

**REGULATIONS FOR THE DEGREE OF
MASTER OF ECONOMICS
(MEcon)**

(See also General Regulations)

Any publication based on work approved for a higher degree should contain a reference to the effect that the work was submitted to the University of Hong Kong for the award of the degree.

The degree of Master of Economics is a postgraduate degree, awarded for the satisfactory completion of a prescribed course of study in advanced economics.

ME 1. In these Regulations, and in the Syllabuses for the degree of MEcon, unless the context otherwise requires:-

‘Course’ means a course of instruction leading to one paper in the examination, as defined in the syllabus;

‘Double course’ means a course which extends over two semesters, is the equivalent of two courses, and leads to the equivalent of two papers in the Final Examination.

‘Paper’ means one or more of the following tests: a theoretical examination paper, a practical examination paper, a project paper, an assessment of field practice, a thesis, and a dissertation, as prescribed in the syllabus of the course leading to it;

‘Prerequisite’ means a course which a candidate must have completed successfully before being permitted to take the course in question.

Admission requirements

ME 2. To be eligible for admission to the courses leading to the degree of Master of Economics a candidate

- (a) shall comply with the General Regulations;
- (b) shall hold
 - (i) a Bachelor's degree with honours of this University; *or*
 - (ii) another qualification of equivalent standard from this University or from another University or comparable institution accepted for this purpose; and
- (c) shall satisfy the examiners in a qualifying examination if required.

Qualifying examination

ME 3.

- (a) A qualifying examination may be set to test the candidate's formal academic ability or his ability to follow the courses of study prescribed. It shall consist of one or more written papers or their equivalent, and may include a project report.
- (b) A candidate who is required to satisfy the examiners in a qualifying examination shall not be permitted to register in the curriculum, until he has satisfied the examiners in the examination.

Award of degree

- ME 4.** To be eligible for the award of the degree of Master of Economics a candidate
- (a) shall comply with the General Regulations; and
 - (b) shall complete the curriculum and satisfy the examiners in accordance with the regulations set out below.
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Length of curriculum

ME 5. The curriculum shall extend over not less than one academic year of full-time study, or not less than two and not more than three academic years of part-time study, with a minimum of 300 hours of prescribed work, and shall include an examination comprising eight written papers, or seven written papers and one project paper, or six written papers and one dissertation, all to be held in the manner prescribed in the syllabuses.

Completion of curriculum

- ME 6.** To complete the curriculum, a candidate
- (a) shall follow the courses of instruction and complete satisfactorily all prescribed written work and field work;
 - (b) shall satisfy the examiners in all prescribed courses and in any prescribed form of examination; and
 - (c) if appropriate, shall complete and present a satisfactory project paper in lieu of one written paper in the examination, or complete and present a satisfactory dissertation in lieu of two papers in the examination, if such options are provided in the syllabuses.
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Title of dissertation

ME 7. Subject to the provisions of Regulation ME 6 (c), the title of the dissertation shall be submitted for approval not later than January 1 of the final academic year, and the dissertation shall be presented by a date prescribed in the syllabuses. The candidate shall submit a statement that the dissertation represents his own work (or in the case of joint work, a statement countersigned by his co-worker(s), which shows the degree of his work) undertaken after registration in the course.

Examinations

- ME 8.**
- (a) Where so prescribed in the syllabuses, coursework, a project paper or a dissertation may constitute part or whole of the examination for one or more courses.
 - (b) An assessment of the candidate's coursework during his studies, including completion of written assignments and participation in field work or laboratory work, as the case may be, will be taken into account in determining the candidate's result in each paper. Except where otherwise stated, the weight assigned to coursework will be 40% of the total marks.

ME 9. A candidate who has failed to satisfy the examiners at his first attempt in not more than half of the number of courses to be examined, whether by means of written examination papers, project paper, dissertation and coursework assessment, during any of the academic years of study, may be permitted

- (a) to present himself either for re-examination in the course or courses of failure, with or without repeating any part of the curriculum or for examination in the same number of new courses, except that courses designated as compulsory are not replaceable under this provision; *or*
- (b) to repeat a year of the curriculum and present himself for examination in the courses prescribed for the repeated year.

ME 10. Subject to the provisions of Regulation ME 6 (c), a candidate who has failed to present a satisfactory project paper or dissertation may be permitted to submit a new or revised project paper or dissertation within a specified period.

ME 11. A candidate who has failed to satisfy the examiners in any prescribed field work or practical work may be permitted to present himself for re-examination in field work or practical work within a specified period.

