CCGL9025: The Political Economy of Growth and Poverty in the World
First Semester 2017-18

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COURSE LOGISTICS:

Lecture Schedule: Wednesday, 2:30 – 4:20 pm

Lecture Room: MB217 (Main Building)

The first lecture will be devoted to an introduction of the course and on Moodle logistics.

In anticipation of cancellation of some classes, make-up classes will be scheduled in the Reading Week. Exact dates for cancelled classes and make-up classes will be announced in due course.

We use a course management system named MOODLE. Please login to your HKU Portal account to access MOODLE. For further details, please refer to the “MOODLE Instruction Guide” that is posted on our MOODLE website. You are urged to ask questions about the course via the MOODLE platform.

Lecture notes will be uploaded as the course progresses.

COURSE DESCRIPTION:

This course studies how poor nations have alleviated poverty through economic growth and why inequality continues to persist in rich nations. We examine closely how empirical evidence is used to arrive at robust findings of falling inequality globally, but rising inequality within nations. Simple economic ideas on economic
growth, international trade and investments are learned and used to explain why the spread of markets and economic globalization has fostered growth and reduced poverty in many poor nations. We also examine why some poor nations have failed to grow and remain mired in poverty. We also consider why poverty has not been eliminated in rich countries and why inequality has increased in recent decades. The role of human capital investments, technological advances, and political economy factors are introduced and used to investigate the experiences of the rich economies, including Hong Kong.

**AIMS:**

The course helps students to:

(1) gain an understanding of why some nations succeed to grow and others remain poor;
(2) learn why prosperity within and across nations is not equally shared;
(3) understand the interplay of the state and the market in affecting growth and poverty; and
(4) attain a critical appreciation of why different individuals and groups support or oppose globalization.

Students are introduced to examples of how political processes in one nation can impact development outcomes in another nation. They study how political processes interacting with economic processes at local, national, and global levels can lead to great variations in development outcomes.

**PRE-REQUISITES:**

There is none.

**ASSESSMENT TASKS:**

<table>
<thead>
<tr>
<th>Assessment Method</th>
<th>Assignment</th>
<th>Weighting</th>
<th>Alignment with CILOs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Written paper</td>
<td>Expository essay</td>
<td>45%</td>
<td>1, 2, 3, 4</td>
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<td>Class participation</td>
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<td>5%</td>
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<td>Final Examination</td>
<td>2-hour written examination</td>
<td>50%</td>
<td>1, 2, 3, 4</td>
</tr>
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There are two assessment requirements for this course: (1) a written 2-hour final exam (50%) covering everything taught in the, and (2) course coursework is a written paper of 1500 words (45%). The course grade 100% is determined as the sum of three assessment requirements.

**Final Exam:**

The final exam will be scheduled in the Assessment Period and will be essay type. Students will choose to answer 3 out of 5 questions. The questions will be on the course material taught in class.
Written Paper

The written paper should examine in depth a specific topic studied in the course. It should be a thoughtful examination of a topic discussed in this course based on the materials assigned in the reading list. There is NO need to consult additional reading materials. Students should NOT work on a subject from another course. Here are some good approaches:

(1) Write a review of one of the books assigned in this course.

(2) Compare and contrast the analysis between two books on a common subject.

(3) Write on a topic that is discussed in several books or papers.

(4) Consult with the tutor for advice in deciding on a topic.

The final written paper is due on **Thursday, 14 December 2017**, which is one week after the revision period and 2 weeks after classes have ended. Late submissions will NOT be accepted. A precise word count must be given at the end of the paper. Footnotes and references should be placed at the end of the paper so that they can be excluded from the word count. Appendices are not necessary and not appropriate for papers of such a short length and should not be submitted. It is advisable to seek English language assistance if needed to ensure that your paper is clear.

Nine weeks before the deadline for the final paper, students must submit a **half-page proposal** of the paper they intend to write. The deadline for the proposal is before the start of Reading Week on **Sunday, 15 October 2017**. Late submissions will not be allowed. Students should include in the proposal the title of the project and a short summary of the subject they will investigate.

Students are also encouraged to submit a first draft of the final paper for the instructor to provide feedback, but this is optional, not mandatory. If students choose to submit a first draft, they must do so at least 3 weeks before the deadline for the final paper on **Thursday, 23 November 2017**. Your grade on the paper will depend only on your final paper, and not your draft.

