



香港中文大學
The Chinese University of Hong Kong

ECON2011C/D BASIC MICROECONOMICS

Instructor

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Time

ECON2011C	ECON2011D
Thursday 2:30PM - 5:15PM	Tuesday 2:30PM - 5:15PM

Course Description

This course is an introduction to the fundamental principles and analytical tools of economics. It aims to provide students a solid background for higher level economics courses. This course covers essential components in price theory including the consumer theory, production theory, and market efficiency. There are no prerequisites for the course, but an understanding of basic mathematical reasoning (including graphs and elementary algebra) will be presumed.

Learning Outcomes

Upon completing this course, students are expected to be able to explain and predict the decisions of consumers and producers, and the market outcomes in competitive and monopolistic markets.

Honesty in Academic Work

Students must observe the University's policy on Honesty in Academic Work (<http://www.cuhk.edu.hk/policy/academichonesty/>).

Readings

Main textbook (older versions are acceptable):

Robert Pindyck and Daniel Rubinfeld, Microeconomics (9th Edition), 2018 (PR)

Supplementary reference (the version available in the CUHK library are listed below):

Jack Hirshleifer, Amihai Glazer and David Hirshleifer, Price Theory and Applications: Decisions, Markets, and Information (7th Edition), 2005 (HGH)

Steven Landsburg, The Armchair Economist: Economics and Everyday Life, 2009 (L)

Course Requirements

Although this course will follow PR quite closely, some materials delivered in the lectures are not covered in it. Problem sets and/or other exercises will be explained and discussed in four tutorials. Students are expected to read the textbook chapters before class and attend all lectures and tutorials. There is no substitute for hard work.

Teaching Mode

Following the University arrangement, classes will be conducted online until such time as the pandemic stabilizes.

Assessment Scheme

60% 2 problem sets (equally weighted; to be submitted in weeks 6 and 12, the deadline will be announced later, **NO** late submission will be allowed for any reasons)

40% Take-home Final Exam (centrally scheduled by the University; Final exam will be cumulative and cover all the course materials.)

Syllabus

Topics		Required readings
What is Economics?		
1	What is Economics?	HGH Chapter 1 L Chapter 2 (optional)
2	The Basic of Supply and Demand	PR Chapter 2
Consumer Theory and Market Demand		
3	Consumer Behavior	PR Chapter 3 (except 3.4, the 'rationing' part of 3.5, 3.6) L Chapter 1 (optional)
4	Individual and Market Demand	PR Chapter 4 (except 4.5, 4.6)
Production Theory, Supply and Competition		
5	Production	HGH Section 2.2 (recommended) PR Chapter 6
6	The Cost of Production	PR Chapter 7 (except 7.5 - 7.7)
7	Profit Maximization and Competitive Supply	PR Chapter 8
8	The Analysis of Competitive Markets	PR Chapter 9
9	Monopoly	PR Chapter 10 (except 10.5 -10.7)
Theory of Interest		
10*	Interest and Intertemporal Choice	PR Sections 15.1 & 15.2 HGH Section 14.2
Market Failure		
11*	Externalities and Public Good	PR Chapter 18 (except 18.3) L Chapter 9 (optional)

*If time allowed