

**HKUST Dept of Economics
Econ2113 L03, L04
Microeconomics
Fall 2021**

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

Venue: L03: Room 2304; L04: LSK Room G012; **If not in HK, you may join lectures via zoom through canvas**

Lecture time:

L03: Mo 04:30PM - 05:50PM, Fr 12:00PM - 01:20PM

L04: Mo 01:30PM - 02:50PM, Fr 09:00AM - 10:20AM

Tutorial

T03: Fr 04:30PM - 05:20PM; Room 2304

T04: Fr 01:30PM - 02:20PM; Room 2304

Instructor: YU, Yan (Kelly)

E-mail: yanyu@ust.hk

Phone: 2358-7606

Office hours: Tuesday 2pm -3pm (primary) or Thursday 2pm-3pm

Office on zoom: TBA;

Office: LSK6083B

Teaching Assistant: TBA

E-mail:

Phone:

Office hours:

Zoom ID:

Office: LSK6066

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

Tutorial starts in the second week.

Textbook:

Required: M. Parkin, *Microeconomics*, 13th ed., Pearson.

You can purchase the ebook of the textbook here:

<https://w5.ab.ust.hk/cgi-bin/std CGI.SH/WService=broker ba p/prg/ba stdt main.r>

Assessment:

Assessment Activities	Weighting	Course ILOs assessed
Best 5 of 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 + 20% 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 Oct. 18th, 2021 (Monday) 7-9pm. There is no lecture on that day.

There is no make-up for the midterm exam. In the case of a missed final (with a valid excuse), a make-up exam will be given within 24 hours of the missed final. Sick leave notice must be issued before the exam time, if any.

All students in Hong Kong must take exams in person.

You will be given 7 homework assignments during the semester via Canvas. Late homework will NOT be accepted. Only best 5 of the 7 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 the full marks for that homework. Copying of 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: <http://ugadmin.ust.hk/integrity/student-1.html> . 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. 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

Part VI. Additional topics (if time allows)

Chapter 20. Uncertainty and Information

Chapter 19. Economic Inequality