

Course Title	:	Introduction to Economics
Course Code	:	ECO2101
Recommended Study Year	:	1 and 2
No. of Credits/Term	:	3
Mode of Tuition	:	Lecture-Tutorial
Class Contact Hours	:	7 hours per week
Category in Major Prog.	:	BSocSc Foundation Course (Required Course)
Discipline	:	Economics
Prerequisite(s)	:	N/A
Co-requisite(s)	:	N/A
Exclusion(s)	:	Students are not allowed to take both this course and BUS2105 Microeconomics for Business
Exemption Requirement(s)	:	N/A

Mr. Leung Hin Shing

Lecture: Tuesday & Thursday, 09:30 – 13:00, WYL103

Office: WYL 205; Email: hinshingleung@ln.edu.hk

Office hours: by appointment

Brief Course Description

This course emphasizes the economic way of thinking. It introduces students to the basic principles of microeconomics and macroeconomics and shows them how economists study consumer behaviour, firm behaviour, and the performance of the whole economy. It also demonstrates how these principles can be used to analyse public policies and understand society.

Aims

This course aims to enable students to:

1. understand the basic principles, concepts, theories and techniques in economics;
2. apply economic principles to current economic issues and problems; and
3. equip them with a basic knowledge of economic analysis.

Learning Outcomes (LOs)

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

1. demonstrate an understanding of basic economic concepts and principles;
2. explain and analyse economic problems in terms of theories and diagrams;
3. communicate ideas pertaining to the basic economic concepts, principles, and events effectively both verbally and in writing
4. identify the possible impacts on the economy due to government policies; and
5. demonstrate the relevance of economic¹analysis to broad economic, political, and social issues.

Text Book:

Gregory Mankiw, *Principles of Economics*, 7/9th edition (2020), Publisher :
Cengage Learning, e-copy available with special rate.

(Online textbook) Economy, Society, and Public Policy, available freely online at
<https://www.coreecon.org/project/core-espp/>

Required/essential reading

Lecture slides

Gregory Mankiw, *Essentials of Economics*, 9th ed. (2021), Publisher : Cengage
Learning, e-copy available with special rate.

(Online textbook) Economy, Society, and Public Policy, available freely online at
<https://www.coreecon.org/project/core-espp/>

Indicative Contents¹

- I. Fundamental issues of economics
 - a. Introduction: Principles of Economics
 - b. Scarcity, choice, and opportunity cost
- II. Demand and supply
 - a. Demand schedule and demand curve
 - b. Price and non-price determinants of demand
 - c. Supply schedule and supply curve
 - d. Price and non-price determinants of supply
- III. Price determination and elasticity
 - a. Market equilibrium
 - b. Measurement and interpretation of elasticity
 - c. Total revenue and elasticity
- IV. Normative economics
 - a. Consumer surplus
 - b. Market efficiency
 - c. The Costs of Taxation
- V. Production, costs, and economic profits
 - a. Fixed vs. variable costs
 - b. Law of diminishing returns vs. returns to scale
 - c. Short-run vs. long-run cost curves
- VI. Market structure
 - a. Perfect competition

¹ The contents are tentative and subject to change.

- b. Monopoly
- VII. The role of government
 - a. Public goods
 - b. Externalities
- VIII. Concepts and problems in macroeconomics
 - a. Circular flow diagram
 - b. National income accounting, unemployment, inflation
 - c. Money and interest rate
- IX. Aggregate expenditure and equilibrium output
 - a. Equilibrium aggregate output in short run and long run
 - b. Monetary and fiscal policy in short run
- X. **Final exam (13 July)**

Teaching Method

Lectures combined with tutorials involving in-class exercises. Tutorials are designed to assess students' understanding of lectures and assigned readings. During the class time, student will be asked to try some in-class exercises, answers will be discussed. Also, online exercise will be uploaded to Moodle for their own practice, the performance of these exercises will not be counted for calculating their final grade.

Measurement of Learning Outcomes

1. A mid-term test is used to measure students' understanding of the basic economic concepts and principles through multiple choice questions and analytical problems. Students' ability to apply economic reasoning will be assessed. (LOs 1-3,5)
2. Students will be assessed their ability to apply skills and techniques learned in lecture on practice questions/assignments in classes. Class assignment, participation and discussion required students to apply economic reasoning. (LOs 1- 3) Case discussions on up-to-date headline news with data and diagrams will assess students' understanding and synthesis of knowledge and its application to analyze the current economy situation (LOs 3-5)
3. A final exam will assess students' overall understanding of the contents covered and applications of economic concepts introduced in the course. Examination questions are composed of multiple choice and analytical problems. Multiple choice problems are covering a wide range of topics in order to test students' broad knowledge.
Analytical problems are used to test students' deep knowledge on some selected topics and their abilities to put economic problems onto graphs and diagrams and to explain the problems. (LOs 1-5)

Assessment

Continuous assessment	:	Mid-term test	40%
		Assignments	20%
Final examination	:	40%	

Good Practices

1. Real-life examples will be discussed in the classes to help the students understand the real society with the basic economic principles.
2. Mid-term test and assignments are marked and returned to students and instructor will explain in detail the answers of the assignment and mid-term test questions with basic concepts to strengthen their abilities in economic analysis.
3. An on-line CTE course teaching and learning evaluation is conducted about 6 classes after the term begins. Students can give early feedback regarding the course.
4. All necessary course materials and readings are uploaded at the course web site at the beginning of the term. Students are trained to read the lecture notes beforehand

Supplementary Readings:

Case and Fair, *Principles of Economics*, 7th Edition, New Jersey: Prentice Hall, 2004.

