

THE UNIVERSITY OF HONG KONG
FACULTY OF BUSINESS AND ECONOMICS
School of Economics and Finance

ECON 1001/ ECON 1210 – Introductory Microeconomics

Semester 1

ECON1001A/ ECON1210A

Lecturer: Prof. R. Wong
Phone: 2859 1122
Email: rycwong@hku.hk
Office: Room 1021 K K Leung Building
Lecture: Wednesday 9:30 – 12:20 in LE1

ECON1001B/ ECON1210B

Lecturer: Dr. Y. Xu
Phone: 2859 1032
Email: yujingxu@hku.hk
Office: Room 1007 K K Leung Building
Lecture: Monday 11:30 – 12:20 in MWT5
Thursday 10:30 – 12:20 in MWT5

ECON1001C/ ECON1210C

Lecturer: Dr. Y. Xu
Phone: 2859 1032
Email: yujingxu@hku.hk
Office: Room 1007 K K Leung Building
Lecture: Tuesday 15:30 – 16:20 in KK201
Friday 15:30 – 17:20 in KK201

ECON1001D/ ECON1210D

Lecturer: Dr. Y. Xu
Phone: 2859 1032
Email: yujingxu@hku.hk
Office: Room 1007 K K Leung Building
Lecture: Monday 15:30 – 17:20 in KK202
Thursday 15:30 – 16:20 in KK202

ECON1001E/ ECON1210E

Lecturer: Dr. L. Zhang
Phone: TBA
Email: econlei@hku.hk
Office: Room 831 K K Leung Building
Lecture: Tuesday 13:30 – 16:20 in MB167

ECON1001F/ ECON1210F

Lecturer: Dr. L. Zhang
Phone: TBA
Email: econlei@hku.hk
Office: Room 831 K K Leung Building
Lecture: Thursday 13:30 – 16:20 in MB167

Semester 2

ECON1001G/ ECON1210G

Lecturer: Dr. J. Tian
Phone: TBA
Email: jt2016@hku.hk
Office: TBA
Lecture: Tuesday 12:30 – 13:20 in CYPP3
Friday 12:30 – 14:20 in CYPP3

ECON1001H/ ECON1210H

Lecturer: Dr. J. Tian
Phone: TBA
Email: jt2016@hku.hk
Office: TBA
Lecture: Tuesday 15:30 – 16:20 in CYPP3
Friday 15:30 – 17:20 in CYPP3

ECON1001I/1210I

Lecturer: Dr. A. Siu
Phone: 3917 5220
Email: hrnekfs@hku.hk
Office: Room 825 K K Leung Building
Lecture: Monday 14:30 – 17:20 in CYCP1

Semester 3 (summer)**ECON1001J/ ECON1210J**

Lecturer: Dr. T. Hau

Phone: 2859 1060

Email: timhau@hku.hk

Office: Room 905 K K Leung Building

Lectures: Monday, Wednesday and Friday

14:00 - 15:50 in KK201

Course management:

Details may be found at <http://moodle.hku.hk/> (HKU portal UID and passcode required).

COURSE INFORMATION:

Prerequisites: There are no prerequisites. This course is open to all students.

Course Description:

An introduction to the basic concepts and principles of microeconomics - the study of demand and supply, consumer theory, cost and production, market structure, incentives, and resource allocation efficiency, political economy, and ethics and public policy.

Textbook:

Tyler Cowen and Alex Tabarrok, *Modern Principles: Microeconomics*, 3rd edition, Worth Publishers, 2015.

Additional reference:

John McMillan: *Reinventing the Bazaar: A Natural History of Markets*, W.W. Norton & Company, 2002.

