Description: The course is about the economy of Hawaii. The primary focus will be on understanding the economic challenges facing Hawaii. The course is designed so that you will understand Hawaii’s economy from three important perspectives:

1) Why we are the way we are: an exploration of the historical development of Hawaii’s economy from pre-contact to modern times;
2) Where we are: an analysis of the current structure of the economy of the Aloha State with specific attention to current economic issues;
3) Where we are going: a discussion of future directions and options for the people and economy of Hawaii.

Prerequisite: Completion of one semester of introductory economics

Objectives: In this course you will:

- Understand the significance of Hawaii’s monarchial and sugar plantation past of the political economy of today’s Hawaii
- Apply macroeconomic and microeconomic concepts to the economy of Hawaii (including measures of output, factor inputs, input utilization, productivity, economic structure, sources of economic growth, sources of economic competitiveness)
- Conduct web based research for Hawaii economic statistics and produce graphs to illustrate trends (Excel)
- Conduct issue-related research, using sources available to you (www, library, primary data collection)
- Become involved in reviewing and commenting on Economic Momentum Commission recommendations and preparing own recommendations
- Write up your research proposal, research findings, and research conclusions
- Work as part of a team to achieve your research objectives
- Present the results of your research to the class

Required reading:
1) Selected readings from books, journal articles and policy papers
2) James Mak, Tourism and the Economy, 2004
3) Christopher Grandy, Hawaii Becalmed, 2002
Grading and Student Expectations:

1) 2 Essay Exams (mid term 100, final 150 points, respectively). These exams will generally consist of 5-7 broad questions with elements ranging from listing and describing to explaining and discussion current and historical issues in Hawaii’s economy

2) 2 Short (3-5 pages) reports on specific topics (25 points each)

3) Policy Research Report and Presentation (200 points) see details on page 3

Grading Summary: Exams (250 points) + Research/presentation (200 points) + Short reports (50) = 500 points.

Class preparation: This course will require a significant amount of reading and writing. You will be expected to read in advance and be prepared to discuss in class.

Late work: All work is expected to be submitted on time. Assignments are due at the beginning of class on the day specified. Assignments turned in after class are considered to be 1 day late, the next day, 2 days late, etc. Late submissions will be subject to grade penalties at the rate of half a grade per day, including weekend days or holidays.

Plagiarism: You are expected to present your thoughts in your own writing. Occasionally you may find it stylistically useful to cite someone else’s works. When you do so, and it should be on a limited basis, you must provide documentation of the source.

Short papers:

1. **Due on October 4**
   Using the concepts of sustainable tourism as discussed in James Mak, *Tourism and the Economy*, and using information available from the web
   a. discuss potential measures of sustainable tourism for Hawaii; or
   b. discuss how the Hawaii Tourism Authority’s strategic plan deal with or do not deal with the issues of sustainable tourism
   c. other related topic of your choice

2. **Due on November 3**
   Draft 2 Good ideas statements using the form provided to be turned in to the Economic Momentum Commission
Policy Research Report and Presentation

The purpose of this assignment is to give you experience in researching, writing, and presenting a position on an issue related to Hawaii’s economy. This work will use a team-based approach.

You should think about the following questions:

- What is the number one economic policy issue in Hawaii today?
- What do we need to find out to analyze this issue for decision making purposes?
- What do we recommend?

Specific objectives of the assignment include:

1) Identifying the significance of your policy issue.
2) Performing background research sufficient to develop recommendations
3) Making observations from your research
4) Making conclusions based on these observations

Instructions:

1) Form a group of three people
2) Propose a policy change
3) Conduct research to determine the benefits of the policy change and whether it is feasible
4) Check to see whether this has been proposed before and to what result
5) Develop a presentation (use powerpoint or other graphic aids to facilitate communication)
6) Present your research to the class
7) Each group has 20 minutes (timed) to present their paper

Paper guidelines

1) One paper per group, length: 10-12 pages per person in the group
2) Paper should be typed in 12 pt. font, with one inch margins, double-spaced. A title page and bibliography should be included in the paper, but not included in the count of the required pages (no hand written papers will be accepted)
3) Use charts/graphs to illuminate or illustrate a particular point: be selective
4) Indentification of sources: Identify the source of all numerical data and give proper attribution to ideas which are not your own.

I will retain the papers that you submit. Make yourself a copy, if you need one.
Deadlines for Paper:

1) Group membership in writing  Tuesday Sept 13
2) Issue identification in writing  Thursday October 13
   and outline and division of responsibilities
3) Final draft  Tuesday Nov 22
4) Presentation  Last two weeks
Tentative Schedule and Required Readings

**Historical Development** (Weeks 1 through 2)


**The Structure of Hawaii’s Economy** (Weeks 3 to 6)


2. U.S. Department of Commerce, Bureau of Economic Analysis, GSP Help File

*Comparative Advantage and Diversification*

1) Robert Ebel, James Mak, and James Moncur, “The future of Hawaii’s major exports,”

*Capital Accumulation/Technology & Human Capital Formation*

2. DBEDT, “Productivity in Hawaii’s Economy” & “Primer on Productivity”

**Exam 1 September 22, 2005**

Readings for Second Half of Class to be provided at a later date