ME 12. A candidate who is unable because of illness to be present for one or more papers in any written examination other than that held in his final academic year of study may apply for permission to present himself at a supplementary examination to be held before the beginning of the following academic year. Any such application shall be made on the form prescribed within two weeks of the first day of the candidate's absence from the examination.

ME 13. A candidate who

- (a) is not permitted to present himself for re-examination in any written paper or any course examined by means of coursework assessment, or in field work or practical work in which he has failed to satisfy the examiners and is not permitted to repeat a year of the curriculum under the provisions of Regulation ME 9; *or*
- (b) has failed to satisfy the examiners in any written paper or any course examined by means of coursework assessment, or fieldwork or practical work at a second attempt; or in any new course selected under the provision of ME9(a); *or*
- (c) is not permitted to submit a new or revised project paper or dissertation under the provisions of Regulation ME 10; *or*
- (d) has failed to submit a satisfactory new or revised project paper or dissertation under the provisions of Regulation ME 10

may be required to discontinue his studies under the provisions of General Regulations G 12.

Examination results

ME 14. At the conclusion of the examination, and after presentation of the project paper or dissertation if applicable, a pass list shall be published. A candidate who has shown exceptional merit at the whole examination may be awarded a mark of distinction, and this mark shall be recorded in the candidate's degree diploma.

SYLLABUSES FOR THE DEGREE OF MASTER OF ECONOMICS

The curriculum shall extend over not less than one academic year of full-time study, or not less than two and not more than three academic years of part-time study, with a minimum of 300 hours of prescribed work. Only dissertation candidates are allowed to extend studies into another academic year. Part-time candidates must enrol in at least three, and not more than five courses, in each academic year.

All courses are offered on a semester basis. Candidates must read courses ECON6011 and ECON6012 plus six other courses, and may, subject to the provisions of Regulation ME 6 (c), elect to offer a dissertation in lieu of two courses. Unless otherwise specified each course shall be examined by one two-hour written paper at the end of the semester.

Not all the courses listed below will necessarily be offered each year.

Where applicable, the weights assigned to performance in the examination and an assessment of coursework in evaluating a candidate's final grade in each course will be in the ratio 60:40.

COURSES

ECON6001. Applied econometrics

This course reviews the literature on the application of econometrics. Topics may include: estimation of production functions, investment functions, demand functions, and consumption functions; formulation and the use of macroeconomic models; and macroeconomic modelling for small open economies.

Candidates are required to offer an original project paper in lieu of one written paper in the examination. The project paper must be completed and presented not later than May 31 of the academic year in which the teaching programme ends. Candidates shall submit a statement that the project papers represent their own work (or in the case of joint work, a statement countersigned by their co-worker(s), which shows the degree of their works) undertaken after registration in the course.

Prerequisite: ECON6005.

ECON6002. Applied price theory

This is a special topics course that deals with various applications of microeconomics. Topics covered may vary from year to year, depending on the research interests of the instructor.

ECON6004. Economic development theory

The current theories of economic development and growth are assessed. Topics include the various theories of economic development in dualistic economies, the role of technology, capital, human resources, and trade in economic development, the financing of economic development, and planning for economic development, endogenous growth theories, and government policies for economic growth.

ECON6005. Econometric theory

This course is a detailed study of the general linear model. Topics include: problems of time series estimation for single equations, autocorrelation, D-W test, estimation methods; estimation of distributed lags, problems of dependent errors and lags; limitations of linear methods, small sample and asymptotic results; simultaneous equation models, identification problems, standard linear estimation methods, brief introduction to non-linear techniques.

ECON6006. Game theory and applications

The course offers an introduction to the theory of games and decision making under uncertainty, illustrated by examples from specialized branches of economics. Topics may include: expected utility theory, moral hazard, adverse selection, bargaining over the division of a good, models of auctions and bidding behaviour, and the theory of repeated interaction.

ECON6007. Industrial organization

This course covers alternative forms of economic organizations, including the contractual nature of the firm, the meaning of monopoly and patent rights, the extraction of consumers' surplus, and the purposes of integration and franchise arrangements.

ECON6008. International finance and open economy macroeconomics

This course provides a survey of theories of and evidence on macroeconomics and finance in the integrated world economy. Topics include traditional (Mundell-Fleming and monetary) and modern (intertemporal) approaches to exchange rates and balance of payments; effects of fiscal, monetary, and exchange rate policies under different degrees of capital and labor mobility; the twin deficits; international transmission of business cycles; the diversity of income levels and growth rates across countries (the so-called "problem of economic development"); and macroeconomic policy coordination and dynamic consistency. Other topics may include currency forward, futures, options, and swaps; the developing country debt crisis; international monetary system (with special focus on exchange rate targets and currency bands); international taxation; and empirical studies on macroeconomic interdependence and exchange rates.

