

HKUST Business School - Department of Economics

ECON 2123 L9 - Macroeconomics (Fall 2025)

Course Syllabus

A. GENERAL INFORMATION:

Lecture Time and venue:	L9: Mon 1:30PM-2:50PM Fri 9:00AM-10:20AM Room 1527, Main Building (Lift 22)
Teaching mode:	Face-to-face teaching mode. (The teaching mode may need to revise later when necessary to comply with the change in the university policy.)
Course Website:	canvas
Instructor:	Yao Amber LI
Email	yaoli@ust.hk
Office Hours:	Flexible office hours by appointment & Extra consolidated office hours before exams, LSK6057
Teaching Assistant:	Astor Pik Lin FOK
Email	ecastor@ust.hk
Office Hours:	Flexible office hours by appointment & Extra consolidated office hours before exams
Tutorials:	T9: Fri 5:00PM-5:50PM Rm 1007, LSK Building Tutorial sessions start from Week 3.

B. WHAT IS THIS COURSE ABOUT?

Course Description

This course is an introduction to macroeconomic theory and policy analysis. We will start by introducing key macro variables that measure aggregate economic performance. We will study three types of equations to model macro economy, including behavioral equations. The relationship among the macro economic variables, represented as “equilibrium” in different markets, will be studied in the short run, the medium run, and the long run. In the **short run**, we will apply the analysis first to the goods and money markets, which form the foundation for the **IS-LM** model. Next we will discuss the labor market and put all the markets together to derive the **AS-AD** model in the **medium run**. Then we will move to **open macroeconomic** issues in the **short run** model. Depending on time, we will examine the process of economic growth in the **long run** if time allows. Such a theoretical framework will allow us to study the impacts of fiscal and monetary policies on the economy. The basic teaching materials closely follow the main textbook and lecture notes.

Further discussions on a variety of current macroeconomic issues might be undertaken. Topics may include the financial crisis, the quantitative easing, the revaluation of the Renminbi, and the topics applicable to Hong Kong and the Asia-Pacific regions etc., subject to our class content adjustments when we go along. Students are encouraged to read one of the following magazines regularly:

- Economist: <http://www.economist.com/>
- Financial Times: <http://www.ft.com/home>
- Wall Street Journal: <http://asia.wsj.com/home-page>

Required Textbook

Title: Blanchard, Macroeconomics, Global Edition, 8th Edition, Pearson Education

(If you use older editions, it is also fine) Supplementary readings will be posted on the Course Website.

FORMAT	ISBN	TITLE DESCRIPTION
Print	9781292351476	Macroeconomics, Global Edition, 8E
Digital	9781292351605	MyLab Economics with Pearson eText for Macroeconomics, Global Edition, 8E

For the Spring Semester, students can purchase the textbook through the campus [Textbook Service Point](#) or [online](#).

Students are encouraged to go to the bookshop for purchasing the textbook directly. If students ordered online, kindly be reminded to check your email regularly as the order confirmation will be sent via email. Also, if students ordered the Digital only (MyLab Economics with Pearson etext) online, the bookshop will send the access code via email.

Campus Textbook Service Point and Online Ordering

Please check: <https://canvas.ust.hk/courses/64889/files/folder/Overall?preview=10874661>

Other than the required textbook, you can consider to purchase **MyLab** from the publisher of the textbook since in MyLab, there are many prebuilt assignment exercises for student's self-study. Detailed information of MyLab can be accessed at: <https://canvas.ust.hk/courses/64889/files/folder/Overall?preview=10874662>

Learning Outcomes – 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; (SILO # 4.1)
 - 2) Gather and organize the relevant macroeconomic information for a given context; (SILO # 7.2)
 - 3) Apply tools learnt in class to analyze some historical and current macroeconomic events. (SILO # 4.2)
 - 4) Understand the operation of open economy and exchange rate related topics. (SILO #6.1)
- Hopefully, you can also
- 5) Discuss the consequences of a macroeconomic shock or a policy shock; (SILO # 4.3)
 - 6) Develop an appreciation for macroeconomics and a desire to continue further study. (SILO # 9)

For the details of SILOs, please refer to:

<http://www.bm.ust.hk/sbmllearn/eng/thirdcat.php?sid=5&thirdid=3>

Course Outline and Tentative Schedule (Detailed schedule will be updated when we go along)

- I. Introduction and Measurement (Chapter 1 and 2): Weeks 1-2
- II. The Short Run
 - a. The Goods Market and The IS Relation (Chapter 3): Week 3
 - b. Financial Markets and The LM Relation (Chapter 4): Week 4-5
 - c. Goods and Financial Markets: The IS-LM Model (Chapter 5): Week 5-6
- III. The Medium Run
 - a. The Labor Market (Chapter 7): Week 7

- b. Putting All Markets Together: The AS-AD Model (Chapter 7 from the 6th edition, will be provided specifically): Weeks 8-9 * (optional, depending on our pace)

IV. The Open Economy

- a. Openness in Goods and Financial Markets (Chapter 17): Week 10
- b. The Goods Market in an Open Economy (Chapter 18): Week 11
- c. Output, the Interest Rate, and the Exchange Rate (Chapter 19): Week 12

V. The Long Run * (if time permits)

- a. The Facts of Growth (Chapter 10): Week 13
- b. Saving, Capital Accumulation, and Output (Chapter 11): TBA
- c. Technological Progress and Growth (Chapter 12): TBA

Course Format / Teaching Approach

This course is primarily delivered through lectures, tutorials, and class discussions.

iPRS questions will be used during lectures to encourage class participation and sharing among students and instructor. Please try to attend all lectures and participate actively in class discussions.