Therefore, **deadlines** to be observed:

- Proposal submission — **Sunday, 15 October 2017**
- First draft (optional) submission — **Thursday, 23 November 2017**
- Final paper submission — **Thursday, 14 December 2017**

The proposal and paper(s) must be submitted electronically via MOODLE.

**Class Attendance**

Class attendance for lectures is mandatory. Random roll calls of 20 students during lecture classes will be conducted 6-8 times during the semester. Frequency of calls will be higher in the latter part of the semester. Students who miss class each time without a prior medical certificate will receive 1% penalty point in the final grade. Students who missed a class once will be called again in future roll calls.
COURSE SYLLABUS:

Reading List

Required readings are marked with an asterisk; others are optional.

I. Historical Perspective of Poverty, Growth, and Inequality


  • *YCR Wong PowerPoint I-1a, Awareness of Poverty


  • *YCR Wong PowerPoint I-1b, The Great Escape
  • *Course Book Summary, The Great Escape
  • http://www.lse.ac.uk/newsAndMedia/videoAndAudio/channels/publicLecturesAndEvents/player.aspx?id=2049


  • *Course Book Summary, The Haves and Have-Nots
  • *YCR Wong PowerPoint I-2, Measuring the Distribution of the Standard of Living


  • *YCR Wong PowerPoint I-3, Changes in Poverty and Inequality in the World


  • Branko Milanovic, “Global Income Inequality: Current Trends, Issues of Justice and Politics.” LIS Summer Lecture, Luxembourg, 1 July 2014. (PowerPoint Notes)


- *YCR Wong PowerPoint I-4 & 4a, Rise of Poor Nations and Rise of Inequality Within Rich Nations – Rise of China on US Employment and Inequality; Some Views on Inequality and Growth

II. THEORY AND FACT

A. Explaining Economic Growth and Income Inequality


- *YCR Wong PowerPoint II-1, Modern Principles of Economics


- Deidre McCloskey, “What is the Great Enrichment?” [https://www.youtube.com/watch?v=1bmXI_pt9fQ](https://www.youtube.com/watch?v=1bmXI_pt9fQ)

- Deidre McCloskey, “What is the Great Enrichment?” [https://www.youtube.com/watch?v=YrTnbED4u_4](https://www.youtube.com/watch?v=YrTnbED4u_4)

- *YCR Wong PowerPoint II-1a, Another View of Economic Growth

B. Trade, and Growth in the World

- *YCR Wong and V Yuen PowerPoint II-2, Poverty Among Poor Nations

*Tim Harford, “Why Poor Countries are Poor” and “Beer, Chips and Globalisation”, The Undercover Economist, Chapter 8, 9 Little Brown, 2006.


C. Foreign Aid and Migration in a Global World


*Eric Posner and Glen Weyl, “A Radical Solution to Global Income Inequality: Make the U.S. More Like Qatar,” New Republic, 7 November
III. POVERTY IN POOR COUNTRIES

A. Complexity of Micro-Interventions


- *YCR Wong and V Yuen PowerPoint III-1, Poor Economics
- *Course Book Summary, Poor Economics
- Blog site: http://pooreconomics.com/
- http://www.youtube.com/watch?v=cUYzqAFrY8Y
- http://www.youtube.com/watch?v=yNdu_iyVdAc

B. Migrants and Property Rights


- *YCR Wong and V Yuen PowerPoint III-2, The Other Path

C. Worst Cases


- *YCR Wong and V Yuen PowerPoint III-3, The Bottom Billion
- *Course Book Summary, The Bottom Billion
- http://www.ted.com/talks/paul_collier_shares_4_ways_to_help_the_bottom_billion.html

IV. POVERTY AND INEQUALITY IN RICH COUNTRIES


- *YCR Wong PowerPoint IV-1, Human Capital Theory of the Personal Distribution of Income
• *YCR Wong PowerPoint IV-2, *The Distribution of Individual and Household Income*

A. The American Experience

• *YCR Wong PowerPoint IV-3, *Understanding the American Experience with Poverty and Inequality*

• *Kevin Murphy, “Human Capital Investments Inequality, and Growth,” Becker Friedman Institute, University of Chicago, UnCommon Core Alumni Weekend, 4-7 June 2015. https://www.youtube.com/watch?v=KevV_A6N-6o*


B. The Hong Kong Experience

• *YCR Wong PowerPoint IV-4, *Understanding the Hong Kong Experience with Poverty and Inequality*

