

HKUST Business School - Department of Economics
ECON2113 - Microeconomics (Fall 2024)
Course Syllabus

Lecture Time:	L4: TuTh 03:00PM - 04:20PM (<i>Rm 1527, Lift 22</i>) L6: TuTh 12:00PM - 01:20PM (<i>Rm 1011, LSK Bldg</i>) L8: TuTh 09:00AM - 10:20AM (<i>Rm 2302, Lift 17-18</i>)
Course Website:	https://canvas.ust.hk
Instructor:	Wenwen ZHANG
Office:	Room 6084, LSK Bldg
Email:	wwzhang@ust.hk
Office Hours:	By appointment
Teaching Assistant:	LAU Teresa (L4) ectylau@ust.hk Pang Tsoi (L6&L8) pangtsoi@ust.hk
Office:	Room 6066, LSK Bldg
Office Hours:	LAU Teresa (L4): Mo 10:00AM-11:00AM Pang Tsoi (L6&L8): Tu 02:00PM-03:00PM

Course Description:

Microeconomics is the study of the choices that individuals and businesses make, the way these choices interact in markets, and the influence of the government. This is a core course for Business School students with prior experience in economics. The course intends to cover the fundamental concepts and tools that are used in microeconomic analysis. In this course, I will show you that economics provides a powerful way of thinking that can help you understand many human and social phenomena, and also enrich you in a wide range of career choices.

I will use real world examples and cases as much as possible in order to enhance your understanding of course materials. Eventually, I would like all of you to come up with your own “definition” or “meaning” of economics and establish its applicability in your daily life.

Textbook:

“*Microeconomics, fourteenth edition*” written by Michael Parkin, published by Pearson.

Learning Outcome – School Intended Learning Outcomes (“SILOs”):

1. Understand the methodology of microeconomic analysis: key assumptions used, how economics is different from the other social science disciplines, and strengths and limitations of this analysis framework (SILOs # 1 and 4).
2. Understand the key concepts and tools of microeconomic analysis, including: gain from trade and specialization, how price is determined in the free-market, how to measure efficiency, how the market structure affects the determination of price and quantity transacted, decision-making by buyers and producers under constraints (SILOs # 1, 3 and 4).
3. Understand the role of government and its interaction with the free-market: government’s policies and their impact on economic activities, the justifications of government’s intervention or participation, such as provision of public good (SILOs # 1, 3 and 4).
4. Understand the economic analysis on the theory of consumer choice (SILOs # 1, 4).

- Understand asymmetric information and its impacts on decision making and free-market system (SILOs # 1, 4).

Together with:

- Through real world examples and cases to enhance students' understanding of the course materials and to build students' ability to identify, analyze, and find possible explanation and solution for real world issues through the application of economic tools and the economic way of thinking (SILOs # 1, 2, 3 and 4).

For the details of SILOs, please refer to:

<https://bmundergrad.hkust.edu.hk/academics/academic-programs/learning-outcomes>

Course Format / Teaching Approach:

This course is delivered through lectures and tutorials. Students attend two 80-minute lectures per week. Personal Response System (PRS) will be used during lectures to encourage class participation and sharing among students and with me. Please try to attend all lectures and participate actively in discussions. Tutorials will be arranged on a weekly basis.

(https://registry.hkust.edu.hk/calendar_dates/dates24-25confirmed.pdf).

Teaching & Learning Activities	Roles in the Course	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 through PRS	Encourage class participation, critical thinking and discussion	1,2,3,4
Tutorials	Review and further illustration on important topics, practice problem-solving, encourage discussion and participation	1,2,3,4
Problem Sets	Enhance understanding of course materials and their application through practice	1,2,3,4

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
- Chapter 7. Global Markets in Action

Part III. Households' Choices

- Chapter 9. Possibilities, Preferences, and Choices

Part IV. Firms and Markets

- Chapter 11. Output and Costs
- Chapter 12. Perfect Competition
- Chapter 13. Monopoly
- Chapter 14. Monopolistic Competition
- 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

