

HKUST Business School - Department of Economics
ECON2123 - Macroeconomics (Spring 2026)
Course Syllabusⁱ

Lecture Time:	L7: Mo 01:30PM - 02:50PM & Fr 09:00AM - 10:20AM (<i>Rm 1011, LSK Bldg</i>) L8: WeFr 01:30PM - 02:50PM (<i>Rm 1007, LSK Bldg</i>) L9: Mo 03:00PM - 04:20PM & Fr 10:30AM - 11:50AM (<i>Rm 1011, LSK Bldg</i>)
Course Website:	https://canvas.ust.hk/
Instructor:	Wenwen ZHANG
Office:	Room 6084, LSK Bldg
Email:	wwzhang@ust.hk
Office Hours:	By appointment
Teaching Assistant:	Pang Tsoi (L7) pangtsoi@ust.hk LAU Teresa (L8&L9) ectylau@ust.hk
Office:	Room 6066, LSK Bldg
Office Hours:	By appointment

Course Description:

This course provides an introduction to macroeconomic theory and policy analysis. The first part of the course explores how GDP, inflation, unemployment, and other macroeconomic aggregates are measured in practice. “Equilibrium” among these variables in different markets will be studied in the short, the medium, and the long run. Goods and money markets are identified by IS-LM model in the short run. In the medium run, we move to the labor market. In the long run, we develop analytical models of macroeconomic performance and growth. Such a theoretical framework will allow us to study the impacts of fiscal and monetary policies on the economy. Last part focuses on open macroeconomic issues.

I will use real world examples and cases as much as possible in order to enhance your understanding of course materials. Eventually, I would like all of you to come up with your own “definition” or “meaning” of economics and establish its applicability in your daily life.

Main Textbook:

Olivier Blanchard, Macroeconomics, 8th edition (2021), Pearson Education Inc.
Some of the Chapters will be adopted from Olivier Blanchard, Macroeconomics, 6th edition.

Learning Outcome – School Intended Learning Outcomes (“SILOs”):

Upon successful completion of this course, you should be able to:

- 1) Identify important macroeconomic variables and understand their relationships; (Goal 3)
- 2) Gather and organize the relevant macroeconomic information for a given context; (Goal 1)
- 3) Apply tools learnt in class to analyse some historical and current macroeconomic events. (Goal 3)
- 4) Understand the operation of open economy and exchange rate related topics. (Goal 4)

Hopefully, you can also

- 5) Discuss the consequences of a macroeconomic shock or a policy shock; (Goal 3)
- 6) Develop an appreciation for macroeconomics and a desire to continue further study. (Goal 4)

For the details of SILOs, please refer to:

<https://bmundergrad.hkust.edu.hk/academics/academic-programs/learning-outcomes>

Course Format / Teaching Approach:

This course is delivered through lectures and tutorials. Students attend two 80-minute lectures per week. iPRS will be used during lectures to encourage class participation and sharing among students and with me. Please try to attend all lectures and participate actively in discussions. Tutorials will be given on a weekly basis. (https://registry.hkust.edu.hk/calendar_dates/dates25-26confirmed.pdf).

Teaching & Learning Activities	Roles in the Course	SILO 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 through PRS	Encourage class participation, critical thinking and discussion	1,2,3,4
Tutorials	Review and further illustration on important topics, practice problem-solving, encourage discussion and participation	1,2,3,4

Course Outline:

- I. Introduction (Chapter 1&2)
- II. Economy in the short run
 1. The Goods Market (Chapter 3)
 2. Financial Markets I (Chapter 4)
 3. Goods and Financial Markets: The IS-LM model (Chapter 5)
- III. Economy in the medium run
 1. The Labor Market (Chapter 7)
 2. Putting All Markets together (Chapter 7(6thE))
- IV. Open Economy
 1. Openness in Goods and Financial Markets (Chapter 17)
 2. The Goods Market in an Open Economy (Chapter 18)
 3. Output, the Interest Rate, and the Exchange Rate (Chapter 19)
 4. Exchange Rate Regime (Chapter 20*)
- V. Economic Growth
 1. Facts of Growth (Chapter 10*)
 2. Saving, Capital Accumulation, and Output (Chapter 11*)
 3. Technological Progress and Growth (Chapter 12*)

Examinations and Grades:

Quizzes and Problem sets:

- You will be assigned 5 quizzes and 3 problem sets during the semester. Quizzes (MCQs only) are assigned on a biweekly basis and submitted on the canvas. Each quiz remains active on the canvas for one week. By default, only one attempt is allowed. Quizzes are credited by submissions.

