1. General Information

<table>
<thead>
<tr>
<th>Course Subject</th>
<th>ECON</th>
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<tbody>
<tr>
<td>Course Number</td>
<td>2275</td>
</tr>
<tr>
<td>Course Title</td>
<td>The Political Economy of Law and Public Policy</td>
</tr>
<tr>
<td>Academic Years</td>
<td>2023-2024</td>
</tr>
<tr>
<td>Grading Method</td>
<td>Letter</td>
</tr>
</tbody>
</table>

2. Instructors

**Professor Wong, Yue Chim Richard**
Office: Room 1043 /F Knowles Building
Email: rcwong@hku.hk
Office: 28591122
Subclasses: 2A

**Dr Yuen, Wing Han Vera**
Office: Room 820 /F K.K. Leung Building
Email: yuenvera@hku.hk
Office: 39171287
Subclasses: 2A

3. Teaching Assistants

**Mr Sheng, Xiaokang**
Office: Room 1026 /F K.K. Leung Building
Email: csxk@hku.hk
Office: 28578308
Subclasses: 2A

4. Course Description

**Course Description**
The course provides a theoretical and empirical understanding of the political economy of law and public policy making, examines how law and regulation affects with policy outcomes, and familiarizes students with economic concepts and tools useful for analyzing policy issues. Topic covered include, public goods, externalities, monopolies, regulation, rent seeking, law and economics, law enforcement, legal systems and public bureaucracy.

Professor Y C R Wong’s PowerPoint slides will be available online as the class progresses. Class time will be devoted to discussing key issues to deepen and broaden our understanding of the material. The first class-period will also be used to explain how Moodle works.

Dr. Vera Yuen will conduct the term paper class on how to prepare the proposal and fulfil the requirements of the term paper on 18 Feb 2023. Attendance is expected.

**Prerequisites**
Students should have studied introductory microeconomics (i.e. ECON1210 Introductory Microeconomics). Students who want to waive the prerequisite may contact Dr. Vera Yuen to discuss.

**Free Elective**
Yes
5. Course Objectives

1. To provide a theoretical and empirical understanding of the political economy of law and public policy;

2. To study in depth the concepts of public goods, externalities, monopolies, regulation, rent seeking, law enforcement, law and economics, public bureaucracy, and political business cycles to gain a good understanding political economic analysis;

3. To familiarize students with the applications of political economic analysis to analyze important policy issues.

6. Faculty Learning Goals

Goal 1: Acquisition and internalization of knowledge of the programme discipline

Goal 2: Application and integration of knowledge

Goal 3: Inculcating professionalism

Goal 4: Developing global outlook

Goal 5: Mastering communication skills

Goal 6: Cultivating leadership

7. Course Learning Outcomes

<table>
<thead>
<tr>
<th>Course Teaching and Learning Activities</th>
<th>Aligned Faculty Learning Goals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1</td>
</tr>
<tr>
<td>CLO1. Enhance theoretical and empirical understanding of the application of political economic analysis to public policy issues.</td>
<td>✓</td>
</tr>
<tr>
<td>CLO2. Learn to apply economic concepts to the study of politics as a form of non-market behavior;</td>
<td>✓</td>
</tr>
<tr>
<td>CLO3. Develop the critical ability to analyze the differences between the political economic approach to public policy with a purely economic approach;</td>
<td>✓</td>
</tr>
<tr>
<td>CLO4. Develop analytical thinking through analyzing the intended and unintended effects of public policy choices on policy outcomes using rigorous analytical tools.</td>
<td>✓</td>
</tr>
</tbody>
</table>

8. Course Teaching and Learning Activities

<table>
<thead>
<tr>
<th>Course Teaching and Learning Activities #</th>
<th>Expected Study Hours</th>
<th>Study Load (% of study)</th>
</tr>
</thead>
<tbody>
<tr>
<td>T&amp;L1. Lecture Instructor will give lectures on major concepts and issues.</td>
<td>36</td>
<td>30</td>
</tr>
<tr>
<td>T&amp;L2. Discussion Instructor will organize classroom discussions</td>
<td>48</td>
<td>40</td>
</tr>
<tr>
<td>T&amp;L3. Consultation Instructor holds weekly consultation hours to answer students’ questions and through an e-learning platform Moodle.</td>
<td>36</td>
<td>30</td>
</tr>
<tr>
<td>Total: 120</td>
<td>Total: 100</td>
<td></td>
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9. Assessment Methods