Examinations and Grades:

Quizzes and Problem sets:

- You will be assigned 5 quizzes and 3 problem sets during the semester. Quizzes (MCQs only) are assigned on a biweekly basis and submitted on the canvas. Each quiz remains active on the canvas for one week. By default, only one attempt is allowed. Quizzes are credited by submissions.
- Soft copy of the problem sets must be uploaded on canvas before the deadline announced. Suggested answers with detailed explanation will be posted on the Course Website after the deadline of each problem set. Problem sets are credited by submissions and will be randomly checked if irrelevant files are submitted.
- Please note that **NO** late submissions will be accepted. In case you are sick and cannot submit Problem sets on time, please email TA before the due time with a valid medical or legal document attached. As a result, the completed homework should be uploaded on canvas no later than the first tutorial following the due date.

Midterm and Final Exams:

- There will be Two midterm exams. The midterm exam will cover lecture materials, problem sets and assigned reading (if any).
- The final exam is **CUMULATIVE**. It may contain multiple-choice, true & false questions and essay-type questions, which require explanation in writing, graph and calculation.

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 any Midterm exams. If you miss both midterm exams for any reasons, you will receive **ZERO** for your midterm exams.
- For students who are absent from the final exam 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 official final 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.

Overall Score of Grading for the Course:

Your overall score for the course will be computed according to one of the following two schemes, **whichever yields the higher score**. This means that a low score in a midterm exam will not lower your course grade, and it always makes sense to take both midterm exams. As you can see, a good score can raise your grade, but a low score will not lower it.

Scheme (1): Course score with TWO midterms

Assessment Activities	Weighting
3 Problem Sets	12%
5 Quizzes	8%
Midterm Exam ((1) and (2))	20%+20%
Final exam (cumulative)	40%

Scheme (2): Course score with ONE midterm

Assessment Activities	Weighting
3 Problem Sets	12%
5 Quizzes	8%
Midterm Exam ((1) or (2), the higher one)	28%
Final exam (cumulative)	52%

(Note: **Scheme (1)** is enforced if any midterm is missed **without** my prior permission. **Scheme (2)** is enforced if any midterm is missed **with** my prior permission.)

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 site address is: <https://registry.hkust.edu.hk/resource-library/academic-integrity>. The Code will be STRICTLY enforced. I will report any cases to the University WITHOUT EXCEPTIONS.

I will try my best to make the course requirements as clear as possible. When you have any question or you encounter any difficulties in studying, please do not hesitate to consult me either in or out of class throughout the semester. I am delighted to help you succeed in the course. 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.

Classroom Etiquette:

- You are expected to be punctual for both lectures and tutorials; I will start and end the lecture on time.
- You are welcome to bring your laptop or other devices to lectures for learning purposes.
- Respect the others in class and do not disturb others with side conversation, Internet surfing, emails-checking or instant-messaging during class time.
- No eating in class at any time.

Grading Rubrics:

Grade	Short Description	Elaboration
A	Excellent Performance	Students demonstrate a strong grasp of Microeconomic theories, effectively apply economic tools discussed, excel in problem sets, and perform exceptionally on exams. They exhibit exceptional analytical skills, critical thinking, and effective participation in class discussions.
B	Good Performance	Students exhibit a solid understanding of Microeconomic theories, proficient apply economic tools, and competent completion of problem sets. They show commendable analytical skills, effective critical thinking, and participation in class discussions.
C	Satisfactory Performance	Students demonstrate an adequate understanding of Microeconomic basics, satisfactory use of tools, and completion of problem sets. They display acceptable analytical skills and participation in class discussions.
D	Marginal Pass	Students show limited understanding of Microeconomics concepts, inconsistent use of tools, and incomplete performance in problem sets. Their participation in class discussions is minimal.
F	Fail	Students display a lack of understanding of course materials, inadequate use of tools, and unsuccessful completion of problem sets. They show little to no participation in class discussions.