

## HKU BUSINESS SCHOOL

### ECON 1210 – Introductory Microeconomics

2022-23

Instructor	Semester 1 Subclasses	Semester 2 Subclasses
Dr. ZHAO Chen	A, B	
Dr. WONG Ka Fu	C, D, <b>E</b> , F	<b>M</b> , P
Dr. HO Chi Pui	G, H, I	N, O

*Note:*

*Subclass **E** and **M** are online courses by construction. An ONLINE course means that we will have a suggested progress schedule but we do not have scheduled lecture meetings. Lecture videos will be posted for students to watch. We will have tutorials and personal coaching sessions, via zoom or face-to-face. Other materials will be made available online. Assessments will be the same as all ECON1210 subclasses in the same semester.*

#### Course management:

Course management is done via MOODLE (<http://moodle.hku.hk/> , HKU portal login 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:

No assigned textbook. Lectures based on notes, available from course management platform.

#### 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 --- an important foundation for leadership.
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	FLG1, 2
CLO2 Explain and predict economic outcomes in competitive and monopolistic markets	FLG1, 2
CLO3 Analyze the effects and consequences of government interventions in the market	FLG1, 2, 4, 6
CLO4 Evaluate critically different economic viewpoints and analyses	FLG1, 2, 4, 6

Notes on Faculty Learning Outcomes (FLGs):

FLG1: Acquisition and internalization of knowledge of the programme discipline

FLG2: Application and integration of knowledge

FLG3: Inculcating professionalism

FLG4: Developing global outlook

FLG5: Mastering communication skills

FLG6: Cultivating leadership

## COURSE TEACHING AND LEARNING ACTIVITIES

Course Teaching and Learning Activities	Expected contact	Study Load (% of study)
TL1. Lectures will cover major concepts and their applications.	36 hours	30%
TL2. Tutorials will help review some major concepts.	12 hours	10%
TL3. Homework (online quizzes and writing assignments)	12 hours	10%
TL4. Consultation: Both instructors and teaching assistants will encourage discussions and address students' questions via email or a forum on the class website.	6 hours	5%
TL5. Self Study	54 hours	45%
Total	120 hours	100%

Assessment Methods	Weight	Aligned Course Learning Outcomes
A1. Final exam	50%	CL01, 2 3, 4
A2. Midterm exam	30%	CL01, 2 3, 4
A3. Assignments	20%	CL01, 2 3, 4
Total	100%	

Coursework / Examination Ratio: 20 % / 80 %

### Logic of assessment design:

The major assessments of the course are midterm and final exams. Assignments (in the form of quizzes by chapters) 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.

### Minimum requirement on final exam:

Students need to obtain **at least 40% on the final exam**. Students will automatically receive a failure grade if they fail to meet this requirement.

## STANDARDS FOR ASSESSMENT

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<b>Course Grade Descriptors</b>	
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.

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### Assessment Rubrics for Individual Assessment

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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.

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## **COURSE POLICY**

Learning happens only if we engage in the learning activities ourselves. Intended learning outcomes cannot be achieved if we simply copy the work of others. The act of copying the work of others is considered serious misconduct.

### 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**

Approximate hours of lectures.

### **The Basics of Cost and Benefit Analysis (three hours)**

#### **Supply and Demand**

The Principles of Comparative Advantage and Gains from Trade (three hours)

Supply, Demand and Market Equilibrium (three hours)

Comparative Statics of Market Equilibrium (three hours)

Elasticity and its Applications (three hours)

### **Further Topics on Supply and Demand – Government Intervention and its Welfare Implications**

Taxes and Subsidies (two hours)

Price Ceilings and Price Floors (two hours)

#### **Externalities and Public Goods**

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

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)

Coase, R.H. "The Lighthouse in Economics," *Journal of Law and Economics*, 17 (1974): 357-376.

#### **Decisions of Firms**

Costs and Profit Maximization Under Competition (two hours)

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

#### **Non-perfect Competition**

Monopoly (two hours)

Price Discrimination (two hours)

Oligopoly and Game Theory (three hours)