Tutorial sessions will start from Week 3. When necessary, tutorial sessions may be used as makeup lectures. Tutorial topics will be announced in advance by TA on Course Website each week. Please note that lectures and tutorials are not “substitutes” but “complements” to each other. Do attend both lectures and tutorials for your own benefit.

Teaching and Learning Activities	Roles in the Course	SILOs addressed
Lectures	Explain key concepts, models, and their applications; Cases and examples to build student's critical and analytical ability	1, 2, 3, 4, 5, 6
In-class Q&A through Polling questions	Encourage class participation, critical thinking and discussion	1, 2, 3, 4, 5, 6
Tutorials	Review basic math and concepts, practice problem-solving, presenting answers to homework and exams	1, 2, 3, 4
Homework assignments & practice quiz	Enhance understanding of course materials and their application through problem-solving practice	1, 2, 3, 4, 5

Course Website

Course materials and announcements will be posted on the Course Website at <https://canvas.ust.hk/>. It is YOUR responsibility to check for the latest information.

C. HOW DO WE ASSESS YOUR PERFORMANCE:

Overall Grading for the Course:

Your overall score for the course will be computed based on the weighting scheme below:

Homework	20%
One Midterm Exam and One Final Exam (CUMULATIVE) with two schemes	80%

Homework (20%): you will be given **three or four** problem sets during the semester.

- You **MUST** submit your problem sets online via the CANVAS. NO hard copies, faxes, or emails will be accepted. Any late submission will result in ZERO mark, regardless of the reason. So please plan ahead and avoid last-minute submission.
- You can discuss with your classmates as you wish. But you must each turn in your own solution. Problem sets will be graded according to your **effort shown and legibility**.
- Suggested answers will be posted on the CANVAS site after the deadline. If you have any questions about the problem sets, please seek help from the TA or professor.
- There is another component of Homework: After each chapter (except for Chapter 1) we will release some questions as a “practice quiz” for that chapter, which will be part of your homework too. Unlimited attempts to submit your answer. **Graded based on efforts**.
 - Two submission deadlines for practice quizzes will be given: one is before midterm exam for Chapter 2-5 (the coverage of the midterm exam) and another is before final exam for all other chapters.
 - You **MUST** submit your practice quizzes online via Canvas before the assigned deadlines.

Exams (80%, with two schemes): There will be ONE midterm exam (**October 24, Fri**) and one final exam (TBA). Grading scheme: max (25% Midterm + 55% Final, 20% Midterm + 60% Final)

- There will be ONE **in-class** midterm exam (**Oct 24, Fri, venue: Room 2303 + Room 2405, 2/F, Lift #17/18**). The midterm exam will cover lecture materials, problem sets and assigned readings (if any).
- The final exam is **CUMULATIVE** but focuses on the materials covered after midterm exam (Chapter 7 and subsequent chapters). 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 Exams:

- Note that outside activities or more than one exam in a day are not acceptable excuses for missing an exam. (Please plan accordingly!)
- 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 midterm exam with prior approval, the midterm weight will be reallocated to the final exam which will make the final exam account for 80% of the final grade. In other words, there will be **no make-up midterm exam**.
- 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 all the requirements as communicated by the instructor. Failing to meet any requirement may result in a ZERO score.

Re-grading Policy:

- Please check your grade of homework assignments and midterm as soon as grades are released.
- If you believe that there is an error in the grading (with the exception of arithmetic errors):
 - You can file a formal, typed re-grading request to your TA. The request should list the question you want to be re-graded and an explanation of why.
 - The request should be emailed to your TA **within 7 days** from the date of releasing your score. Late complaints will not be accommodated.
 - The TA reserves the right to regrade the entire homework assignment or exam. Scores may increase or decrease as a result of reassessment.

Remarks to Grading:

- When you have any questions or when you encounter any difficulties in studying, please do not hesitate to consult me either in or out of class throughout the semester.
- The TA and I will do our best to help you succeed in the course.
- Please remember that, ultimately, it is YOU who EARN the grade. You are responsible for building up your own academic records! If you know what grade you need to earn (or want to earn) for graduation, scholarship, exchange opportunities, honors, etc., you need to make the CORRESPONDING effort to achieve your objective.

D. WHEN YOU HAVE QUESTIONS OR SUGGESTIONS...**Email Policy**

- Please add [Econ 2123] in the subject line of your email.

Office Hours

- Weekly regular office hour by professor and TA
- If you are not available for regular office hours, we can arrange a separate meeting. Alternatively, we can just talk before or after lectures.
- Both Professor and TA will hold some extra office hours before exams.

Questions asked right before exams and due dates of problem sets may not be answered.

E. STUDENT CONCELLING

If you experience personal and family problems, as well as emotional difficulties, please seek help from the Counseling and Wellness Center. It is available to consult with you regarding various emotional health issues that may affect you or your friends. The Counseling and Wellness Center is in Room 5003, Academic Building (via Lift 3). You can also make an online appointment with student counselors. Outside office hours, you can call 8208 2688, which is a 24-hour helpline for all HKUST students.

F. Academic Honesty and Student Conduct:

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 Regulations for Student Conduct

and Academic Integrity. Please check the following link for more details:

<https://acadreg.ust.hk/generalreg.html>

G. Final Notes:*

Student feedback is essential for course improvement. I encourage continuous teaching evaluation. At any time during the semester, you may verbally or anonymously give me your feedback of my teaching. This evaluation could include the following headings: 1) Things that I like; 2) Things that I dislike; and 3) Suggestions for improvements.

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