

Hong Kong University of Science and Technology
Division of Public Policy

Course Outline
PPOL 5130 L1 – Microeconomics and Public Policy (Fall 2023-24)

Lecture Time:	Tu and Thu 9 - 10:20
Venue:	Lee Shau Kee Business Building (LSK) Room1009
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 is an introduction to microeconomics emphasising 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 in order to broaden your knowledge. In order to enhance your understanding, real-world examples and cases will be used as much as possible.

B. Textbook:

Required: “*Principle of Microeconomics*,” Ninth Edition, by N. GREGORY MANKIW. Published by Cengage Learning. (Denoted below in short: MANKIW)

“*Public Finance and Public Policy*,” Sixth Edition, by JONATHAN GRUBER. Published by Worth Publishers. (Denoted below in short: JON)

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

C. Learning Outcome – Course Intended Learning Outcomes (“CILOs”):

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.

D. Course Format / Teaching Approach:

This is a three-credit course. We will meet twice (each meeting lasts for 80 minutes) every week to discuss the course materials. At the end of each topic, problem sets will be assigned. You are required to take a midterm exam and a final exam.

E. Course Website

Course materials and announcements will be posted on the CANVAS. It is YOUR responsibility to check for the latest information.

F. Assessment:

(1) Problem Sets (10%)

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 or TA.

($n-2$) 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 (35%)

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

Date of midterm exam: 24 October 2023 (Tuesday)

For students absent from the midterm exam with my approval, your weighting of the midterm exam will be transferred to the final exam. Your request for absence from the midterm 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 midterm exam without approval will result in a ZERO score.

(3) Final exam (55%)

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 2023 (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.

G. Academic Honesty and Integrity:

Academic integrity and honesty are key values at HKUST. Please read the information on academic integrity carefully. It is your responsibility to be familiar with the Academic Honor Code and the content on the Academic Integrity website. The address is:

<http://tl.ust.hk/integrity/student-1.html>

Plagiarism and copying will be STRICTLY punished. I will report any cases to the University WITHOUT EXCEPTIONS.

H. Classroom Etiquette

You are expected to arrive for a lecture on time and I will start and end the lecture on time. You should demonstrate respect for others during lecture time. Especially, please try to avoid side conversations when your classmates raise questions or give comments. You are welcome to bring your laptop or other devices to lectures to take notes or perform calculations.

Surfing the internet, checking email, or instant messaging is to be done outside the classroom. Please visit the following site for general guidelines on proper classroom behavior: http://tl.ust.hk/conduct/good_learning_experience.pps

I. Outline and Schedule

Tentative and is subject to change.

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

16-Nov	20	Strategic Interaction and Oligopoly
21-Nov	21	Strategic Interaction and Oligopoly
23-Nov	22	Externalities (Tentative)
28-Nov	23	Public Good (Tentative)
30-Nov	24	TBA

END