I. Information on Instructor and Tutor

Instructor: Zhiwu Chen
Email: zchen99@hku.hk
Office: 1112 KK Leung
Phone: 2219-4967
Lecture: semester 1, Tuesday: 13:30 – 16:20 in LE7

Tutor: TBA
Pre-requisite: ECON1210 Introductory Microeconomics
Textbook: no specific textbook but some papers and book chapters as assigned readings

II. Course Description

This course focuses on the social impact of financial market development from a historical perspective. In particular, we will examine how human societies have innovated to deal with the challenges of risk events such as natural disasters, climate shocks, epidemic viruses, and wars. Our goal is to develop a risk-mitigation perspective on the evolution of human civilizations so that we can better understand how human civilizations have evolved the way they did and that as investors and professionals, we can better foresee future growth areas in frontier, emerging, and developed markets. The course coverage addresses what finance does for society and how it works to liberate the individual and facilitate freedom.

III. Faculty Overall Learning Goals

<table>
<thead>
<tr>
<th>Goal</th>
<th>Faculty Goals</th>
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<tbody>
<tr>
<td>Goal 1</td>
<td>Acquisition and internalization of knowledge of the programme discipline</td>
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<tr>
<td>Goal 2</td>
<td>Application and integration of knowledge</td>
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<tr>
<td>Goal 3</td>
<td>Inculcating professionalism and leadership</td>
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<tr>
<td>Goal 4</td>
<td>Developing global outlook</td>
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<tr>
<td>Goal 5</td>
<td>Mastering communication skills</td>
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IV. Course Learning Outcomes (CLOs)

<table>
<thead>
<tr>
<th>Course Learning Outcomes</th>
<th>Aligned Faculty Goals</th>
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</thead>
<tbody>
<tr>
<td>CLO 1. Knowledge of economic and social history as well as history of civilizations</td>
<td>Goals 1 and 2</td>
</tr>
<tr>
<td>CLO 2. Application of finance and economics analytical framework to understand history, business, culture and society</td>
<td>Goals 1, 2, and 4</td>
</tr>
<tr>
<td>CLO 3. Development of leadership skills for business and society</td>
<td>Goals 1, 2, 3, 4 and 5</td>
</tr>
<tr>
<td>CLO 4. Development of global outlook and analytical thinking</td>
<td>Goals 1, 2, and 4</td>
</tr>
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V. Course Teaching and Learning Activities (T&Ls)

<table>
<thead>
<tr>
<th>Course Teaching and Learning Activities</th>
<th>Expected contact hour</th>
<th>Study Load (% of study)</th>
</tr>
</thead>
<tbody>
<tr>
<td>T&amp;L1. Lecture with interactive presentation</td>
<td>36 hours</td>
<td>28%</td>
</tr>
<tr>
<td>T&amp;L2. Tutorial and e-forum discussions</td>
<td>12 hours</td>
<td>9%</td>
</tr>
<tr>
<td>T&amp;L3. Individual and Group assignments</td>
<td>42 hours</td>
<td>32%</td>
</tr>
<tr>
<td>T&amp;L4. Self study</td>
<td>40 hours</td>
<td>31%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>130 hours</strong></td>
<td><strong>100%</strong></td>
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VI. Assessment Methods and Alignment with Course Learning Outcomes

<table>
<thead>
<tr>
<th>Assessment Methods</th>
<th>Brief Description (Optional)</th>
<th>Weight</th>
<th>Aligned Course Learning Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1. Individual assignments</td>
<td>Five essay/problem sets done separately by each student (each worth 6%)</td>
<td>30%</td>
<td>CLO1, 2, 3 and 4</td>
</tr>
<tr>
<td>A2. Attendance and class &amp; online participation</td>
<td>Participation in classroom and e-forum to discuss lecture materials and related topics</td>
<td>20%</td>
<td>CLO1, 2, 3, 4 and 5</td>
</tr>
<tr>
<td>A3. Group term paper &amp; presentation</td>
<td>A term paper of 8 pages or more, analyzing a case of novel risk-mitigating innovation (financial instrument or social institution coupled with cultural norms). In a group of 2 or 3 students. Three groups will be randomly selected to present in class</td>
<td>20%</td>
<td>CLO1, 2, 3, 4 and 5</td>
</tr>
<tr>
<td>A4. Final examination</td>
<td>Open-book examination enabling student to demonstrate most of the stated CLOs</td>
<td>30%</td>
<td>CLO1, 2, 3, 4 and 5</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td><strong>100%</strong></td>
<td></td>
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Each randomly-selected presenting group must prepare a 30-minute PPT presentation before the scheduled class. Each member in the presenting group must be responsible for some parts and do the presentation collectively.

