

**The Hong Kong University of Science and Technology  
Department of Economics**

**Course Outline  
ECON2103 L3 – Principles of Microeconomics (Spring2025-26)**

<b>Lecture Time:</b>	Mon 13:30 – 14:50; Fri 9:00 – 10:20
<b>Venue:</b>	Rm 1034, Lee Shau Kee Business Building
<b>Course Website:</b>	CANVAS
<b>Instructor:</b>	SIU, Kam Wing (蕭錦榮)
<b>Office:</b>	Room 6054, Lee Shau Kee Business Building
<b>Email / Phone:</b>	<a href="mailto:eckwsiu@ust.hk">eckwsiu@ust.hk</a> / (852) 2358-7617
<b>Office Hours:</b>	By appointment
<b>Teaching Assistant</b>	SHI Yun
<b>Office:</b>	Room 6066, Lee Shau Kee Business Building
<b>Email</b>	<a href="mailto:sashashi@ust.hk">sashashi@ust.hk</a>
<b>Office Hours:</b>	TBA
<b>Credits:</b>	3
<b>Pre-requisite</b>	None
<b>Exclusion:</b>	ECON 2113, ECON 3113, ECON 3133, SOSC 1440, Level 3 or above in HKDSE Economics

**A. Course Description**

As an introductory course, this will cover the fundamental concepts and tools of microeconomic analysis. Economics provides a powerful way of thinking that helps you to understand many human and social phenomena. Real-world examples and cases will be used as much as possible to enhance your understanding.

This course is delivered through lectures and tutorials. Students attend two 80-minute lectures per week. Please attend all lectures and participate in discussions. Tutorials will be arranged as needed. Tutorial times and topics will be announced during lectures and on CANVAS.

**B. Intended Learning Outcome (ILOs):**

By the end of this course, students should be able to:

1. Apply economic tools and principles to identify, analyze, and propose explanations for and solutions to real-world issues (SILO # 1, 3, and 4).
2. Acquire a fundamental understanding of the operation of the market economy and be able to apply it: including market price determination, efficiency, and fairness (Strength and weakness) of the market system, the conditions under which markets perform well, and how the market (price and quantity transacted) will change in response to a changing environment (SILO # 1, 3, and 4)
3. Understand the framework to address the role of government and be able to apply it: when and in which direction the government should intervene in the markets (SILO # 1, 3, and 4)
4. Understand firms' optimal decision-making under different market structures, consumers' optimal decision-making, and be able to apply it (SILO # 1, 3, and 4)

### **C. Assessment and Grading:**

This course will be assessed using criterion-referencing and grades will not be assigned using a curve. Detailed rubrics for each assignment are provided below, outlining the criteria used for evaluation

#### **Assessments:**

##### (1) Problem Sets

You have to turn in your own problem-set answer by the deadline. Problem set submissions will be made by uploading your answer through CANVAS. NO late submission 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 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, I will count the best 9 to your final course grade.

##### (2) Midterm exam

There will be one midterm exam. The midterm exam will cover lecture materials, problem sets, and assigned reading.

- 13 April (Monday) at 7:30 pm (Outside Regular Class Hour)

There will be no make-up exams for the midterms. 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. The absence from the midterm exam without approval will result in a score of ZERO.

##### (3) Final exam

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

- Date of final exam: 16 to 29 May 2026 (To be announced by the ARO)

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

With my approval, I will arrange make-up exams for students absent from the final exam. The absence request must be supported by valid documents, such as a registered medical practitioner's original medical certificate. Absence from the final exam without approval will result in a score of ZERO. A make-up exam will usually be scheduled on the day following the official final exam date (if your medical certificate indicates that you are entitled to one day of sick leave). It is the responsibility of the individual requesting make-up to ensure that he or she is available.

All arrangements for the make-up exam are at the instructor's discretion. The student must comply with all the requirements as communicated by the instructor in advance of the make-up final exam. The failure to meet any requirements may result in a ZERO score.

(4) Overall grading for the Course:

*Scheme 1:*

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

*Scheme 2:*

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

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

**Mapping of Course ILOs to Assessment Tasks:**

<b>Teaching &amp; Learning Activities</b>	<b>Roles</b>	<b>ILOs Addressed</b>
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
Tutorials	Further exploration of economic concepts covered in lectures using newspaper articles and current events	1, 2, 3, 4
Problem Sets	Enhance understanding of course materials and their application through practice	1, 2, 3, 4

**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. Required Texts and Materials

Required: "*Principle of Microeconomics*," Tenth Edition, by N. GREGORY MANKIWI. Published by Cengage Learning.

I will add additional materials outside the textbook. All additional and supplementary materials will be delivered in the 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](mailto: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.

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

2-Feb	0	Logistics
6-Feb	1	Ten Principles of Economics (I)
9-Feb	2	Ten Principles of Economics (II)
13-Feb	3	Thinking Like an Economist
16-Feb	4	Interdependence and the Gains from Trade (I)
20-Feb	5	Interdependence and the Gains from Trade (II)
23-Feb	6	The Market Forces of Supply and Demand (I)
27-Feb	7	The Market Forces of Supply and Demand (II)
2-Mar	8	Elasticity
6-Mar	9	Efficiency of Markets
9-Mar	10	Government meet Market (I)
13-Mar	11	Government meet Market (II)
16-Mar	12	The Costs of Production (I)
20-Mar	13	The Costs of Production (II)
23-Mar	14	Firms in Perfect Competitive Market (I)
27-Mar	15	Firms in Perfect Competitive Market (II)
30-Mar	16	Monopoly (I)
3-Apr		Mid-Term Break
6-Apr		Mid-Term Break
10-Apr	16	Monopoly (II)
13-Apr		Midterm Exam
17-Apr	17	Strategic Interaction and Oligopoly (I)
20-Apr	18	Strategic Interaction and Oligopoly (II)
24-Apr	19	Externalities
27-Apr	20	Public Good
1-May		Holiday
4-May	21	TBA
8-May	22	TBA

END