

ECON 4264:

Economics of Innovation and Entrepreneurship

Spring 2024

Basic Information

Time and Location		Contact Info	
Time	Wednesday 3:00 PM - 4:20 PM Friday 3:00 PM - 4:20 PM	Instructor	GONG, Kaiji (Robin)
		Email	rkgong@ust.hk
Location	2406	TA	YU, Lei
Zoom link (online)	See Canvas	Email	lyuav@connect.ust.hk

- Office hours are by-appointment; my office is at 6058, LSK Bldg.
- There are no regular tutorial sections. A review session will be held before the midterm.

Course Description

This course provides an introduction to the fundamentals of entrepreneurship and innovation, viewed through an economist's lens. Divided into two parts, the first portion covers essential concepts and tools in the Economics of Entrepreneurship and Entrepreneurial Finance. The second part delves into topics related to the Economics of Innovation. The class aims to serve two purposes: firstly, to equip students with the foundational knowledge necessary to plan and launch entrepreneurial ventures as entrepreneurs and innovators. Secondly, to provide students with an understanding of the economic institutions that facilitate entrepreneurship and innovation.

Notes

Prerequisites: ECON 2103/2113, ECON 2123; **Suggested:** ECON 3334

The course provides the ECON 4670 paper requirement option

Assessment Scheme

1. Class Participation (20%)

- Attendance: Attendance at lectures is mandatory. If you are unable to attend the upcoming lecture, please inform me in advance.
- In-class short presentations: As part of the course, you will be expected to deliver a brief in-class presentation (< 5 minutes). Each student will present once, and you will be asked to sign up for a presentation slot at the beginning of the semester.
- In-class discussions: The lecture includes occasional group discussions.
- Other: You are encouraged to ask/answer questions or make comments during class.

2. Midterm Exam (30%)

- The midterm exam will be open book and open notes.
- The midterm exam will mainly cover questions in entrepreneurial economics and finance, but might also contain other materials from the first half semester.
- In the case of absence from the midterm exam due to medical reasons, you are required to submit a medical certificate issued by a registered medical practitioner. Appropriate documentation will be required for absences due to other reasons.

3. Group Presentation (30%)

- Towards the end of the semester, you will be required to form groups for the final presentations. Each group should comprise 3-4 members.
- Each group will have the opportunity to select from a range of cases or questions pertaining to entrepreneurship and innovation.
- Each group will be allotted 30 minutes to deliver their presentation in the two group presentation sessions at the end of the semester.

4. Final Project (20%)

- You are required to conduct a final project by the end of the spring semester (May 24).
- The final project should be submitted as a short research report or paper, approximately 3 to 4 pages in length (excluding tables, figures, and references).
- The final project should follow the basic rules of academic writing.

Intended Learning Outcomes (ILOs)

Please refer to the School Intended Learning Outcomes list ([link](#)) for details of the learning goals.

Upon completion of this course, you will be able to:

1. Gain a thorough understanding of theories and quantitative methods to analyze economic phenomena in entrepreneurship and innovation from both macro- and micro-perspectives and apply them effectively. (SILO Goal #1,#3)
2. Develop an understanding of the policy-making issues associated with entrepreneurship and innovation. (SILO Goal #1,#4)
3. Work collaboratively in a team to analyze and present solutions to real-life cases. (SILO Goal #1,#2,#3)
4. Demonstrate an understanding of the principles of academic writing and economic analysis, and apply them effectively. (SILO Goal #1,#2)

Other Organizational Matters

1. Course website
 - Website address: <http://canvas.ust.hk>.
 - Lecture notes and reading materials will be posted on the course website.
2. Recommended books (not required)
 - The Economics of Entrepreneurship, 2nd Edition, by Simon C. Parker;
 - Entrepreneurial Finance, 6th Edition, by J. Chris Leach and Ronald W. Melicher;
 - Venture Capital and the Finance of Innovation, 2nd Edition, by Andrew Metrick and Ayako Yasuda;
 - The Economics of Innovation: An Introduction, by G. M. P. Swann.
3. Email Policy
 - Please send me an email before coming to my office outside scheduled office hours.
 - In the title of your email, please put the following: [ECON4999Q-YOURNAME]
4. Learning Environment
 - Please refer to the following website for the guideline for good learning environment: http://www.ust.hk/vpaa0/conduct/good_learning_experience.pps.

5. Academic Honesty and Integrity

- Honesty and Integrity is central value in HKUST. Please be aware of the importance and maintain high standard of honesty in the problem sets, examinations, and writings in this course. Familiarize yourself to the university rules and the HKUST academic honor code by visiting following website: <http://www.ust.hk/vpaa0/integrity>.

Course Schedule

Session	Dates	Topic
<u>Part 1: Introduction to Entrepreneurship</u>		
Module 1	Jan 31, Feb 2	What is Entrepreneurship?
Module 2	Feb 7, 9	The Economic Theories of Entrepreneurship
Module 3	Feb 14, 16	The Determinants of Entrepreneurship
Module 4	Feb 21, 23, 28, Mar 1	Entrepreneurial Finance
Module 5	Mar 6, 8	Special Topics in Entrepreneurship
	Mar 13	Midterm Review
	Mar 15	Midterm Exam*
<u>Part 2: Introduction to Innovation</u>		
Module 6	Mar 22, 27	The Nature of Innovation
Module 7	Apr 10, 12	Intellectual Property
Module 8	Apr 17	Innovation and the Market
Module 9	Apr 19	Firm Innovation
Module 10	Apr 24, 26	Innovation Policies
Module 11	May 3	Guest Speaker Lecture
	May 8, 10	Group Presentation*

Note 2: Please note that there will be no class on March 20th. The missed class may be rescheduled at the end of the semester as an additional guest speaker lecture.

Note 2: The final project will be due at 11:59 PM, 24 May.

Note 3: There might be some updates to the syllabus and papers as the semester unfolds. The updated versions will be posted on Canvas.