



## Barick Chung

### Employment:

2022-present Associate Professor (Teaching), Economics, CUSZSZ.  
2014-2022 Senior Lecturer, School of Management and Economics, CUSZSZ.  
2012-2014 Lecturer, School of Economics and Finance, University of Hong Kong.  
2006-2012 Instructor, Department of Economics, CUHKHK.

### Education:

2003-2007 Ph.D. (Business) Indiana University – Bloomington.  
1987-1991 BS.Sc. (Economics) Chinese University of Hong Kong – Hong Kong.

### Research paper:

Chung, Barick, "Two Level Price Discrimination and Vertical Relationship" (March 05, 2012). Available at SSRN: <http://ssrn.com/abstract=1997070>.

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## ECO 2011 (Sections L07-10) Basic Microeconomics

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Mankiw, Gregory, 2012, *Essentials of Economics*, p. 66:

**Market:** a group of buyers and sellers of a particular good or service

**Competitive market:** a market in which there are many buyers and many sellers so that each has a negligible impact on the market price

**Perfectly competitive:** (1) the goods offered for sale are all exactly the same, (2) the buyers and sellers are so numerous that no single buyer or seller has any influence over the market price

If buyers and sellers has no influence over the market price, they are called **price takers**

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price makers



Mankiw, Gregory, *Essentials of Economics*, 2012, p.256:

A **competitive market** is a market in which there are many buyers and sellers trading identical products so that each buyer and seller is a price taker

- 1) There are **many buyers and many sellers** in the market.
- 2) The goods offered by the various sellers are **largely the same**.
- 3) Firms can freely enter or exit the market.

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Pindyck and Rubinfeld, p.280:

**Firms are price takers:** Firms have no influence over market price and thus take the price as given.

**The product is homogeneous:** All firms sell an identical product. Examples of homogeneous products: agricultural products such as corn and apples, oil, gasoline, raw materials such as copper, iron, lumber, cotton, etc.

**Free entry and exit:** There are no special costs that make it difficult for a new firm either to enter an industry and produce, or to exit if it cannot make a profit.

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## Wheat market



Internet photo

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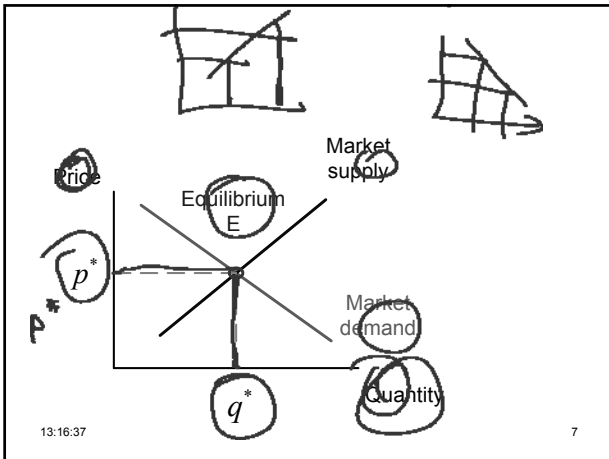
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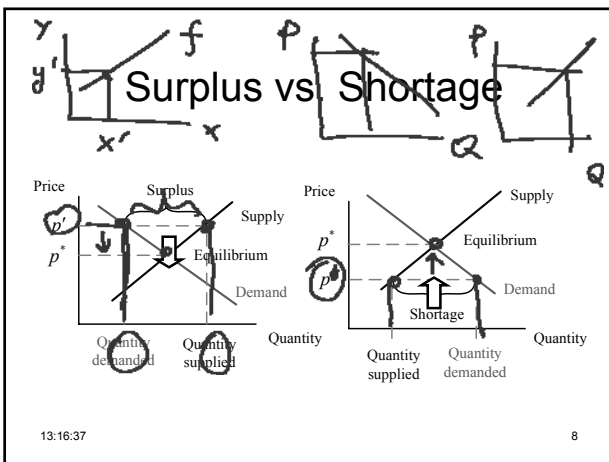
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