VII. Standard for Assessment

- Course Grade Descriptors
On a scale of 1-100 for the weighted average of A1, A2, A3 and A4, course grades for the students will be assigned based on the following:

<table>
<thead>
<tr>
<th>Grade</th>
<th>Description</th>
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<tbody>
<tr>
<td>A+ , A , A-</td>
<td>Student has consistently demonstrated a thorough grasp of the subject as evidenced by original and in-depth analysis and synthesis and by active participation in class</td>
</tr>
<tr>
<td>B+ , B , B-</td>
<td>Student has frequently demonstrated a substantial grasp of the subject and active participation</td>
</tr>
<tr>
<td>C+ , C , C-</td>
<td>Some of the responses are well organized, clear but with insufficient elaboration</td>
</tr>
<tr>
<td>D+ , D</td>
<td>Solutions to questions and problems containing unstructured but relevant observations, and marginally interesting but short of expectations.</td>
</tr>
<tr>
<td>F</td>
<td>Little evidence of basic familiarity with the subject</td>
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### Assessment Rubrics for Each Assessment

Each assessment rubric will be determined on a 1-100 scale, that will be weighted according to the A1, A2 and A3 weights:

1. For attendance: missing one class leads to a loss of 2 points (out of 25 total points);
2. Class and online participation will be determined based on in-class/online comments and questions by the student. Every student is expected to participate in and help stimulate discussions;
3. Assignments and term paper write-up/presentation: based on (1) efforts put into the work and length of paper (at least 8 pages double-spaced), (2) clarity and structure of write-up, (3) reasoning and depth of analysis, (4) reasonableness and logic of answers to questions, and (5) points made and questions raised to stimulate discussion on the issues (for the presenting groups);
4. Final exam: a wrap-up of all topics covered in the course; grading based on correctness, clarity and structure of each answer as well as reasoning and depth of analysis.

### VIII. Means/Processes for Student Feedback on Course

Students can provide feedback on the course through:

- “My comment” session on Student Intranet
- Email to tutor or professor

### IX. Academic Integrity and Course Policy

The University Regulations on academic dishonesty will be strictly enforced. Please check the University Statement on plagiarism on [http://www.hku.hk/plagiarism/](http://www.hku.hk/plagiarism/).

Cheating or plagiarism of any kind would result in an automatic F grade for the course plus strict enforcement of all Faculty and/or University regulations regarding such behavior. Incident(s) of academic dishonesty will NOT be tolerated.

Academic dishonesty is a behavior in which a deliberately fraudulent misrepresentation is employed in an attempt to gain undeserved intellectual credit, either for oneself or for another. It includes, but is not necessarily limited to, the following types of cases:

a. Plagiarism - The representation of someone else’s ideas as if they are one’s own. Where the
arguments, data, designs, etc., of someone else are being used in a paper, report, oral presentation, or similar academic project, this fact must be made explicitly clear by citing the appropriate references. The references must fully indicate the extent to which any parts of the project are not one's own work. Paraphrasing of someone else’s ideas is still using someone else’s ideas, and must be acknowledged.

b. Unauthorized Collaboration on Out-of-Class Projects - The representation of work as solely one's own when in fact it is the result of a joint effort.

X. Course Content and Tentative Schedule

In what follows, articles and chapters marked with * are required readings. In cases of books, the most relevant chapters are listed. Each lecture topic will be for approximately two weeks.

Lecture 1: Risk, violence, and early innovations in technology

Lecture 2: Risk and supernatural beliefs: do they work as a response to risk and uncertainty?

Lecture 3: Marriage, family and social structure/cultural norms: do they work as a response to risk and uncertainty?

Lecture 4: Financial markets, religion, and the welfare state: do they supplement, or compete with, each other as responses to risk and uncertainty?
2. J.B.C. Murray, 1866, The history of usury: from the earliest to the present time. J.B. Lippincott & Co.

Lecture 5: Finance as risk tools for national survival: historical lessons for national financial strategies

Lecture 6: Finance as enabler of equality: is finance just for the rich, or better for the poor?

Lecture 7: Monetization as enabler of freedom in human society

XII. Additional Course Information

There are many assigned readings and references. You are encouraged to read all of them, or at least the starred ones. You can also search on the internet for additional articles on topics of particular interest to
you. As you can see from the course outline, learning in this course takes place in two forms: formal lectures and learning by reading the papers and working on the assignments. The two methods complement each other. In any case, you are expected to work hard for this course.

Penalty for late assignment reports and term paper is as follows: 50% off for the assignment or term paper if late by 24 hours; 75% off if late by 48 hours; and a score of 0 if late by more than 48 hours.

Attendance policy: If you are late by more than 5 minutes, you will be treated as missing one session (one half of a class).