

BASIC MICROECONOMICS
(ECON2011B)

Time and Venue: Monday 4:30pm - 6:15pm YIA LT4
Wednesday 11:30am - 12:15pm FYB LT4

Website: <https://blackboard.cuhk.edu.hk>

Class handouts (e.g., problem sets and solutions, lecture notes) will be available at the course website.

Instructor's Contact Information:

Office: Room 904, Esther Lee Building

Email: meng@cuhk.edu.hk

Office Hours:

Tuesday 2:00pm-3:00pm, and by appointment

Teaching Assistants:

Yeung Hon Chung	honchungyeung@cuhk.edu.hk	ELB 1007	Wednesday 3:00-4:30pm
Zhang Ziyu	1155101409@link.cuhk.edu.hk	ELB 1017	Monday 2:30-4:00pm

Course Description:

This course is an introduction to the fundamental principles and analytical tools of microeconomics. The course will cover essential topics such as how markets work; markets and welfare; the economics of the public sector; firm behavior and the organization of industry. One objective of the course is to teach foundational concepts to prepare economics majors for subsequent courses in microeconomic theory. Both majors and non-majors alike will learn how these basic concepts of economic analysis can be usefully applied to real-world problems of current policy relevance.

Required Background:

There are no prerequisites for the course, although an understanding of basic mathematical reasoning (including graphs and elementary algebra) will be presumed.

Readings:

Textbook: N. Gregory Mankiw, *Principles of Economics (8th Edition)*, 2018. (ISBN-13: 9789814780599)
Available at the University Bookstore and the Chung Chi Library CC Reserve (2 hours). Older versions of the book, and *Principle of Microeconomics* by the same author are also acceptable.

Course Requirements:

Students are expected to read the textbook chapters before class and to attend lectures. Requirements include problem sets, a mid-term exam, and a final exam.

Course Grading:

20% 4 Problem Sets
30% Mid-term Exam (In class, Week 7, 15 October)
50% Final Exam (centrally scheduled by the University; cumulative and cover all of the course materials)

Late problem sets will not be accepted. There will be no makeup exam for the mid-term.

Topics and Readings:

Ten Principles of Economics	Mankiw (M) Chapter 1
Thinking Like an Economist	M Chapter 2
Interdependence and the Gains from Trade	M Chapter 3
The Market Forces of Supply and Demand	M Chapter 4
Elasticity and Its Applications	M Chapter 5
Supply, Demand and Government Policies	M Chapter 6
Efficiency of Markets	M Chapter 7
Application: The Costs of Taxation	M Chapter 8
Externalities	M Chapter 10
Public Goods and Common Resources	M Chapter 11
The Costs of Production	M Chapter 13
Firms in Competitive Markets	M Chapter 14
Monopoly	M Chapter 15

Academic Honesty

Attention is drawn to University policy and regulations on honesty in academic work to the disciplinary guidelines and procedures applicable to breaches of such policy regulations. Details may be found at <http://www.cuhk.edu.hk/policy/academichonesty/>.