

## HKUST Business School - Department of Economics

### ECON2103 (L3) - Principles of Microeconomics

#### Spring 2022 Course Outline

Lecture:	Mon/Wed 12:00 – 13:20 pm, Room 4620, Lift 31-32
Venue:	Mixed Mode Lite
Course Website:	<a href="http://canvas.ust.hk">http://canvas.ust.hk</a>

Instructor:	YANG, Lin
Office:	TBA
Email:	yangl@ust.hk
Office Hours:	Mon 2:00 – 3:30 pm or by appointment

Tutorial Session:	Fri 18:00 – 18:50, LSK1034
Teaching Assistant:	YIP, Victor
Office:	TBA
Email/Phone:	victory@ust.hk
Office Hours:	By appointment

#### Course Description

As an introductory course, this course intends to cover fundamental concepts and tools used in microeconomic analysis, which studies markets based on decisions made by consumers, firms, and government, facing scarcity of resources. Economics provides a powerful way of thinking which helps you to understand many human and social phenomena. I will use real-world examples and cases as much as possible to enhance your understanding of course materials. I hope that you come away from this course with a microeconomic mindset to make some sense out of this world.

#### Textbook

“Principle of Microeconomics, Ninth edition” written by N. Gregory Mankiw, published by South-Western, Cengage Learning.

Additional and supplementary materials (if any) outside of the textbook will be updated onto CANVAS.

#### Learning Outcome – School Intended Learning Outcome (“SILO”)

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/sbmllearn/eng/thirdcat.php?sid=5&thirdid=3>

### Course Format and 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 in the Course	SILO Addressed
Lectures with in-class discussion	Explain key concepts and their applications; Cases and examples to build student's critical and analytical ability. Encourage class participation, critical thinking, and discussion	1, 2, 3, 4
Tutorials	Review basic math, discuss answers to homework questions and additional economic issues	1, 2, 3, 4
Problem Sets	Enhance understanding of course materials and their application through practice	1, 2, 3, 4

**Face to Face or Mixed Mode Lite:** Following the teaching arrangements of the university, the targeted default mode of delivery for classes will be in-person on campus. After the add-drop period, if a class has any student(s) who cannot be physically present in Hong Kong, the class will be held in [mixed-mode lite](#) (conduct class activities to in-class students primarily; limited interaction with online students).

**Course Website:** All course materials and announcements will be posted on Canvas: <http://canvas.ust.hk>. You should visit Canvas frequently to receive the latest announcement, obtain class material and verify your grading record.

**Office Hours and Appointments:** Given different schedule of all of you, if you have any question on the course materials, please do not hesitate to contact me by email ([yangl@ust.hk](mailto:yangl@ust.hk)) to setup an appointment.

### Examinations and Grades:

**Problem sets:** Assigned for each chapter of the textbook. You must 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. That is if 11 problem sets are assigned in total, I will count the best 9 to your final grade.

**Midterm Exams:** There will be TWO midterm exams. The midterm exam will cover lecture materials, problem sets and assigned reading (if any).

- Midterm Exam (1): Mar 14th (Tentative, Coverage: Ch 1-8)
- Midterm Exam (2): Apr 06th (Tentative, Coverage: Ch 13-15)

**Final Exam:** The Final Exam is CUMULATIVE. It may contain multiple-choice, true & false questions and essay-type questions that require written explanation.

- Final Exam: May 2022 (To be announced by ARO)

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

#### **Assessment Scheme:**

Your total score for the course will be computed by the following two schemes, whichever yields the higher score for you. As you can see that it always makes sense to take both midterm exams.

##### *Scheme (1): Total Course Score with TWO Midterms*

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

##### *Scheme (2): Total Course Score with ONE Midterm*

Problem Sets	10%
The higher Midterm	25%
Final	65%

#### **Absence from Midterm and Final Exam:**

- If for any reason you are unable to attend the midterms or final exam, you must seek the 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 would result in ZERO score.
- There will be **NO** makeup for any Midterm exams.
- For students who are absent from the final exam with prior approval, make-up exam will be scheduled the soonest, usually one day after the final exam or the recommended sick leave. It is the responsibility for those who request for a make-up exam to ensure their availability. 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 with the requirements as communicated by the instructor. Failing to meet any requirement may result in a ZERO score.

#### **Academic Honesty and Integrity**

Academic integrity and honesty are one of the key values of 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: <http://www.ust.hk/provost/integrity/index.html> The Code will be STRICTLY enforced. I will report any violation cases to the University without exception, and punishment will be imposed accordingly.

TA and I are glad to answer questions and help with your study. If you have any worries or are under pressure about the course, I urge you in the strongest possible terms, to get help immediately. I would be very happy to talk with you and help you to find the appropriate solutions.

### Tentative Course Schedule

Week	Lecture	Date	Content	
1	1	Feb-7	Ch1	10 Principles
	2	Feb-9	Ch1, Ch2	Thinking Like an Economist
2	3	Feb-14	Ch2, Ch3	Interdependence and the Gains from Trade
	4	Feb-16	Ch4	The Market Forces of Supply and Demand
3	5	Feb-21	Ch4, Ch5	The Market Forces of Supply and Demand (Cont'd) Elasticity and Its Applications
	6	Feb-23	Ch5	Elasticity and Its Applications (Cont'd)
4	7	Feb-28	Ch7	Efficiency of Market
	8	Mar-2	Ch7	Efficiency of Market (Cont'd)
5	9	Mar-7	Ch6	Supply, Demand, and Government Policies
	10	Mar-9	Ch8	Application: The Costs of Taxation
6	<b>11</b>	<b>Mar-14</b>	<b>Midterm1</b>	
	12	Mar-16	Ch13	The Costs of Production
7	13	Mar-21	Ch13	The Costs of Production (Cont'd)
	14	Mar-23	Ch14	Firms in Perfect Competitive Market
8	15	Mar-28	Ch14	Firms in Perfect Competitive Market (Cont'd)
	16	Mar-30	Ch15	Monopoly
9	17	Apr-04	Ch15	Monopoly (Cont'd)
	<b>18</b>	<b>Apr-06</b>	<b>Midterm2</b>	
10	19	Apr-11	Ch17	Oligopoly
	Apr-13 to Apr-18 Mid Term Break			
	20	Apr-20	Ch17	Oligopoly (Cont'd)
11	21	Apr-25	Ch10	Externalities
	22	Apr-27	Ch10	Externalities (Cont'd)
12	23	May-04	Ch11	Public goods and common resources
13	24	May-11	Ch11	Flexible (brief review)

### Classroom Etiquette

- You are expected to be punctual for both lectures and tutorials. I will start and end lectures on time.
- You are welcome to bring your laptop or other devices to lectures for learning purposes.
- Respect the others in the lecture and do not disturb others with side conversation, Internet surfing, emails-checking, or instant-messaging during lecture time.
- Please visit the following site for general guidelines on proper classroom behavior:  
[http://www.ust.hk/provost/conduct/good\\_learning\\_experience.pps](http://www.ust.hk/provost/conduct/good_learning_experience.pps)