It is your responsibility to be familiarized with the Academic Honor Code and the content on the Academic Integrity website. The Code will be STRICTLY enforced. I will report any cases to the University WITHOUT EXCEPTIONS. The site address is: <https://registry.hkust.edu.hk/>

Classroom Etiquette:

You are expected to be punctual for both lectures and tutorials; I will start and end the lecture on time. No eating in class at any time. Class participation is strongly encouraged.

Course Outline

Part I. Introduction

- Chapter 1. What is Economics
- Chapter 2. The Economic Problem

Part II. How Markets Work

- Chapter 3. Demand and Supply
- Chapter 4. Elasticity
- Chapter 5. Efficiency and Equity
- Chapter 6. Government Action in Markets

Part III. Households' Choices

- Chapter 9. Possibilities, Preferences, and Choices

Mid-term Exam Oct 21st (Fri) 19:30 pm (Email Teresa if you anticipate difficulties.)

Part IV. Firms and Markets

- Chapter 11. Output and Costs
- Chapter 12. Perfect Competition
- Chapter 13. Monopoly
- Chapter 14. Monopolistic Competition (if time allows)
- Chapter 15. Oligopoly

Part V. Market Failure and Government (if time allows)

- Chapter 16. Public goods and Positive Externality
- Chapter 17. Negative externality and the Environment

Part VI. Additional topics (if time allows)

- Chapter 20. Uncertainty and Information
- Chapter 19. Economic Inequality