Hong Kong University of Science and Technology
Division of Public Policy

Course Outline
PPOL 5130 L2 – Microeconomics and Public Policy (Fall 2024-25)

Lecture Time:	Tu and Th 10:30 - 11:50 am
Venue:	Rm1409, Lift25-26
Course Website:	CANVAS
Instructor:	SIU, Kam Wing (蕭錦榮)
Office:	Room 6054, Lee Shau Kee Business Building
Email / Phone:	eckwsiu@ust.hk / (852) 2358-7617
Office Hours:	By appointment
Teaching Assistant	TBA
Office:	
Email	TBA
Office Hours:	TBA

A. Course Description

The course introduces microeconomics, emphasizing analytical skills and public policy applications. It is designed for master's level students in public policy with no prior undergraduate experience in economics. I will first introduce you to the fundamental principles, tools, and models of economics. I will then proceed to more advanced topics and applications to broaden your knowledge. To enhance your understanding, real-world examples and cases will be used as much as possible.

This course is delivered through lectures. Students attend two 80-minute lectures per week. Please attend all lectures and participate in discussions.

B. Intended Learning Outcome ("ILOs"):

1. Apply economic reasoning to the analysis of selected contemporary economic problems.
2. Compare and exemplify how individuals, businesses and government interact in various market structures to determine the pricing and quantity of goods and services produced and consumed.
3. Analyze the efficiency and equity implications of government interference in markets.
4. Apply economic problem-solving skills to evaluate the opportunities and challenges of the increasing globalization of the world economy.

C. Assessment and Grading:

(1) Problem Sets

You have to turn in your own problem set answer on or before the deadline. Problem set submission would be done by uploading your answer through CANVAS. NO late submission will be accepted. I strongly suggest that you form small study groups to work on the problems. Suggested solutions will be posted on CANVAS. If you have any questions about the problem sets, please seek help from me immediately.

(*n-2*) Problem sets will be counted into your final course grade. For example, if 11 problem sets are assigned in total, I will count the best 9 to your final course grade.

(2) Midterm exam (30%)

There will be ONE midterm exam. The midterm exam will cover lecture materials, problem sets, and assigned reading (if any).

Date of midterm exam: **5 November 2024 (Tuesday)**

There will be no make-up for the midterm exam. If you are absent from the midterm exam with my approval, the weighting of the midterm exam will be transferred to the final exam. In order to be granted an absence from the midterm exam, you must provide a valid document, such as an original copy of a medical certificate issued by a licensed physician. The absence from the midterm exam without approval will result in a score of ZERO.

(3) Final exam (60%)

The final exam is CUMULATIVE. The final exam will cover lecture materials, problem sets, and assigned reading (if any).

Date of final exam: **9 to 20 December 2024 (To be announced by the ARO)**

If you intend to travel at the end of the semester, please be careful to arrange your travel plans to avoid any schedule clash. Request for a change of final examination date will not be accommodated.

With my approval, make-up will be arranged for students who are absent from the final exam. Your request for absence from the final exam must be supported by valid documents, such as an original copy of a medical certificate issued by a registered medical practitioner. Absence from the final exam without approval will result in a ZERO score. For most cases, a make-up exam will be scheduled the day after the official final exam date (if the medical certificate indicates that you get one day of sick leave). It is the responsibility of those who request make-up to ensure their availability.

Please note that the instructor has the final discretion on all arrangements of the make-up exam. Students who request the make-up final exam should comply with all the requirements as communicated by the instructor. Failing to meet any requirements may result in a ZERO score.

(4) Overall grading for the Course:

Scheme 1:

Problem Sets	10%
Midterm	30%
Final Exam	60%

Scheme 2:

Problem Sets	10%
Midterm	0%
Final Exam	90%

A student who attends both midterm and final will have his or her final grade calculated according to the scheme that gives you the highest result.

Mapping of Course ILOs to Assessment Tasks:

Teaching & Learning Activities	**Roles**	**ILOs Addressed**
Lectures	Explain key concepts and their applications; Cases and examples to build student's critical and analytical ability	1, 2, 3, 4
In-class Q&A and discussion	Encourage class participation, critical thinking and discussion	1, 2, 3, 4
Problem Sets	Enhance understanding of course materials and their application through practice	1, 2, 3

Grading Rubrics

(1) Problem Sets

Grading is based primarily on effort. Those students who demonstrate reasonable effort in solving the problem set questions will receive the full score.