COURSE OBJECTIVES

1. To introduce price theory to analyze the choice of individuals, the decisions of firms, and the competitive market outcome of supply and demand interaction
2. To introduce the strategic behavior of monopolistic firms and price discrimination
3. To gain an understanding of the effects and consequences of different government interventions in the markets and the role of government in organizing economic activity
4. To develop economic intuition rigorously
5. To prepare students for leadership, enlightened citizenship and continuing economic studies

COURSE LEARNING OUTCOMES

Course Learning Outcomes	Aligned Faculty Learning Outcomes*
CLO1 Explain and predict observed decisions of consumers and firms	FLO1, 2
CLO2 Explain and predict economic outcomes in competitive and monopolistic markets	FLO1, 2
CLO3 Analyze the effects and consequences of government interventions in the market	FLO1, 2, 3, 4
CLO4 Evaluate critically different economic viewpoints and analyses	FLO1, 2 3, 4

Notes on Faculty Learning Outcomes (FLOs):

FLO1 Acquisition and internalization of knowledge of the programme discipline (economics & finance)

FLO2 Application and integration of knowledge

FLO3 Inculcating Professionalism and Leadership

FLO4 Developing global outlook

FLO5 Mastering communication skills

COURSE TEACHING AND LEARNING ACTIVITIES

Course Teaching and Learning Activities	Expected contact	Study Load (% of study)
TL1. Lectures: Instructors will teach major concepts and their applications.	33 hours	28%
TL2. Homework (online quizzes and writing assignments)	20 hours	16%
TL3. Tutorials: Teaching assistant will hold weekly tutorials to explain difficult subjects taught in classes, discuss homework assignments, and answer questions students have about the	10 hours	8%
TL4. Consultation: Both instructors and teaching assistants will hold weekly consultation hours to address students' questions. Students are also encouraged to discuss questions with the instructor and teaching assistant via email or a forum on the class website.	2 hours	2%
TL5. Self Study	55 hours	46%
Total	120 hours	100%

Assessment Methods	Weight	Aligned Course Learning Outcomes
A1. Final exam	50%	CL01, 2 3, 4
A2. Midterm exam	25%	CL01, 2 3, 4
A3. Weekly assignments	15%	CL01, 2 3, 4
A4. Tutorial participation	5%	CL01, 2 3, 4
A5. Lecture participation	5%	CL01, 2 3, 4
Total	100%	

Logic of assessment design:

The major assessments of the course are midterm and final exams. Weekly assignments (in the form of weekly quizzes) are assigned to give students continuous feedback on their learning. Normally, students who treat the weekly assignments and the corresponding feedback seriously are likely to do well in the exams. Participation in tutorials and lectures are taken to encourage students to attend the designed teaching and learning activities. Numerous studies have shown that attendance ensures learning from courses. We trust that students should be able to learn much if they are willing to actively engage in all the designed teaching and learning activities.

STANDARDS FOR ASSESSMENT

Course Grade Descriptors	
A+, A, A-	Candidate has consistently demonstrated a thorough grasp of the subject as evidenced by an exceptionally thorough understanding of the concepts and reasoning presented in this course; and is able to apply it creatively to the analysis and interpretation of observed economic phenomenon.
B+, B, B-	Candidate frequently demonstrated a substantial grasp of the subject as evidenced by a good understanding of the concepts and reasoning presented in this course; and is able to apply it well to the analysis and interpretation of observed economic phenomenon.
C+, C, C-	Candidate has occasionally demonstrated a general grasp of the subject as evidenced by a mostly accurate understanding of the concepts and reasoning presented in this course; and is able to apply it most of the time to the analysis and interpretation of observed economic phenomenon.
D+, D	Candidate has demonstrated a partial grasp of the subject as evidenced by a somewhat accurate understanding of the concepts and reasoning presented in this course; and is able to apply it only some of the time to the analysis and interpretation of observed economic phenomenon.
F	Candidate has demonstrated a poor grasp of the subject with evidence of largely inaccurate understanding of the concepts and reasoning presented in this course; and is largely unable to apply it to the analysis and interpretation of observed economic phenomenon.

Assessment Rubrics for Individual Assessment

Assessment Task: Examinations, Quizzes and Homework Assignments	
A+, A, A-	Respond to all or almost all of the questions clearly and accurately. All or almost all of the responses are well organized, clear, fluent, and with appropriate elaboration.
B+, B, B-	Respond to most of the questions clearly and accurately. Most of the responses are well organized, clear, fluent, and with appropriate elaboration.
C+, C, C-	Respond to some of the questions clearly and accurately. Some of the responses are well organized, clear, fluent, and with appropriate elaboration.
D+, D	Respond to few of the questions clearly and accurately. Few of the responses are well organized, clear, fluent, and with appropriate elaboration.
F	Respond to very few of the questions clearly and accurately. Very few of the responses are well organized, clear, fluent, and with appropriate elaboration.