Lipsey, R. and A. Chrystal, *Principles of Economics*, 9th ed., Oxford: Oxford University Press, 1999.

Parkin, M., *Economics*, 7th Edition, New York: Addison-Wesley, 2005.

Samuelson, Paul A. and William D. Nordhaus, *Economics*, 18th Edition, Boston: McGraw-Hill/Irwin, c2005.

Warning against plagiarism

Sources of quotations should be spelled out clearly. Taking others' writings as your own is plagiarism and will be taken seriously and punished accordingly.

Assessment Rubrics for Assignment

Criteria	Excellent	Good	Fair	Pass	Failure
Accuracy (10%)	41-50	31-40	21-30	11-20	0-10
	Appropriate concepts are all understood and applied correctly	Most concepts are understood and applied correctly	Some concepts are applied at too general a level or misapplied but the central ones are applied correctly and specifically	Most concepts are understood and applied at too general a level or misapplied	Concepts are misunderstood and misapplied
Comprehension of all the relevant concepts. (5%)	36-40	31-35	21-30	11-20	0-10
	Demonstrates a deep insightful level of understanding	Demonstrates a good level of understanding	Demonstrates a fair level of understanding	Demonstrates a fair level of surface understanding	Demonstrates an inadequate level of understanding
Extent to which ideas are expressed logically, accurately and clearly. (5%)	9-10	7-8	4-6	1-3	0
	Expression of ideas is consistently accurate, logical and clear	Expression of ideas is generally accurate, logical and clear with some minor lapses	Expression of ideas is comprehensible but there are some major lapses	Largely incomprehensible with some major inconsistencies and errors	Ideas are incomprehensible

Rubrics for Midterm Examinations

	Excellent (10%^a)	Good (30%)	Fair (30%)	Pass (20%)	Failure (10%)
Demonstrate familiarity with the concepts and theory of economics (20%)	Able to demonstrate thorough understanding of the concepts and theories of economics	Able to demonstrate good understanding of the concepts and theories of economics	Able to demonstrate basic understanding of the concepts and theories of economics	Able to demonstrate partial understanding of the concepts and theories of economics	Unable to demonstrate basic understanding of the concepts and theories of economics
Apply economic theories to practical economic problems (15%)	Demonstrate proficient ability to apply economic theories to real-world problems	Demonstrate good ability to apply economic theories to real-world problems	Demonstrate basic ability to apply economic theories to real-world problems	Demonstrate basic ability to partially apply economic theories to real-world problems	Unable to demonstrate basic ability to apply economic theories to real-world problems
Quality of English (5%)	English is consistently excellent	English is proficient with no major errors	English is proficient with some errors	English conveys the essential meaning but contains a number of errors	English is below acceptable university standard

Rubrics for Final Examinations

	Excellent (10%^a)	Good (30%)	Fair (30%)	Pass (20%)	Failure (10%)
Demonstrate familiarity with the concepts and theory of economics (20%)	Able to demonstrate thorough understanding of the concepts and theories of economics	Able to demonstrate good understanding of the concepts and theories of economics	Able to demonstrate basic understanding of the concepts and theories of economics	Able to demonstrate partial understanding of the concepts and theories of economics	Unable to demonstrate basic understanding of the concepts and theories of economics
Apply economic theories to practical economic problems (15%)	Demonstrate proficient ability to apply economic theories to real-world problems	Demonstrate good ability to apply economic theories to real-world problems	Demonstrate basic ability to apply economic theories to real-world problems 6	Demonstrate basic ability to partially apply economic theories to real-world problems	Unable to demonstrate basic ability to apply economic theories to real-world problems
Quality of	English is	English is	English is	English	English is

Lingnan University
Department of Economics

Summer Term, AY2022-23

English (5%)	consistently excellent	proficient with no major errors	proficient with some errors	conveys the essential meaning but contains a number of errors	below acceptable university standard
-------------------------	---------------------------	---------------------------------------	--------------------------------	---	---

Important Notes:

- (1) Students are expected to spend a total of 6 hours (i.e. 3 hours of class contact and 3 hours of personal study) per week to achieve the course learning outcomes.
- (2) Students shall be aware of the University regulations about dishonest practice in course work, tests and examinations, and the possible consequences as stipulated in the Regulations Governing University Examinations. In particular, plagiarism, being a kind of dishonest practice, is “the presentation of another person’s work without proper acknowledgement of the source, including exact phrases, or summarised ideas, or even footnotes/citations, whether protected by copyright or not, as the student’s own work”. Students are required to strictly follow university regulations governing academic integrity and honesty. (a mini-course “Online Tutorial on Plagiarism Awareness” is available on <https://pla.ln.edu.hk/>.)