

Hong Kong University of Science and Technology
Department of Economics

Course Outline
ECON2103 L1 – Principles of Microeconomics (Fall2023-24)

Lecture Time:	Tue and Thur 12:00 - 13:20
Venue:	Lee Shau Kee Business Building (LSK) G012
Course Website:	CANVAS
Instructor:	SIU, Kam Wing (蕭錦榮)
Office:	Room 6054, Lee Shau Kee Business Building
Email / Phone:	eckwsiu@ust.hk / (852) 2358-7617
Office Hours:	By appointment
Teaching Assistant	Teresa LAU
Office:	Room 6066, Lee Shau Kee Business Building
Email	ectylau@ust.hk
Office Hours:	TBA

A. Course Description

As an introductory course, this course will cover the fundamental concepts and tools involved in microeconomic analysis. Economics provides a powerful way of thinking that helps you to understand many human and social phenomena. Real-world examples and cases will be used as much as possible to enhance your understanding.

B. Textbook:

Required: “*Principle of Microeconomics*,” Ninth Edition, by N. GREGORY MANKIOW.
Published by Cengage Learning. (Denoted below in short: MANKIOW)

I will add additional materials outside the textbook. All additional and supplementary materials will be delivered in lecture PPT or posted on CANVAS.

C. Learning Outcome – Course Intended Learning Outcomes (“CILOs”):

1. Explain the methodology of microeconomic analysis, including key assumptions used, how economics differs from the other social science disciplines, and the strengths and limitations of this analysis framework (SILO # 1 and 4).
2. Describe the key concepts and tools of microeconomic analysis, such as gain from trade and specialization, how price is determined in the free market, how efficiency is measured, how the market structure affects the determination of market price and quantity transacted, and decision-making by buyers and producers under constraints (SILO # 1, 3 and 4).
3. Examine the role of government and its interaction with the free market by evaluating government policies and their impact on economic activities and justifications for government intervention or participation, such as to maintain the public good (SILO # 1, 3 and 4).
4. Apply economic tools and principles to identify, analyze and propose explanations for and solutions to real-world issues (SILO # 1, 3 and 4).

For the details of SILO, please visit:

<http://www.bm.ust.hk/sbmlern/eng/thirdcat.php?sid=5&thirdid=3>

D. Course Format / Teaching Approach:

This course is delivered through lectures and tutorials. Students attend two 80-minute lectures per week. Please attend all lectures and participate in discussions. Tutorials will be arranged when it is needed. Tutorial times and topics will be announced during lectures and on CANVAS.

Teaching & Learning Activities	Roles	SILO Addressed
Lectures	Explain key concepts and their applications; Cases and examples to build student's critical and analytical ability	1, 2, 3, 4
In-class Q&A and discussion	Encourage class participation, critical thinking and discussion	1, 2, 3, 4
Problem Sets	Enhance understanding of course materials and their application through practice	1, 2, 3, 4

E. Course Website

Course materials and announcements will be posted on CANVAS (<http://canvas.ust.hk>). It is YOUR responsibility to check for the latest information.

F. Office Hours and Appointments

Given the different schedules of all of you, if you have any questions on the course materials, please do not hesitate to contact me by email (eckwsiu@ust.hk) to set up an appointment.

G. Examinations and Grades:

(1) Problem Sets

You have to turn in your own problem set answer on or before the deadline. Problem set submission would be done by uploading your answer through CANVAS. NO late submission will be accepted. I strongly suggest that you form small study groups to work on the problems. Suggested solutions will be posted on CANVAS. If you have any questions about the problem sets, please seek help from me or TA.

($n-2$) problem sets will be counted into your final course grade. For example, if 11 problem sets are assigned in total, I will count the best 9 to your final course grade.

(2) Midterm exam

There will be TWO midterm exams. The midterm exam will cover lecture materials, problem sets, and assigned reading (if any). Both midterm exams are based on multiple-choice questions.