(2) Midterm Exam

The midterm exam will consist of multiple-choice questions. Correct answers will result in a score.

(3) Final Exam

The final exam will consist of questions that require answers in words, graphs, and mathematical calculations. Each question (or sub-question) will be scored based on the correctness and completeness of the answers. Incomplete answers will be considered for partial credit.

Final Grade Descriptors:

Grades	**Short Description**	**Elaboration on subject grading description**
A	Excellent Performance	Demonstrates an excellent understanding of the fundamental concepts, methodology, and analytical framework of microeconomics. Exhibits exceptional problem-solving skills, including problem definition, evaluation of information and sources, and applying critical and creative thinking to real-world economic issues.
B	Good Performance	Demonstrates a solid understanding of the fundamental concepts, methodology, and analytical framework of microeconomics. Exhibits solid problem-solving skills, including problem definition, evaluation of information and sources, and applying critical and creative thinking to real-world economic issues.
C	Satisfactory Performance	Demonstrates a satisfactory understanding of the fundamental concepts, methodology, and analytical framework of microeconomics. Exhibits problem-solving skills to some extent, including problem definition, evaluation of information and sources, and applying

		critical and creative thinking to real-world economic issues.
D	Marginal Pass	Demonstrates a limited understanding of the fundamental concepts, methodology, and analytical framework of microeconomics. Exhibits limited problem-solving skills, including problem definition, evaluation of information and sources, and applying critical and creative thinking to real-world economic issues.
F	Fail	Demonstrates a lack of understanding of the fundamental concepts, methodology, and analytical framework of microeconomics. Exhibits little or no problem-solving skills, including problem definition, evaluation of information and sources, and applying critical and creative thinking to real-world economic issues.

Communication and Feedback

1. Problem set scores will be released via Canvas within one week of submission, with suggested solutions provided for reference.
2. Midterm exam scores will be released via Canvas within two weeks, with paper-checking sessions to be conducted within three weeks.
3. Final exam scores will be released via Canvas within three weeks, with paper-checking sessions to be conducted within four weeks.

D. Textbook:

"*Principle of Microeconomics,*" Ninth Edition, by N. GREGORY MANKIW. Published by Cengage Learning.

I will add additional materials outside the textbook. All additional and supplementary materials will be delivered in lecture PPT or posted on CANVAS.

E. Office Hours and Appointments

Given the different schedules of all of you, if you have any questions about the course materials, please do not hesitate to contact me by email (eckwsiu@ust.hk) to schedule an appointment.

F. Academic Integrity:

Students are expected to adhere to the university's academic integrity policy. Students are expected to uphold HKUST's Academic Honor Code and to maintain the highest standards of academic integrity. The University has zero tolerance of academic misconduct. Please refer to Academic Integrity | HKUST - Academic Registry for the University's definition of plagiarism and ways to avoid cheating and plagiarism.

G. Course AI Policy

The use of Generative AI in project is permitted with proper acknowledgement and will NOT be contributed to the students' work.

H. Outline and Schedule (Tentative and subject to change)

3-Sep	0	Intro
5-Sep	1	Ten Principles of Economics (I)
10-Sep	2	Ten Principles of Economics (II)
12-Sep	3	Thinking Like and Economist
17-Sep	4	Interdependence and the Gains from Trade (I)
19-Sep	5	Interdependence and the Gains from Trade (II)
24-Sep	6	The Market Forces of Supply and Demand (I)
26-Sep	7	The Market Forces of Supply and Demand (II)
1-Oct		Holiday
3-Oct	8	Elasticity
8-Oct	9	Efficiency of Market
10-Oct	10	Government meet Market (I)
15-Oct	11	Government meet Market (II)
17-Oct	12	The Costs of Production (I)
22-Oct	13	The Costs of Production (II)
24-Oct	14	Firms in Competitive Market (I)
29-Oct	15	Firms in Competitive Market (II)
31-Oct	16	Monopoly (I)
5-Nov		Midterm
7-Nov	17	Monopoly (II)
12-Nov	18	Strategic Interaction and Oligopoly (I)
14-Nov	19	Strategic Interaction and Oligopoly (II)
19-Nov	20	Strategic Interaction and Oligopoly (III)
21-Nov	21	Externalities (I)
26-Nov	22	Externalities (II)
28-Nov	23	Public Good

END