

# HKUST Econ 3133

## Microeconomic Theory II

### **Instructor**

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### **Teaching Assistant**

TBA

### **Overview**

A 4-unit course, this is Part II of the two-semester intermediate micro sequence (Part I being ECON 3113, which covers individual choice and consumer theory). We first study how firms make decisions. We then bring consumers and firms together and investigate how they trade in a market. After that we see some game theory and use it to analyze economic problems.

### **Mixed Mode Arrangements**

Each lecture will be recorded and made available at Canvas shortly after the lecture. Nonetheless, students are strongly encouraged to come to the classroom for the best learning experience. If every enrolled student is in Hong Kong (as officially proved by the University), no live Zoom session will be offered for remote attendance. On the other hand, live Zoom sessions will be offered only to students who are not in Hong Kong.

This class is mostly just lecturing — no group project, presentation, nor extensive class discussion. I will try my best to interact with all students, including those attending via Zoom.

Exams: If all students are in Hong Kong, then exams will be in-class. If some students are not in Hong Kong, then exams will be via Zoom *for all students*.

## **Prerequisites**

You should have taken ECON 3113. You will see about the same kind of math as in ECON 3113: calculus, linear algebra and probability.

## **Reference**

Technically there is no textbook. My lecture notes will be sufficient as study material. On the other hand, I loosely follow the structure and notation of *Microeconomic Theory: Basic Principles and Extensions* (by Nicholson and Snyder), which you may find useful as supplementary reading.

## **Grading**

Homework assignments (20%), a midterm exam (35%), and a final exam (45%).

## **Homework**

Homework assignments are problem sets. Feel free to discuss the problems with anyone, but: Write the homework by yourself! Flagrantly copying other people's work violates the honor code.

## **Exams**

Exam dates are to be determined and will be announced two weeks in advance. Final exam is cumulative.

## **Office Hours**

Qinggong: by appointment.

TA: TBA.

## **Course Outline**

- Firm theory
- Markets
- Game theory

If time allows, I may also throw in some additional topics.

## **Objectives**

After completing this course you are expected to have a good understanding of the fundamental economic perspective: Agents optimize under constraints, and such individual optimization activities interact and affect each other. You are also expected to be able to use a variety of tools to analyze economic problems from this perspective.

Per Program Intended Learning Objective for ECOF: After completing the course, students will

1. Understand the logic, scientific basis, and critical thinking of economic analysis (PILO 1)
2. Have a sophisticated knowledge of economics, apply it to explain economic and social phenomena, and make sound economic decisions (PILO 4)
3. Develop ability to qualitatively analyze basic economic and social problems. Conduct basic economic analysis and research of the economy and society (PILO 4)
4. Collaborate effectively with your team members to answer questions in homework (PILO 5, 7)
5. Have informed ethical thinking based on rigorous economic and social analysis (PILO 8)
6. Be a lifelong user of economic analysis (PILO 9)

## **Honor Code**

There will be no tolerance for plagiarism and cheating. Any related offense will lead to disciplinary action including termination of studies at the University. Attention is drawn to University policy and regulations on honesty in academic work, and to the disciplinary guidelines and procedures applicable to breaches of such policy and regulations.