

1The Chinese University of Hong Kong
ECON 2011C&D Basic Microeconomics
2nd term, 2023-24

Lecturer: WOO, Wai Chiu, wcwoo@cuhk.edu.hk, Tel: 39438234, ELB1003.
Consultation: Please send me an e-mail for fixing a (Zoom) meeting time.

Teaching assistants (TA): TA office (ELB 1017) tel: 39438202.

- Huang, Jia, email to be provided
- Li, Xiaofeng, email to be provided
- Huang, Shaochen, email to be provided

Teaching venues and timetables:

Please find updated information from CUSIS.

Teaching mode:

1. 100% face-to-face teaching mode: all students should join the classes at the venues, or they will miss the lectures.
2. *Notice that no live lectures will be video-recorded in any situations*, including sick leave. If you have a good reason to be absent, contact the lecturer to see if some assistance may be given.
3. Exam/test will be also conducted in face-to-face mode.

Course description: Microeconomics discusses the decision-making behind the demand (consumer theory) and supply (the theory of firm) sides, and the interactions between the two sides under different market structures (such as perfect competition and monopoly). We may also introduce some applications of the theory to policy making and strategy planning when we go along. We use math no more than simple high-school algebra. We will not go through in detail the topics that have been intensively covered in elementary economics course (such as demand-supply analysis). *Students wanting to avoid mathematics or detailed treatments in the elementary topics should take another course "ECON 1010 Perspectives in Economics" instead.*

Learning outcomes: After completing the course, students should have a good understanding of some basic theories in microeconomics and be able to apply the concepts in analyzing real-world issues. In particular, students will learn how to use *indifference curve/budget line*, and *the theory of firm* in their analysis of policy issues or other real-world issues.

Prior knowledge: If you are a first-time learner of economics, a better choice for you should be ECON1010 Perspectives in Economics. If you are not interested in ECON1010, you must devote more efforts to self-studying certain topics because we will not give a lengthy treatment to certain elementary topics. You are strongly advised to attend the first two weeks before deciding whether you should drop the course. Certain prior knowledge is helpful for you to follow the course teaching:

- Basic knowledge in demand-supply analysis: Either you have taken economics courses such as the economics subject in HKDSE, HKCEE, HKAL, GCE, IB or ECON1010 offered by this university, or you are willing to self-study Ch 2 of the textbook.
- High-school level algebra, including the skill to solve a simultaneous equation system. You are not required to know how calculus (e.g. partial derivatives) works, however.

Learning activities:

Lectures:

- You are advised to read the lecture notes, downloadable from Blackboard, before attending each class. We don't take attendance for lectures, however.
- Lectures will be given only on face-to-face basis and will NOT be video-recorded.

Textbooks:

- Pindyck and Rubinfeld. [*Microeconomics*](#). International Edition. Pearson Education. (In fact, any editions are fine. *The end-of-chapters questions are NOT useful for this course. Don't do them.*)
- *If you cannot fully understand the taught materials in lectures, you are strongly advised to read the relevant chapters in the textbooks.* However, in exam you will only be tested on materials covered in class.

Tutorials:

- Tutorials will normally start from the teaching week after the add/drop period (we will announce the details later). TAs will go through Problem Set questions in tutorials.
- We don't take attendance for tutorials. However, the policy of this course is that written answers will never be posted on the website or given to students. If you want to know the answers, you must attend the tutorials for the verbal explanations. We don't give answers elsewhere.

E-mails and appointments:

- You are welcome to communicate with me via e-mail. But *please use e-mails only for questions that can be answered via a short text.* Long questions requiring long answers should be handled in (Zoom) meetings.
- For making an appointment (through e-mail) with me or TAs for your questions, *it is better that you inform me or TAs of the specific questions that you would like to discuss before the meetings.*

Course website on Blackboard (<https://blackboard.cuhk.edu.hk>):

- Check all the "announcements" from the first to the latest and at least before each class.
- Lecture materials, Problem Set questions, and grades will be released through the website.
- If you find mistakes in your grade record, you should report to TAs within 5 days after the grades have been released or we will not handle your correction requests. The grade record posted on Blackboard will be used for calculating your final grade.

Grading:

Assignments (35%):

- There will be weekly assignments after the add/drop period. The answers will ONLY be given in tutorial classes verbally.
- Read CUHK's [statement about academic honesty](#) before submission of your assignments.

Exam (65%)

- To be arranged by the University Examination Section during the exam period [24 April 2024 (Wed) – 30 April 2024 (Tue) & 2 May 2024 (Thu) – 11 May 2024 (Sat)] and not controlled by me. (Don't ask me about the date and venue. I will never know earlier than you.)
- You should follow the University regulations (including sick leave) about final examination. I have no discretionary power to change it. For absence cases approved by the University, makeup exam may be, but not necessarily, given. Alternative assessment (e.g. homework + individual project and/or alternative exam) may be adopted instead if the lecturer thinks fit.
- *All exchange students are supposed to join the centrally arranged exam and are reminded that early departure is NOT a valid reason for not taking the exam and no makeup exam will be given for this reason.*

Course outline and suggested readings:

The Chapters or Sections in the reference textbooks relevant for each topic are given below. The topics below follow the textbook's treatments, but lecture presentations do not follow the list closely. The availability of notes and/or lecture coverage is indicated for the broad topic below.

<i>Topics</i>	<i>Pindyck&Rubinfeld</i>	<i>Learning activities</i>
<i>Demand-supply analysis</i>		
• Demand and supply and elasticity	1, 2, 4.4	Self-study notes & videos
• Welfare analysis for a competitive market	4.4, 9	
<i>Consumer theory</i>		Lecture notes & presentations
• Preference and utility	3	
• Demand curve derivation	4	
<i>The theory of firm</i>		Lecture notes & presentations
• Production	6	
• Cost-minimization	7	
• Profit-maximization	8.1-8.3	
• Perfect competition	8.4-8.8	
• Monopoly	10.1-10.4	
• Pricing with monopoly powers	11.1-11.2	
• Monopolistic competition and oligopoly	12	
• Game theory	13.1-13.3	
<i>Choice under uncertainty</i>	5	Lecture notes & presentations