Semester 2
ECON1210H
Lecturer: Dr. K.F. Wong
Phone: 2859 1031
Email: kafuwong@hku.hk
Office: Room 1114 K K Leung Building

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:

Additional reference:

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

<table>
<thead>
<tr>
<th>Course Learning Outcomes</th>
<th>Aligned Faculty Goals*</th>
</tr>
</thead>
<tbody>
<tr>
<td>CLO1 Explain and predict observed decisions of consumers and firms</td>
<td>Goal 1, 2</td>
</tr>
<tr>
<td>CLO2 Explain and predict economic outcomes in competitive and monopolistic markets</td>
<td>Goal 1, 2</td>
</tr>
<tr>
<td>CLO3 Analyze the effects and consequences of government interventions in the market</td>
<td>Goal 1, 2, 3, 4</td>
</tr>
<tr>
<td>CLO4 Evaluate critically different economic viewpoints and analyses</td>
<td>Goal 1, 2, 3, 4</td>
</tr>
</tbody>
</table>

Notes on Faculty Goals:
Goal 1 Acquisition and internalization of knowledge of the programme discipline (economics & finance)
Goal 2 Application and integration of knowledge
Goal 3 Inculcating Professionalism and Leadership
Goal 4 Developing global outlook
Goal 5 Mastering communication skills

COURSE TEACHING AND LEARNING ACTIVITIES

<table>
<thead>
<tr>
<th>Course Teaching and Learning Activities</th>
<th>Expected contact</th>
<th>Study Load (% of study)</th>
</tr>
</thead>
<tbody>
<tr>
<td>TL1. Video Lectures will cover major concepts and their applications.</td>
<td>20 hours</td>
<td>16.67%</td>
</tr>
<tr>
<td>TL2. Homework (online quizzes and writing assignments)</td>
<td>20 hours</td>
<td>16.67%</td>
</tr>
<tr>
<td>TL3. Consultation: Both instructors and teaching assistants will encourage discussions and address students’ questions via email or a forum on the class website.</td>
<td>12 hours</td>
<td>10.00%</td>
</tr>
<tr>
<td>TL4. Self Study</td>
<td>68 hours</td>
<td>56.67%</td>
</tr>
<tr>
<td>Total</td>
<td>120 hours</td>
<td>100%</td>
</tr>
</tbody>
</table>

Assessment Methods

<table>
<thead>
<tr>
<th>Assessment Methods</th>
<th>Weight</th>
<th>Aligned Course Learning Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1. Final exam</td>
<td>50%</td>
<td>CLO1, 2, 3, 4</td>
</tr>
<tr>
<td>A2. Midterm exam</td>
<td>30%</td>
<td>CLO1, 2, 3, 4</td>
</tr>
<tr>
<td>A3. Weekly assign.</td>
<td>20%</td>
<td>CLO1, 2, 3, 4</td>
</tr>
<tr>
<td>Total</td>
<td>100%</td>
<td></td>
</tr>
</tbody>
</table>

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.
### Course Grade Descriptors

<table>
<thead>
<tr>
<th>Grade</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>A+, A, A-</td>
<td>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.</td>
</tr>
<tr>
<td>B+, B, B-</td>
<td>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.</td>
</tr>
<tr>
<td>C+, C, C-</td>
<td>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.</td>
</tr>
<tr>
<td>D+, D</td>
<td>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.</td>
</tr>
<tr>
<td>F</td>
<td>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.</td>
</tr>
</tbody>
</table>

### Assessment Rubrics for Individual Assessment

<table>
<thead>
<tr>
<th>Assessment Task: Examinations, Quizzes and Homework Assignments</th>
<th>Grade</th>
</tr>
</thead>
<tbody>
<tr>
<td>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.</td>
<td>A+, A, A-</td>
</tr>
<tr>
<td>Respond to most of the questions clearly and accurately. Most of the responses are well organized, clear, fluent, and with appropriate elaboration.</td>
<td>B+, B, B-</td>
</tr>
<tr>
<td>Respond to some of the questions clearly and accurately. Some of the responses are well organized, clear, fluent, and with appropriate elaboration.</td>
<td>C+, C, C-</td>
</tr>
<tr>
<td>Respond to few of the questions clearly and accurately. Few of the responses are well organized, clear, fluent, and with appropriate elaboration.</td>
<td>D+, D</td>
</tr>
<tr>
<td>Respond to very few of the questions clearly and accurately. Very few of the responses are well organized, clear, fluent, and with appropriate elaboration.</td>
<td>F</td>
</tr>
</tbody>
</table>
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

Approximate hours of video lectures.

Introduction (one hour)
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
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
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
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