

The Hong Kong University of Science and Technology

Department of Economics

ECON 4474 The Hong Kong Economy

(Spring 2019)

Basic Information: This one-semester course is divided into two parts: (A) lectures on some salient aspects of the Hong Kong economy, and (B) group research projects to be undertaken by students. Each part contributes to 50% of the final grade. The specific intended learning outcomes and their implementation are presented at the end of this course outline.

Lectures: 10:30 am – 11:50 am, Tuesdays and Thursdays (Venue: LSK 1007)

Tutorials: To be announced

Instructor: Prof. Yiu-Kwan Fan

Office Hours: By appointment, preferably on Tuesdays and Thursdays

Office: Room LSK 6056 **Email:** ykfan@ust.hk

Teaching Assistant: Peter Tsui (Email: ecpeter@ust.hk; Tel.: 3469-2668; Office: Room LSK 6066)

Class Website: <https://canvas.ust.hk/>

PART A: LECTURES (50% of the course grade)

Requirements: Students are expected to attend all the lectures and tutorials, and actively participate in class discussions. Tutorials may be used for supplementary lectures, guest lectures and project presentation. **There will be a final exam on 16 April 2019**, which will contribute to **45%** of the course grade. The **remaining 5%** will be determined by the extent of your class participation.

Syllabus:

- 1) A Very Brief History of the Hong Kong Economy
- 2) Human Resources and Education

- 3) **Land Supply and Housing Markets**
- 4) **Income Distribution and the Political Economy**
- 5) **The Monetary System and the Asian Financial Crisis**
- 6) **International Trade and Economic Relationship with the Mainland**
- 7) **Government Spending and Revenue**
- 8) **Retirement Protection**

Readings:

There is no required textbook for this course. You will have to rely heavily on the lecture notes, suggested readings and your own research.

PART B: THE TERM PAPER (50% of the course grade)

Early in the semester, you should organize yourselves into study groups, the optimal size of which should be 5 people. You should submit the names of your group members no later than **21 February 2019**. Each group will have to choose a topic related to the Hong Kong economy and write a term paper based on **original research**. The topic chosen must be approved by Prof. Fan **on or before 5 March 2019**. **Every group must come to see Prof. Fan to discuss the possible topics.**

Each group will be scheduled to present a Progress Report on its research in a tutorial session during the period from 11 March to 12 April 2019. A research plan and a list of reading/resource materials must be submitted to Prof. Fan **before the presentation. Prof. Fan will lead the discussion on the feasibility and risk of the research project. **All students are expected to attend the tutorial sessions and participate in the discussion.****

A draft term paper (soft copy only) is due at 5:00 pm, Wednesday 17 April 2019. The submitted papers will be posted on the class website. Every student in the class should read **all** of them.

During the last few lecture classes and tutorial sessions, each group will be scheduled to present the major findings of its **Group Project**. The group will be allocated 20 minutes for the presentation and 15 minutes for answering questions. **All students are expected to attend every presentation**, and should have read the draft term paper. All groups are expected to actively participate in the discussion and **critically** comment on the papers of others.

The Term Paper (one hard copy and one soft copy) is due at 11:59 pm, Thursday 16 May 2019. The maximum length of the text is 3,000 words (excluding appendices, references and footnotes). The paper

may include tables, diagrams, research findings and any other relevant materials as appendices. References must be listed at the end of the paper, and footnotes must be inserted at appropriate places.

Grading policy:

<u>Assessment Activities</u>	<u>Due Date</u>	<u>Weighting</u>
Title & framework of research project	5 Mar 2019	0%
Progress Report, research plan & list of reading/ source materials	11 Mar – 12 Apr 2019	20%
Draft term paper	18 Apr 2019	25%
Project presentation, Q&A	25 Apr – 9 May 2019	25%
The Term Paper	16 May 2019	30%

All members in the group will receive the same grade for the group Term Paper. Prof. Fan will not deal with the free-rider problem if it arises.

Satisfactory completion of the group research project in this course fulfils the Econ 4670 requirement for Economics major at HKUST.

INTENDED LEARNING OUTCOMES AND IMPLEMENTATION

Intended Learning Outcomes

Implementation

Academic:

Know some important facts of the Hong Kong economy

Lots of data and facts are presented and analyzed in the lectures, readings and student research projects

Understand deep structures of the Hong Kong economy

Some important institutions, historical episodes, economic policies and social changes are analyzed in class

Ability to analyze specific problems in Hong Kong using standard economic tools

The course is devoted almost exclusively to analyze problems by using economic tools

Ability to conduct empirical research through the application of econometric tools to large Hong Kong databases

Every student is required to undertake an original research project that involves the use of econometric tools and large data-bases

Communication skills:

Ability to engage in debates and discussions in front of a large audience

Class participation is recorded and graded

Ability to present one's research findings to a large audience

Every student must orally present his/her research findings using Powerpoints or other means

Ability to write a term paper effectively

The research-based term paper is mandatory

Ability to exchange sophisticated ideas with peers

Students form study groups to conduct their research

Global and regional perspectives

Understand important relationships between Hong Kong, China and other parts of the world

There are extensive class discussions and readings on such relationships