<table>
<thead>
<tr>
<th>Assessment Methods</th>
<th>Description</th>
<th>Weight %</th>
<th>Aligned Course Learning Outcomes</th>
</tr>
</thead>
<tbody>
<tr>
<td>A1. Written Paper</td>
<td>A written paper of 1500 words as coursework</td>
<td>50%</td>
<td>1,2,3,4</td>
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</table>

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 submit a piece of work that is also being submitted to another course. Here are some good approaches:

1. Write a review of one of the topics learned in this course.
2. Compare and contrast the analysis between two topics on a related subject.
3. Write on a topic that is discussed in several assigned books or papers.
4. A policy paper studying a specific policy in a jurisdiction.
5. Consult with Dr. Vera Yuen for advice in deciding on a topic.

The final written paper is due on 14 May 2023. 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.

Students must submit a half-page proposal of the paper they intend to write. The deadline for submitting the proposal is 5 March 2023. 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 optionally 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 on 9 April 2023. Your grade on the paper will depend only on your final paper, and not your draft. Your draft has to be a complete one and with full citations (to avoid plagiarism). Otherwise, it will be returned without marking. Your grade on the paper will depend only on your final paper, and not your draft. However, plagiarism is not allowed for both draft and final submission. Penalty will be imposed for both cases.

Students can make a late submission if they wish to have their drafts marked but pass the deadline; a late penalty will be imposed on their final grade without saying. Other than submitting on Moodle, any act of sending out a draft after the deadline asking for detailed feedback will be considered as an act of late submission.
## 9. Assessment Methods

If you submit a written paper, but **DID NOT submit a proposal or the proposal was NOT APPROVED**, then you will **FAIL** this part of the assessment.

Therefore, deadlines to be observed:
- Proposal (mandatory) submission — 5 March 2023
- First draft (optional) submission — 9 April 2023
- Final paper submission — 14 May 2023

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

| A2. Final Exam | covering topics taught in the course conducted at times indicated above on page 1 | 50% | 1,2,3,4 |

## 10. Course Grade Descriptors

<table>
<thead>
<tr>
<th>Grade</th>
<th>Description</th>
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<tbody>
<tr>
<td><strong>A+, A-, B+, B-, C+, C-, D+, D</strong></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><strong>C+, C-, D+, D, F</strong></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><strong>C+, C-, D+, D, F</strong></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><strong>D+, D, F</strong></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><strong>F</strong></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>
</tbody>
</table>
12. Required/Recommended Readings & Online Materials

<table>
<thead>
<tr>
<th>Reading</th>
<th>1. METHODOLOGY OF ECONOMICS</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Frank Knight, Risk, Uncertainty and Profit, University of Chicago Press, 1971, Ch. 9 -10, pp. 264-312.</td>
</tr>
<tr>
<td></td>
<td>2. PUBLIC GOODS AND EXTERNALITIES</td>
</tr>
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<td></td>
<td>3. LEGAL REASONING AND LEGAL ORIGINS</td>
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<tr>
<td></td>
<td>4. ECONOMIC ANALYSIS OF LAW</td>
</tr>
<tr>
<td></td>
<td>5. VOTING WITH YOUR FEET</td>
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</table>
12. Required/Recommended Readings & Online Materials

6. RENT SEEKING AND COLLECTIVE ACTION


7. MONOPOLY AND BARRIERS TO ENTRY


8. THE CAPTURE THEORY OF REGULATION


12. Required/Recommended Readings & Online Materials

9. COURT FAILURES AND REGULATION


10. REGULATION OF HOUSING AND LAND


YCR Wong, On Privatizing Public Housing, City University of Hong Kong Press, Hong Kong, 1998, 151 pages.

*YCR Wong, Hong Kong Land for Hong Kong People: Fixing the Failures of Our Housing Policy, Hong Kong University Press, Hong Kong, January 2015, 219 pages.

11. PUBLIC BUREAUCRACY (Optional)


12. Required/Recommended Readings & Online Materials


12. CHALLENGES IN THE TWENTY-FIRST CENTURY


*Matthew C Klein and Michael Pettis, Trade Wars are Class Wars: How Rising Inequality Distorts the Global Economy and Threatens International Peace, Yale University Press, 2020 (Book review by Martin Wolf in 9 pages)

13. Means / Processes for Student feedback on Course

- Conducting mid-term survey in additional to SETL around the end of the semester
- Online response via Moodle site
- Others
14. Course Policy

1. The University Regulations on academic dishonesty will be strictly enforced! Please check the University Statement on plagiarism on the web: http://www.hku.hk/plagiarism/

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.