Assessment Task: Tutorial/lecture participation	
A+, A, A-	Attend almost all tutorials (say, 85%) and participate in the exercises and discussions therein.
B+, B, B-	Attend most tutorials (say, 70%) and participate in the exercises and discussions therein.
C+, C, C-	Attend more than half of all tutorials (say, 55%) and participate in the exercises and discussions therein.
D+, D	Attend slightly less than half of all tutorials and participate in the exercises and discussions therein.
F	Attend much less than half of all tutorials and participate in the exercises and discussions therein.

COURSE POLICY

Plagiarism and Misconduct

No plagiarism will be tolerated! The University Regulations on academic dishonesty will be strictly enforced!

Please check the University Statement on plagiarism on the web: <http://www.hku.hk/plagiarism/>.

Academic dishonesty is behavior in which a deliberately fraudulent misrepresentation is employed in an attempt to gain undeserved intellectual credit, either for oneself or for another. It includes, but is not necessarily limited to, the following types of cases:

Plagiarism - The representation of someone else's ideas as if they are one's own. Where the arguments, data, designs, etc., of someone else are being used in a paper, report, oral presentation, or similar academic project, this fact must be made explicitly clear by citing the appropriate references. The references must fully indicate the extent to which any parts of the project are not one's own work. Paraphrasing of someone else's ideas is still using someone else's ideas, and must be acknowledged.

The representation of work as solely one's own when in fact it is the result of a joint effort.

Where a candidate for a degree or other award uses the work of another person or persons without due acknowledgment:

The relevant Board of Examiners may impose a penalty in relation to the seriousness of the offence;

The relevant Board of Examiners may report the candidate to the Senate, where there is prima facie evidence of an intention to deceive and where sanctions beyond those in (1) might be invoked.

COURSE CONTENT, READINGS AND TENTATIVE TEACHING SCHEDULE

Lecture hours given by the instructor will be approximate and may vary with the flow of the class.

Introduction (one hour)

Friedman, M. "The Methodology of Positive Economics," Essays In Positive Economics, Univ. of Chicago Press, Chicago, 1953.

Cowen Chapter 1

Supply and Demand

The Power of Trade and Comparative Advantage (one hour)

Cowen Chapter 2

Supply and Demand (three hours)

Cowen Chapter 3

Equilibrium: How Supply and Demand Determine Prices (two hours)

Cowen Chapter 4

Elasticity and its Applications (two hours)

Cowen Chapter 5

Taxes and Subsidies (three hours)

Cowen Chapter 6

The Price System

The Price System: Signals, Speculation and Prediction (one hour)

Cowen Chapter 7

Hayek, F. A. "The Use of Knowledge in Society," *American Economic Review* 35, No. 5 (1945): 519-530.

Price Ceilings and Price Floors (three hours)

Cowen Chapter 8

International Trade (one hour)

Cowen Chapter 9, with supplement notes.

Externalities: When Prices Send the Wrong Signals (three hours)

Cowen Chapter 10

Coase, R.H. "The Problem of Social Cost," *Journal of Law and Economics* 3 (1960): 1-44.

Public Goods and the Tragedy of the Commons (two hours)

Cowen Chapter 19

Firms and Factor Markets

Costs and Profit Maximization Under Competition (two hours)

Cowen Chapter 11

Coase, R.H. "The Nature of the Firm," *Economica* 4, No. 16 (1937): 386-405

Competition and the Invisible Hand (one hour)

Cowen Chapter 12

Monopoly (two hours)

Cowen Chapter 13

Price Discrimination (two hours)

Cowen Chapter 14

Oligopoly and Game Theory (optional, two hours)

Cowen Chapter 15

Government

Political Economy and Public Choice (two hours)

Cowen Chapter 20

Economics, Ethics and Public Policy (two hours)

Cowen Chapter 21