- 1st Midterm Exam: 25 Oct (Wednesday), 7:30 pm (Coverage: Ch1, 2, 3, 4, 5)
- 2nd Midterm Exam: 16 Nov (Thursday), 7:30 pm (Coverage: 6, 7, 8, 13, 14)

There will be no make-up exams for the midterms. If you are absent from the midterm exam with my approval, the weighting of the midterm exam will be transferred to the final exam. In order to be granted an absence from the midterm exam, you must provide a valid document, such as an original copy of a medical certificate issued by a licensed physician. The absence from the midterm exam without approval will result in a score of ZERO.

(3) Final exam (50%)

The final exam is CUMULATIVE. The final exam will cover lecture materials, problem sets, and assigned reading (if any).

- Date of final exam: 7 to 19 December 2023 (To be announced by the ARO)

If you intend to travel at the end of the semester, please be careful in arranging your travel plans to avoid any schedule clash. Request for a change of final examination date will not be accommodated.

With my approval, I will arrange Make-up exams for students absent from the final exam. The absence request must be supported by valid documents, such as a registered medical practitioner's original copy of a medical certificate. Absence from the final exam without approval will result in a score of ZERO. A make-up exam will usually be scheduled on the day following the official final exam date (if your medical certificate indicates that you are entitled to one day of sick leave). It is the responsibility of the individual requesting make-up to ensure that he or she is available.

All arrangements regarding the make-up exam are at the discretion of the instructor. The student must comply with all the requirements as communicated by the instructor in advance of the make-up final exam. The failure to meet any requirements may result in a ZERO score.

(4) Overall grading for the Course:

Scheme (1): Total Course Score with TWO Midterms

Problem Sets	10%
1 st Midterm + 2 nd Midterm	15% + 15%
Final Exam	60%

Scheme (2): Total Course Score with ONE Midterm

Problem Sets	10%
High-scoring Midterm	20%
Final Exam	70%

H. Academic Honesty and Integrity:

Academic integrity and honesty are key values at HKUST. Please read the information on academic integrity carefully. You must be familiar with the Academic Honor Code and the content on the Academic Integrity website. The address is: <http://tl.ust.hk/integrity/student-1.html>

Plagiarism and copying will be STRICTLY punished. I will report any cases to the University WITHOUT EXCEPTIONS.

I. Classroom Etiquette

The expectation is that you will be punctual for both lectures and tutorials, and I will begin and end the lecture on time. For learning purposes, you are welcome to bring your laptop or other devices to lectures. During the lecture, please respect the other students and refrain from engaging in side conversations, Internet surfing, email checking, and instant messaging. For general guidelines on classroom behavior, please refer to the following website:

http://tl.ust.hk/conduct/good_learning_experience.pps

J. Outline and Schedule

Tentative and subject to change.

5-Sep	0	Intro
7-Sep	1	Ten Principles of Economics
12-Sep	2	Ten Principles of Economics
14-Sep	3	Thinking Like and Economist
19-Sep	4	Interdependence and the Gains from Trade
21-Sep	5	Interdependence and the Gains from Trade
26-Sep	6	The Market Forces of Supply and Demand
28-Oct	7	The Market Forces of Supply and Demand
3-Oct	8	The Market Forces of Supply and Demand
5-Oct	9	Elasticity
10-Oct	10	Efficiency of Market
12-Oct	11	Government meet Market
25-Oct		Midterm 1
19-Oct	12	Government meet Market
24-Oct	13	The Costs of Production
26-Oct	14	The Costs of Production
31-Oct	15	Firms in Perfect Competitive Market
2-Nov	16	Firms in Perfect Competitive Market
7-Nov	17	Monopoly
9-Nov	18	Monopoly
14-Nov	19	Strategic Interaction and Oligopoly
16-Nov		Midterm 2
21-Nov	20	Strategic Interaction and Oligopoly
23-Nov	21	Strategic Interaction and Oligopoly
28-Nov	22	Externalities (Tentative)
30-Nov	23	Public Good (Tentative)

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