(Note: Only full-time MEcon students are permitted to take the course concurrently with the prerequisite)

Prerequisite: ECON6012 or special approval by the School.

ECON6009. Labour economics

The course examines the operation of labour markets. Topics include: the theory and estimation of labour supply and demand, the structure of compensation, the choice of labour contracts, investment in human capital, effects of labour unions, labour market discrimination, and unemployment.

ECON6010. Monetary theory and policy

The theory part of this course covers money demand and supply functions; Contemporary Quantity Theory and the portfolio approach; the transmission mechanism involving money, interest and income; and the explanations of inflation and unemployment. The policy part of this course studies the interaction between fiscal and monetary policies and its impact on debt management; the role that expectations play in stabilization policy; money as an instrument for growth and its role in an open economy. Empirical studies of monetary relationships will also be examined.

ECON6011. Microeconomics (compulsory)

This course covers the structure of choice theory, including its methodology and axioms. Allocative implications are analysed in the contexts of the meaning of competition, the theory of value, and the functions of cost and of production, while income distribution is analysed in the contexts of the theory of marginal productivity, the theory of profits, and the theory of interest.

ECON6012. Macroeconomics (compulsory)

This course covers neo-classical macroeconomics, the Keynesian model and its problems, the consumption function and the art of formulating hypotheses in macroeconomics, investment and economic fluctuations, demand and supply of money, the counter-revolution in monetary theory, inflation and unemployment and the alternative policies for dealing with them, and open-economy macroeconomics.

ECON6013. Neoinstitutional economics

A survey of the theories which explain the existence and properties of institutions, in terms of maximisation subject to constraints. In particular, the Coase Theorem and theories of contracting and dissipation of rent will be discussed.

ECON6014. Problems in East Asian economic development

A comparative study of major problems of economic growth and development of East Asian economies. Topics vary yearly including the role of economic organization, trade, industrialization, problems in the rural sector, transfer and adaptation of technology, and consequences of growth and development. Main emphasis is on the economy of China, Japan and the newly industrialized countries.

ECON6015. Public economics

This course examines the public sector in relation to efficiency and equity. Topics to be discussed include: Pareto optimality, welfare criteria, optimal provision of public goods, social choice and voting models, optimal distribution of income, externalities and public policy, public enterprise pricing and investment rules, cost benefit analysis and project appraisal, and regulation of public enterprises.

ECON6017. The economics of finance

This course is a survey of capital and investment theories which are the basis of the analysis of finance. Topics include: Fisher's separation theorem; investment theory and some investment econometrics; expected utility theory, portfolio selection, and other applications; intertemporal models with uncertainty and transaction costs. Students should be well trained in economics and they would also need a reasonable ability in algebra, calculus, and statistics/econometrics.

ECON6018. The economics of natural resources

A survey of the theories explaining the optimal use of exhaustible and renewable natural resources. Topics include: the theory and methodology of resource economics; institutional arrangements for resource extraction; the analysis of environmental problems, urban growth and sprawl; the use of exhaustible resources such as oil and iron, and renewable resources such as forests and fish.

ECON6019. Theory of international trade

This course provides a rigorous treatment of the pure theory of international trade in terms of general equilibrium analysis. Topics include theory of comparative advantage, factor-price equalization, gains from trade, growth and economic welfare, tariff and quota, non-traded goods, intermediate goods, and international factor mobility. Both mathematical and graphical techniques will be used.

ECON8001. Reading course

This course consists of supervised reading and written work. A candidate will specialize in one topic under the guidance of a lecturer. Topics vary yearly depending on the current interests of staff. Examples of topics are: the problem of social cost, investment in human capital, general equilibrium theory and welfare economics, international trade theory, international monetary relations, major topics in the history of economic thought, and current economic problems of Hong Kong.

An original project paper is required in lieu of a written paper in the examination. It shall not exceed 15,000 words in length, and must be completed and presented not later than May 31 of the academic year in which the teaching programme ends. Candidates shall submit a statement that the project papers represent their own work (or in the case of joint work, a statement countersigned by their co-worker(s), which shows the degree of their works) undertaken after registration in the course.

ECON8002. Dissertation (double course)

(This course is available only to final year candidates.)

The dissertation shall consist of original work written under the supervision of a lecturer(s). Topics offered may vary from year to year, depending on the research interests of staff members.

A satisfactory dissertation may be offered in lieu of two papers in the examination. Candidates shall submit the titles and outlines of their dissertations for approval not later than January 1 of the final academic year and the dissertation, which should not exceed 30,000 words in length, shall be presented not later than four months after the end of that academic year.