This course aims to introduce students to basic economic concepts, principles and theories in the planning and finance of education. It attempts to analyze the effects and resources considerations of education on the individuals and at the society level in the long run. At the core of the course are:

1. theoretical foundations with particular references to human capital theory and its alternative views and theories, education and economic growth, education and labor market, education and economic convergences;
2. the policy relevancy with particular reference to issues such as financing of education, cost analysis, concept and measurement of value-added in education, incentive policy and education productivity; and
3. the use of resources at national, district and school levels, in the planning, financing and governance of education for change. The focus is mainly on relating relevant theories and research findings to policy issues. Local and national educational practices in planning and financing will be examined.

Course Requirements

Class participation (10%). Students are suggested to read recommended readings before class.

Final paper (90%; due on 20 December 2006):

a) Choose one of the issues on educational planning and finance covered in the last 4 lectures. (Students who want to identify and focus on other educational issue for the final paper should discuss it with the instructors and get their consent.)

b) Look up at least TWO references, published within 5 years, related to the issue. Review the references and write NO MORE than 3 pages of comments on these references. (20%)

c) Write a paper of NO MORE than 12 pages on the issue, focusing on the following questions and suggestions: (70%)

1. What is the present policy/situation in Hong Kong/ Mainland China related to the issue? Who are the major “stakeholders”? [Please limit to about 1 page: 10%]
2. What are the public concerns/discontents around the issue at present? [Please limit to about 1 page: 10%]
3. How are these concerns/discontents related to the acquisition, allocation and utilization of resources for education? From the perspective of (a) the individual? (b) the government, and/or the public? [Please limit to about 3 pages: 20%.
4. Using “finance” as the strategy, propose a scheme in meeting/solving these major concerns/discontents. Explain how and why your scheme would work, citing principles and theories covered in this course. [Please limit to about 5 pages: 30%]
<table>
<thead>
<tr>
<th>Course outline and reading:</th>
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</table>
| **(1) 9/9 YP** | Introduction to Planning & Finance in Education  
a) Human capital and investment in education  
b) Market and manpower projection  
c) Financing of education and cost analysis  
d) Planning and Policy issues  
Reading:  
| **(2) 16/9 YP** | Economic considerations in Educational Planning & Finance:  
a) Education for development;  
b) The benefits of education;  
c) The theory of Human Capital Investment.  
Reading:  
| **(3) 23/9 YP** | Financing education: investments and returns:  
a) Estimating human capital and measuring returns to HC investment;  
b) The role of the government and market approach to investments in human capital.  
Reading:  
(4) 30/9 YP

Projections and the manpower approach to Educational Planning & Finance

a) Manpower projection: applications and fallacies;
b) Enrollment projection and estimation of resources requirements;
c) Market v.s. manpower projection approach in educational planning.

Reading:


*** 7/10

NO CLASS: Mid-autumn festival

(5) 14/10 XJ

Policy context and policy issues in co-investment in education

a) Stakeholders in education and their roles in education
b) Alternative views of skill development
c) Issues in policy making and investment in education (and indicators)

Reading:
3. 萧今(2004)《發展經濟中的人力資本---企業的策略》北京：北京師範大學出版社, 第 8 章：有中国特色的三元教育体系，169-189。
<table>
<thead>
<tr>
<th>Date</th>
<th>Notes</th>
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</table>
| 21/10 XJ| Measuring educational attainment and participation in education  
|         | a) Level and type of education  
|         | b) Education for all and educational attainment;  
|         | c) Participation and manpower training;  
|         | Reading:  
| 28/10 XJ| Education and skill development  
|         | a) General vs. specific Skills;  
|         | b) Indicators of skills;  
|         | c) Measuring adult skills.  
|         | Reading:  
| 4/11 XJ | Finance of education  
|         | a) Acquiring resources;  
|         | b) Allocating resources;  
|         | c) Level and type of education and other consideration in educational provision.  
|         | Reading:  
|         | 1. 亨利.莱文 (著) 曾满超，锺宇平，萧今 (编译) (1995) 〈学校筹资〉刊于《高科技，效益，筹资与改革：教育决策与管理中的重大问题》北京：人民日报出版社, pp. 195-220。


(9) 11/11 XJ

Financing education: international comparison and gaps  
a) Principles of finance;  
b) Identify principal gaps;  
c) The role of private sector as providers

Reading:  

(10) 18/11 XJ

Planning the financing of education  
a) Factors in planning the financing  
b) Analyzing costs in education  
c) cost-effectiveness in education (decisions in resources allocation)

Reading:  
1. 亨利. 莱文 (著) 左波, 钟宇平, 萧今 (编译) (1995) 〈成本效益分析〉刊于 《高科技，效益，筹资与改革：教育决策与管理中的重大问题》北京：人民日报出版社，pp. 75-172。  

4. 马克. 贝磊 (2000) 《教育全成本核算》北京：北京师范大学出版社。  
5. 亨利. 莱文 (著) 左波, 钟宇平, 萧今 (编译) (1995) 〈电脑辅助教学的成本效果分析〉刊于 《高科技，效益，筹资与改革：教育决策与管理中的重大问题》北京：人民日报出版社，pp. 182-191。
<table>
<thead>
<tr>
<th>Date</th>
<th>Event</th>
<th>Educational Planning &amp; Finance Issues:</th>
</tr>
</thead>
<tbody>
<tr>
<td>25/11</td>
<td>XJ</td>
<td>1. Educating the poor; 2. Gender gap and promoting girls’ schooling.</td>
</tr>
<tr>
<td>2/12</td>
<td>YP</td>
<td>3. Teacher pay and teacher quality; 4. Teacher training and teacher supply.</td>
</tr>
<tr>
<td>16/12</td>
<td>YP (XJ)</td>
<td>2. Costs of higher education &amp; the student loan schemes; 3. Overseas higher education and supports to non-local students.</td>
</tr>
</tbody>
</table>

**Required Reading (reserved in CC library)**

- 亨利. 莱文(著)曾满超，锺宇平，萧今 (编译) (1995)〈成本效益分析〉刊于《高科技，效益，筹资与改革：教育决策与管理中的重大问题》北京：人民日报出版社 (LC65. L4712)
- **Other recommended reading**
  - 马克. 贝磊 (2000)《教育全成本核算》北京：北京师范大学出版社. (LB2829.3.A78 b7312)