C. Future Challenges
• *YCR Wong PowerPoint IV-5, Future Challenges


• *Lawrence Summers, “Which type of capitalism works best to build economic and social value?” Conference on Inclusive Capitalism, Mansion House and Guildhall, London, 27 May 2014. https://www.youtube.com/watch?v=29bAmvfUxbE or http://insider.thomsonreuters.com/link.html?cn=uid48&cid=1244822&shareToken=Mzo2ZmQxZmVlNy0xZWQ4LTQ5MzAtYjI5Mi0yYzFmMDM4YmViMjk%3D

Study Load:

<table>
<thead>
<tr>
<th>Activities</th>
<th>Number of hours</th>
</tr>
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<tbody>
<tr>
<td>Lectures</td>
<td>24</td>
</tr>
<tr>
<td>Reading / Self-study</td>
<td>72</td>
</tr>
<tr>
<td>Tutorials</td>
<td>12</td>
</tr>
<tr>
<td>Preparation of Case/Data Analysis for Tutorials</td>
<td>12</td>
</tr>
<tr>
<td>Assessment: Written paper</td>
<td>30</td>
</tr>
<tr>
<td>Assessment: Final Examination</td>
<td>2</td>
</tr>
<tr>
<td><strong>Total:</strong></td>
<td><strong>152</strong></td>
</tr>
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</table>

Course Learning Outcomes (CLOs) and Alignment with Common Core Programme Learning Outcomes (CC PLOs):

<table>
<thead>
<tr>
<th>CLOs – On completing the course, students will be able to:</th>
<th>Alignment with CC PLOs</th>
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<tbody>
<tr>
<td>1. Understand and critically interpret key economic concepts and ideas through applying them to quantitative data on growth and poverty across the world and over time.</td>
<td>1, 2</td>
</tr>
<tr>
<td>2. Understand and critically interpret and reflect upon interacting economic and political dimensions of growth</td>
<td>1, 2</td>
</tr>
</tbody>
</table>
3. Understand and critically interpret and reflect upon the outcomes for growth and poverty comparing socialist versus capitalist economies and open versus closed economies through the study of cases and examples in history. 1, 2, 3

4. Understand and critically interpret and reflect upon the relationship between issues of growth and poverty and its broader relationship with human development. 1, 2, 3, 4

Assessment Tasks:

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Standards of Assessment:

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<th>Criteria and Standards</th>
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<tr>
<td>A+, A, A-</td>
<td>Show superior grasp of all aspects of the course and demonstrate strong evidence of original thinking and evidence of extensive knowledge base in the subject area.</td>
</tr>
<tr>
<td>B+, B, B-</td>
<td>Show reasonable grasp of the key aspects of the course and demonstrate good evidence of original thinking and evidence of reasonable knowledge base in the subject area.</td>
</tr>
<tr>
<td>C+, C, C-</td>
<td>Show acceptable coverage of most aspects of the course, and demonstrate some evidence of original thinking and evidence of acceptable knowledge base in the subject area.</td>
</tr>
<tr>
<td>D+, D</td>
<td>Show marginal coverage of some aspects of the course, and demonstrate marginal evidence of original thinking and evidence of marginal knowledge base in the subject area.</td>
</tr>
<tr>
<td>F</td>
<td>Failure to identify and address any main theme and issue. No critical engagement with any issue, little mentioning and application of relevant concepts and theories, and with inaccuracies when doing so. Demonstrates a lack of understanding of existing arguments relevant to the topic.</td>
</tr>
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ACADEMIC CONDUCT:

1. The University Regulations on academic dishonesty will be strictly enforced! Please check the University Statement on plagiarism on the
2. Academic dishonesty is 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 type of case:

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. Where a candidate for a degree or other award uses the work of another person or persons without due acknowledgement:

   - The relevant Board of Examiners may impose a penalty in relation to the seriousness of the offence;
   - The relevant Board of Examiners may report the candidate to the Senate, where there is *prima facie* evidence of an intention to deceive and where sanctions beyond those in (1) might be invoked.

c. Double Submission of Assignments - The submission of assignments as fulfilment of work in this course using materials that were or are being submitted for another course is also plagiarism. It is self-plagiarism and is the same as plagiarism, i.e., representation of someone else’s ideas as our own. That some else is oneself. It is an attempt to get credit for work that will earn credit elsewhere.

--- End ---