

Hong Kong University of Science and Technology
Division of Public Policy

Course Outline
PPOL 5130 L1 – Microeconomics and Public Policy (Fall 2026-27)

Lecture Time:	We and Fr 9:30 am - 10:50 am
Venue:	Rm2, 30/F, Tower 1, Millennity
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	Xiaodong
Office:	
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Office Hours:	TBA

A. Course Description

The course introduces microeconomics, emphasizing economic modeling, analytical skills, and public policy applications. It is designed for master's level students in public policy with undergraduate experience in economics. As a result, I will assume you have a basic understanding of introductory microeconomics, and we will focus on advanced techniques and analysis beyond those covered in the introductory course. To discuss various economic concepts and models more precisely, we will use certain mathematical tools. Additionally, we will use real-world examples and cases whenever possible to enhance your understanding.

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 must turn in your own problem set answers on or before the deadline. Submit problem sets by uploading your answers through Canvas. NO late submissions will be accepted. I strongly suggest forming 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 contact 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 toward 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: **28 October 2026 (Wednesday)**

There will be no make-up for the midterm exam. If you are absent from the midterm exam with my approval, the midterm exam weighting 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. An unapproved absence from the midterm exam 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: **7 to 19 December 2026 (To be announced by the ARO)**

If you plan to travel at the end of the semester, please arrange your travel plans to avoid any scheduling conflicts. Requests to change the final examination date will not be accommodated.

With my approval, a make-up exam 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 medical certificate issued by a registered medical practitioner. Absence from the final exam without approval will result in a ZERO score. In most cases, a make-up exam will be scheduled the day after the official final exam date (if the medical certificate indicates one day of sick leave). Those who request a make-up exam are responsible for ensuring their availability.

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

(4) Bonus points for class participation (3%)

You may also earn up to 3 bonus points for class attendance. You do not need to attend all lectures to get the 3% bonus.

(5) Overall grading for the Course:

Scheme 1:

Problem Sets	10%
Midterm	27%
Final Exam	60%
Participation Bonus	3%

Scheme 2:

Problem Sets	10%
Midterm	0%
Final Exam	87%
Participation Bonus	3%

A student who attends both the 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 students' 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:

No single textbook meets all of our needs. The course will therefore rely on a few textbooks with specific chapters.

“Principle of Microeconomics,” Tenth Edition, by N. GREGORY MANKIW. Published by Cengage Learning.

“Microeconomic Theory,” Twelfth Edition, by WATER NICHOLSON & CHRISTOPHER SNYDER. Published by Cengage Learning.

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

E. Office Hours and Appointments

Given your different schedules, if you have any questions about the course materials, please 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)

2-Sep	0	Logistics
4-Sep	1	Reviews of Basics (II)
9-Sep	2	Reviews of Basics (I)
11-Sep	3	Theory of Individual Choice (I)
16-Sep	4	Theory of Individual Choice (II)
18-Sep	6	Individual Choice under Uncertainty (I)
23-Sep	7	Individual Choice under Uncertainty (II)
25-Sep	8	The Market Forces of Supply and Demand (II)
30-Sep	9	Efficiency of Markets
2-Oct	10	Government Meets Market (I)
7-Oct	11	Government Meets Market (II)
9-Oct	12	The Costs of Production (I)
14-Oct	13	The Costs of Production (II)
16-Oct	14	Firms in Perfect Competitive Market (I)
21-Oct	15	Firms in Perfect Competitive Market (II)
23-Oct	16	Monopoly (I)
28-Oct		Midterm
30-Oct	17	Monopoly (II)
4-Nov	18	Game Theory (I)
6-Nov	19	Game Theory (II)
11-Nov	20	Strategic Interaction and Oligopoly (I)
13-Nov	21	Strategic Interaction and Oligopoly (II)
18-Nov	22	Externalities
20-Nov	23	Public Good
25-Nov	24	TBA
27-Nov	25	TBA

END