

Course Title	: The Hong Kong Economy
Course Code	: ECO209
Recommended Study Year	: Second/Third Year (Elective)
No of Credits/Term	: 3
Mode of Tuition	: Lecture-Tutorial
Class Contact Hours	: 2 hours/Week for Lectures and 1 hour/Week for Tutorials
Category in Major Prog.	: Stream Elective
Discipline	: Economics

Brief Course Description:

This course introduces to the students of both the state and the running of the Hong Kong economy. It also attempts to show what are the major problems facing Hong Kong's economy and how Hong Kong should deal with these problems.

Aims:

This course aims at equipping students with the knowledge of both the historical development of the Hong Kong economy and the current problems that it faces. It also intends to teach students how to apply basic economic theories to the real world analysis of the Hong Kong economy.

Learning Outcomes:

Upon completion of the course, students are expected

1. to have a comprehensive understanding of the working of the Hong Kong economy;
2. be able to understand the contemporary economic issues and policies of Hong Kong;
3. be able to analyze the contemporary economic issues and policies using basic economic principles.

Indicative Contents:

Lecture 1. Introduction: an overview of the Hong Kong economy

Lecture 2. The exchange rate system and monetary policy: theory and institutions

Lecture 3. The exchange rate system and monetary policy: some lessons from the recent Asian and World Financial Crisis

Lecture 4. The government expenditure and public finance

Lecture 5. Economic restructuring and public policies

Lecture 6. Hong Kong as an international financial centre

Mid-term test

Lecture 7. Hong Kong's trade and foreign investment

Lecture 8. Economic integration with the Mainland: issues and problems

Lecture 9. Hong Kong's labour market

Lecture 10. Income inequality

Lecture 11. Hong Kong's social welfare system

Lecture 12. The Competitiveness of the Hong Kong economy

Teaching Method:

There will be a two-hour lecture plus a one-hour tutorial per week. The two-hour lectures are mainly used to discuss basic concepts and theories underlying major economic issues and policies in Hong Kong. Tutorials take the form of student presentations and discussions.

Measurement of Learning Outcomes:

The learning outcomes will be measured through both continuous assessment (40%) and final examination (60%). The continuous assessment takes forms of mid-term examination, tutorial presentation and discussion. The mid-term test aims to measure how well students understand the basic operations of the Hong Kong economy. The tutorial presentation and discussion are used to train and measure students' analytical and articulation skills. The final examination serves to reveal students' overall knowledge about both the theories and practices of the Hong Kong economy. .

Assessment:

Continuous Assessment (40%):

 Tutorial participation: 5%

 Tutorial presentation and discussion: 15%

 One mid-term test: 20%

Final examination: 60%

Important Reminder:

According to Lingnan University policy, plagiarism is "presentation of another person's work without proper acknowledgement of the source". Plagiarism will be heavily penalized and may attract a *zero mark* and *disciplinary* action. To avoid plagiarism, you must note the sources of quotations, data and general information in all your course work. These sources/references should appear in alphabetical order in your list of references/bibliography.

Recommended/Supplementary Readings:

David Mole (eds). 1996. *Managing the new Hong Kong economy*, Hong Kong: Oxford University Press.

Enright, M.J., Scott, E.E., and D.Dodwell. 1997. *The Hong Kong Advantage*, Hong Kong: Oxford University Press.

Ho, H.C.Y. and L.C.Chau. (eds). 1996. *The Hong Kong Economy in Transition*, Asian Research Service.

Li, Kui Wai. 2006. *The Hong Kong economy recovery and restructuring*, Singapore: McGraw-Hill Education.

Suen, Wing and Chan, William. 1997. *Labour Market in a Dynamic Economy*, Hong Kong economic policy studies series, City University of Hong Kong.

Hong Kong Yearbook, Hong Kong SAR Government Publication.
(<http://www.info.gov.hk/yearbook/>)

There is no single textbook available that can cover the whole course. All the books listed above may be useful for one or two topics. There will be additional reading materials assigned during the lectures. Students are also encouraged to read following journals and newspapers for the relevant issues:

The Hong Kong Economic Journal
Asian Wall Street Journal
South China Morning Post
The Economist

Lecturer:

Professor WEI Xiangdong (Office: SO313; Tel. 26167205; Email: xdwei@ln.edu.hk)

Tutorial Schedule and Topics:

No tutorials for the first weeks

Tutorial 1:
Introduction and presentation group formation

Tutorial 2:
Discuss various macroeconomic indicators for Hong Kong

Tutorial 3:
Is linked exchange rate system suitable for Hong Kong?

Tutorial 4:

What major problems facing Hong Kong's public finance system, and what should the government do to reform it?

Tutorial 5:

What are the arguments for and against the use of industrial policies, and what do you think that the Hong Kong government should do in the process of economic restructuring?

Mid-term test: no tutorials

Tutorial 6:

What major challenges does Hong Kong face as an international financial centre, and how should Hong Kong prepare itself for these challenges?

Tutorial 7:

What are the main changing patterns in Hong Kong's international trade? What should Hong Kong do to maintain its role as an international trade centre?

Tutorial 8:

What are the main problems and challenges facing the economic integration between Hong Kong and the Chinese mainland?

Tutorial 9:

How serious is the problem of income inequality in Hong Kong now and what can we do about it?

Tutorial 10:

What are the main problems associated with the social welfare system in Hong Kong? What reforms can the government carry out to tackle these issues?

Revision