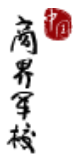




PHBS

北京大学汇丰商学院



ECON510 Microeconomics Module 1, 2023-24

Course Information

Instructor: Weiwei HU

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Office Hour: Wed & Thu 3-5 pm, or by appointment

Teaching Assistant: TBD

Office: TBD

Email: [TBD](#)

Office Hour: TBD

Classes:

Lectures: Tuesday & Friday 10:30-12:20 (23F5R/INTL Finance); 13:30-15:20 (22F1R)

Venue: PHBS Building, Room TBA

Course Website:

Course Management System: <http://cms.phbs.pku.edu.cn>

1. Course Description

1.1 Context

Course overview:

This is a required course for students in Finance. Microeconomics is one of the most important subjects with strong relevance to managerial decision making and public policy designing. This course aims to equip students with a thorough understanding of the basic core materials of microeconomics. The lectures will cover consumer behaviour, firm production and market. Topics include preference and utility, consumer choice, demand, supply, market structures and others. In addition to rigorous analysis, this course also contains extended examples in the real world related to the topics.

Prerequisites:

There is no official prerequisite for this course. Students are expected to have completed business math or equivalent and have adequate knowledge in calculus and optimization.

1.2 Textbooks and Reading Materials

I will use the course website (<http://cms.phbs.pku.edu.cn>) to distribute all announcements, handouts, and readings. The following textbooks are a good source of references.

▪ **Recommended:**

[1] Robert S. Pindyck and Daniel L. Rubinfeld, Microeconomics, Prentice Hall.

[2] Michael Parkin, Microeconomics, Pearson.

[3] Hal Varian, Intermediate Microeconomics: A Modern Approach, Norton & Company.

[4] Walter Nicholson and Christopher Snyder, Intermediate Microeconomics and Its Application, Cengage Learning.

This course will be loosely based on "Microeconomics" by Pindyck and Rubinfeld, 2017 Ninth Edition (previous editions should work too). I will also post lecture notes on the course website for you to use. Assignments and answer keys will also be posted here.

2. Learning Outcomes

2.1 Intended Learning Outcomes

| Learning Goals | Objectives | Assessment (YES with details or NO) |
|--|---|--|
| 1. Our graduates will be effective communicators. | 1.1. Our students will produce quality business and research-oriented documents. | |
| | 1.2. Students are able to professionally present their ideas and also logically explain and defend their argument. | |
| 2. Our graduates will be skilled in team work and leadership. | 2.1. Students will be able to lead and participate in group for projects, discussion, and presentation. | |
| | 2.2. Students will be able to apply leadership theories and related skills. | |
| 3. Our graduates will be trained in ethics. | 3.1. In a case setting, students will use appropriate techniques to analyze business problems and identify the ethical aspects, provide a solution and defend it. | Homework and Exam |
| | 3.2. Our students will practice ethics in the duration of the program. | Exam |
| 4. Our graduates will have a global perspective. | 4.1. Students will have an international exposure. | |
| 5. Our graduates will be skilled in problem-solving and critical thinking. | 5.1. Our students will have a good understanding of fundamental theories in their fields. | Homework and Exam |
| | 5.2. Our students will be prepared to face problems in various business settings and find solutions. | Homework and Exam |
| | 5.3. Our students will demonstrate competency in critical thinking. | Homework and Exam |

2.2 Course specific objectives

By completing this course, students are expected to be able to:

[1] Transform practical problems into standard microeconomic question, use graphical and algebraic analysis to find answers with economic implication;

[2] Understand the function of markets in allocating resources;

[3] Understand the reason and consequences of government's intervention in the market.

2.3 Assessment/Grading Details

Students are expected to attend all lectures, participate in class discussions, and read the required class materials. The course grade will be determined by:

[1] Class participation (10%)

[2] Homework (20%)

There will be four assignments which are individual work.

[3] Midterm (30%)

[4] Final exam (40%)

Class participation:

Class participation grades reflect the instructors' judgment of the students' contribution to the learning environment. The grades take into account (1) the **frequency** of the students' response in class, and (2) the **quality** of the response (e.g., relevance to course materials; insights that differ from others' point of view; elaboration or clarification of others' opinions) as well as (3) the **professionalism** of the students' conduct (e.g., attendance, punctuality, preparedness, and behaviour during the class). The class participation score will be differently graded as full score, half score, or zero score for each student.