- Soft copy of the problem sets must be uploaded on canvas before the deadline announced. Suggested answers with detailed explanation will be posted on the Course Website after the deadline of each problem set. Problem sets are credited by submissions and will be randomly checked if irrelevant files are submitted.
- Please note that NO late submissions will be accepted. In case you are sick and cannot submit Problem sets on time, please email TA before the due time with a valid medical or legal document attached. As a result, the completed homework should be uploaded on canvas no later than the first tutorial following the due date.

Midterm and Final Exams:

- The midterm exam will cover lecture materials, problem sets and assigned reading (if any). There will be **NO** makeup for the midterm exam.
- The final exam is CUMULATIVE. It may contain multiple-choice, true & false questions and essay-type questions, which require explanation in writing, graph and calculation.

Absence from Midterm and Final Exam:

- If for any reason you are unable to attend the midterm or final exam, you must seek approval of absence from me directly BEFORE the exam. Your request should be supported by valid documents, such as medical certificate issued by a registered medical practitioner. **Absence from an exam without prior approval of absence would result in ZERO score.**
- For students who are absent from the final exam with prior approval, a make-up exam will be arranged. Make-up exam will be scheduled as soon as possible and should be within one week after the official final exam date (to be announced). It is the responsibility for those who request for a make-up exam to ensure their availability. The make-up arrangement can be in the form of written-exam, oral exam or research paper, etc. Please NOTE that the instructor has the final discretion on all arrangements of the make-up exam. Students who request for the make-up final exam should comply with all the requirements as communicated by the instructor. Failing to meet any requirement may result in a ZERO score.

Overall Score of Grading for the Course:

Your overall score for the course will be computed according to one of the following two schemes, **whichever yields the higher score.**

Assessment Activities		Scheme 1	Scheme 2
Assignments	3 Problem Sets	15%	15%
	5 Quizzes	5%	5%
Midterm Exam		20%	28%
Final Exam (cumulative)		60%	52%

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 familiarized with the Academic Honor Code and the content on the Academic Integrity website (<https://registry.hkust.edu.hk/resource-library/academic-integrity>). The Code will be STRICTLY enforced. I will report any cases to the University WITHOUT EXCEPTIONS.

I will try my best to make the course requirements as clear as possible. When you have any question or you encounter any difficulties in studying, please do not hesitate to consult me either in or out of class throughout the semester. I am delighted to help you succeed in the course. Please be aware that ultimately it is you EARNING the grade, not me GIVING you the grade. So, when the grade is out, one thing I will NOT do is to change your grade if what you want (need) is different from what you get.

Class Etiquette:

- You are expected to be punctual for both lectures and tutorials; I will start and end the lecture meetings on time.
- Respect the others in class and do not disturb others with side conversation, Internet surfing, emails-checking or instant-messaging during class time.
- No eating in class at any time.
- If you have any questions, please raise your hand, NO CHATTER, please.

Grading Rubrics:

Grade	Short Description	Elaboration
A	Excellent Performance	Students demonstrate a strong grasp of Microeconomic theories, effectively apply economic tools discussed, excel in problem sets, and perform exceptionally on exams. They exhibit exceptional analytical skills, critical thinking, and effective participation in class discussions.
B	Good Performance	Students exhibit a solid understanding of Microeconomic theories, proficient apply economic tools, and competent completion of problem sets. They show commendable analytical skills, effective critical thinking, and participation in class discussions.
C	Satisfactory Performance	Students demonstrate an adequate understanding of Microeconomic basics, satisfactory use of tools, and completion of problem sets. They display acceptable analytical skills and participation in class discussions.
D	Marginal Pass	Students show limited understanding of Microeconomics concepts, inconsistent use of tools, and incomplete performance in problem sets. Their participation in class discussions is minimal.
F	Fail	Students display a lack of understanding of course materials, inadequate use of tools, and unsuccessful completion of problem sets. They show little to no participation in class discussions.

ⁱ The instructor reserves the right to final interpretation of the course syllabus and the right to amend the syllabus, if necessary.