The Hong Kong University of Science and Technology
Department of Economics

Course Outline
ECON1221 L1 – Thinking Like An Economist II: Macroeconomics (Fall2025-26)

Lecture Time:	Tue and Thu 15:00 - 16:20
Venue:	Rm2302 (Lift 17-18)
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	CHEUNG, Chris
Office:	Room 6066, Lee Shau Kee Business Building
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Office Hours:	TBA
Credits:	3
Exclusion	ECON 2123, ECON 3123, SOSC 1440

A. Course Description

This common core course is designed for non-business students interested in macroeconomics. Students learn the "economic way of thinking" in this course. We will introduce the ways economists look at the economy from an “aggregate” perspective. The course starts by introducing key macro variables that measure aggregate economic performance. The relationship among these key variables will then be studied in the goods, money, and labor markets in closed and open economies. The theoretical framework presented in this course will enable non-SBM students to predict and analyze the impacts of government fiscal and monetary policies on the economy.

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 when it is 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. Identify key macroeconomic variables and understand their relationships.
2. Gather and organize relevant macroeconomic information for a given context.
3. Apply tools learned in class to analyze historical and current macroeconomic events.
4. Understand the operation of the open-economy and exchange rate-related topics.
5. Discuss the consequences of a macroeconomic or policy shock.

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 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 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.

- Date of midterm exam: 4 Nov (Tuesday) during the lecture hour (Coverage: TBA)

There will be no make-up exams for the midterms. 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: 8 to 19 December 2025 (To be announced by the ARO)

If you plan to travel at the end of the semester, please carefully arrange 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 an original copy of a medical certificate from a registered medical practitioner. 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 they are available.

All arrangements regarding 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. Failure to meet any requirements may result in a ZERO score.

(4) Overall grading for the Course:

Scheme 1:

Problem Sets	10%
Midterm	40%
Final Exam	50%

Scheme 2:

Problem Sets	10%
Midterm	0%
Final Exam	90%

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:

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, 5
In-class Q&A and discussion	Encourage class participation, critical thinking and discussion	1, 2, 3, 4, 5
Tutorials	Further exploration of economic concepts covered in lectures using newspaper articles and current events	1, 2, 3, 4, 5
Problem Sets	Enhance understanding of course materials and their application through practice	1, 2, 3, 4, 5

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 macroeconomics's fundamental concepts, methodology, and analytical framework. 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 macroeconomics's fundamental concepts, methodology, and analytical framework. 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 macroeconomics's fundamental concepts, methodology, and analytical framework. 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 macroeconomics's fundamental concepts, methodology, and analytical framework. 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 macroeconomics's fundamental concepts, methodology, and analytical framework. 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 Macroeconomics,*" Tenth Edition, by N. GREGORY MANKIW. Published by Cengage Learning.

I will supplement 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 your different schedules, 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 acknowledgment 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	Measuring a Nation's Income (I)
9-Sep	2	Measuring a Nation's Income (II)/the Cost of Living (I)
11-Sep	3	Measuring the Cost of Living (II)
16-Sep	4	Development of Macroeconomics
18-Sep	5	Saving, Investment, and the Financial System (I)
23-Sep	6	Saving, Investment, and the Financial System (II)
25-Sep	7	The Monetary System (I)
30-Sep	8	The Monetary System (II)
2-Oct	9	IS-LM (I)
7-Oct		Holiday
9-Oct	10	IS-LM (II)
14-Oct	11	Money Growth and Inflation (I)
16-Oct	12	Money Growth and Inflation (II)
21-Oct	13	Aggregate Demand and Aggregate Supply (I)
23-Oct	14	Aggregate Demand and Aggregate Supply (II)
28-Oct	15	The Influence of Monetary and Fiscal Policy on AD (I)
30-Oct	16	The Influence of Monetary and Fiscal Policy on AD (II)
4-Nov		Midterm
6-Nov	17	The Short-Run Trade-Off between Inflation and Unemployment (I)
11-Nov	18	The Short-Run Trade-Off between Inflation and Unemployment (II)
13-Nov	19	A Macroeconomic Theory of the Open Economy (I)
18-Nov	20	A Macroeconomic Theory of the Open Economy (II)
20-Nov	21	TBA
25-Nov	22	TBA
27-Nov	23	TBA

END