Homework:

Problem sets are usually assigned every two weeks. You have to turn in your own problem set before the deadline announced. Suggested answers with detailed explanation will be posted on the Course Website after the deadline of each problem set. Please note that NO late submissions will be accepted.

If you have any questions about the problem sets, please seek help from me or TA.

Midterm and Final Exams:

There will be ONE midterm exam. The midterm exam will cover lecture materials, problem sets and assigned reading (if any). The midterm exam is scheduled in class on **October 13th, 2023**. Please make sure your availability. It may contain multiple-choice, true & false questions and essay-type questions which require explanation in writing, graph and calculation.

The final exam is CUMULATIVE. It may contain multiple-choice, true & false questions and essay-type questions which require explanation in writing, graph and calculation.

2.4 Academic Honesty and Plagiarism

It is important for a student's effort and credit to be recognized through class assessment. Credits earned for a student work due to efforts done by others are clearly unfair. Deliberate dishonesty is considered academic misconducts, which include plagiarism; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; or altering, forging, or misusing a University academic record; or fabricating or falsifying of data, research procedures, or data analysis.

All assessments are subject to academic misconduct check. Misconduct check may include reproducing the assessment, providing a copy to another member of faculty, and/or communicate a copy of this assignment to the PHBS Discipline Committee. A suspected plagiarized document/assignment submitted to a plagiarism checking service may be kept in its database for future reference purpose.

Where violation is suspected, penalties will be implemented. The penalties for academic misconduct may include: deduction of honour points, a mark of zero on the assessment, a fail grade for the whole course, and reference of the matter to the Peking University Registrar.

For more information of plagiarism, please refer to *PHBS Student Handbook*.

3. Topics, Teaching and Assessment Schedule

This course will cover the most fundamental and important topics in understanding the essence of how the economy works in its micro perspectives. The following is a tentative schedule for the module. Note that this is preliminary and not a binding legal contract, as how fast we can cover these topics depends to some extent on you. The instructor may modify it and all changes will be announced in class and be posted on the course website. Some of the topics listed above might not be covered if we run out of time.

Approximate Schedule

| Session/Date | Topic | Reading | Assignment Due |
|----------------------|---|------------------------------------|----------------------|
| Session 1 (Sept. 5) | Introduction: Markets and Prices; Economic Models | Chapters 1 & 2 | |
| Session 2 (Sept. 8) | Consumer Behaviour | Chapter 3 | |
| Session 3 (Sept. 12) | Individual and Market Demand | Chapter 4 | |
| Session 4 (Sept. 15) | Uncertainty and Consumer Behaviour | Chapter 5 | Homework #1 |
| Session 5 (Sept. 19) | Production | Chapter 6 | |
| Session 6 (Sept. 22) | The Cost of Production | Chapter 7 | |
| Session 7 (Sept. 26) | Profit Maximization and Competitive Supply | Chapter 8 | |
| Session 8 (Sept. 27) | The Analysis of Competitive Markets | Chapter 9 | Homework #2 |
| Session 9 (Oct. 10) | Review before the Midterm Exam | Chapter 1-9 | |
| Session 10 (Oct. 13) | In-class Midterm Exam | | In-class Exam |
| Session 11 (Oct. 17) | Market Power: Monopoly and Monopsony | Discussion of Midterm & Chapter 10 | |

| | | | |
|----------------------|--|------------|---------------------------------------|
| Session 12 (Oct. 20) | Pricing with Market Power | Chapter 11 | |
| Session 13 (Oct. 24) | Monopolistic Competition and Oligopoly | Chapter 12 | Homework #3 |
| Session 14 (Oct. 27) | Game Theory and Competitive Strategy | Chapter 13 | |
| Session 15 (Oct. 31) | General Equilibrium Analysis | Chapter 16 | |
| Session 16 (Nov. 3) | Externalities and Public Goods | Chapter 18 | Homework #4 |
| Session 17 (Nov. 7) | Behavioural Economics | Chapter 19 | |
| Session 18 (Nov. 10) | Final Review/Q&A | | |
| Final Assessment | Final Exam | | November 19th, 2023 |

4. Miscellaneous

Students are expected to arrive for class on time and the instructor will start the class according to schedule. Students should demonstrate respect for the instructor and fellow students during the class period. Please try to avoid side conversations when your classmates raise questions or give comments. You are welcome to bring your laptop or iPad to class for learning purposes. However, you may not engage in distracting behaviour such as chatting or making phone calls.