

City University of Hong Kong
Course Syllabus

offered by Department of Economics and Finance
with effect from Semester A 2017/18

Part I Course Overview

Course Title:	Contemporary Economic and Financial Issues in China
Course Code:	EF4461
Course Duration:	1 Semester
Credit Units:	3
Level:	B4
Proposed Area: <i>(for GE courses only)</i>	<input type="checkbox"/> Arts and Humanities <input type="checkbox"/> Study of Societies, Social and Business Organisations <input type="checkbox"/> Science and Technology
Medium of Instruction:	English
Medium of Assessment:	English
Prerequisites: <i>(Course Code and Title)</i>	Nil
Precursors: <i>(Course Code and Title)</i>	CB2400 Microeconomics or CB2400 Economics I or FB2400 Economics I CB2402 Macroeconomics or EF2401 Economics II or FB2401 Economics II
Equivalent Courses: <i>(Course Code and Title)</i>	EF4150 Financing China Trade and Investment
Exclusive Courses: <i>(Course Code and Title)</i>	Nil

Part II Course Details

1. Abstract

The aim of this course is to enhance students' knowledge, standard and understanding of the economic and financial issues in the contemporary Chinese economy. Students are also expected to investigate in detail the status of key economic and financial issues and to associate the importance of different economic areas in the Chinese economy. To enhance discovery and innovation learning, it is crucial for students to relate the contemporary Chinese economy to the Hong Kong economy, and to project and postulate the growth path and trend of the Chinese economy.

The lecture will provide students with basic understanding of the theories and models regarding the Chinese economy, as well as motivate students' discovery learning and innovative thinking. The group project of Country Risk Analysis and the debate/ presentation on it will develop students' ability to apply theories and models to the current issues and evaluate the economic well-being of a country. Their accomplishments of discovery and innovative learning will be reflected by the project report and debate/presentation.

2. Course Intended Learning Outcomes (CILOs)

(CILOs state what the student is expected to be able to do at the end of the course according to a given standard of performance.)

No.	CILOs [#]	Weighting* (if applicable)	Discovery-enriched curriculum related learning outcomes (please tick where appropriate)		
			A1	A2	A3
1.	Gain a strong comprehension on the key economic and financial issues in the context of China's economic reform; discover the interrelations between theories and their applications	35 %	✓		
2.	Realize constructively the importance of different economic areas in the Chinese economy; make decisions based on in-depth reflection, criticism, and assessment	35 %		✓	
3.	Identify the opportunities and relate the contemporary Chinese economy to the Hong Kong economy; make use of the information they learn from the lecture and information from database and analyst reports to examine the real issues in China and develop their problem solving skills.	15 %		✓	
4.	Explain current problems and issues and to project and postulate the growth path and trend of the Chinese economy; build up their attitude and ability to discover and innovate as they make projections on the future of the Chinese economy.	15 %			✓
		100%			

* If weighting is assigned to CILOs, they should add up to 100%.

Please specify the alignment of CILOs to the Gateway Education Programme Intended Learning outcomes (PILOs) in Section A of Annex.

A1: *Attitude*

Develop an attitude of discovery/innovation/creativity, as demonstrated by students possessing a strong sense of curiosity, asking questions actively, challenging assumptions or engaging in inquiry together with teachers.

A2: *Ability*

Develop the ability/skill needed to discover/innovate/create, as demonstrated by students possessing critical thinking skills to assess ideas, acquiring research skills, synthesizing knowledge across disciplines or applying academic knowledge to real-life problems.

A3: *Accomplishments*

Demonstrate accomplishment of discovery/innovation/creativity through producing /constructing creative works/new artefacts, effective solutions to real-life problems or new processes.

3. Teaching and Learning Activities (TLAs)

(TLAs designed to facilitate students' achievement of the CILOs.)

TLA	Brief Description	CILO No.				Hours/week (if applicable)
		1	2	3	4	
Lectures	Provide concepts and knowledge. Students are encouraged to interact with the lecturer to better understand what they learn in class.	√				3 hours
Economic Analysis Project Peer evaluation: students are required to give comments on their team members in terms of their contributions to the group project near the end of semester. This practice avoids the free-rider problem.	Students will form small groups of up to three members and apply the models and theories they learned and integrate the data consolidation to analyze the region economy in China. Activities include: a) Students are asked to select and discuss one economic aspect from mainland China; b) Collect relevant data for a period of time; c) Read up materials related to the data collected; d) Analyse the data by applying the knowledge they learn; Students will practice the use of computer software and database such as CEIC Database. They are also encouraged to read country reports from government bodies or major financial institutions. The final report will reveal the students' accomplishment of discovery and innovative practice. Students' ability to discover and innovate is also improved by acquiring the skills and ability in analyzing independently the economic performance of a region. In-class presentation will be followed, to enhance students' independent understanding and learning of a selected region in China as a case study, and to familiarize students with contemporary economic issues in China within the context of the global economy.			√	√	

4. Assessment Tasks/Activities (ATs)

(ATs are designed to assess how well the students achieve the CILOs.)

Assessment Tasks/Activities	CILO No.				Weighting*	Remarks
	1	2	3	4		
Continuous Assessment: 30%						
Semester Project			√	√	30%	Extra reward /penalty are given to good / poor attendance. Peer review will be conducted in students' presentation.
Examination: 70% (duration: 2 hours, if applicable)						
Final exam	√	√			70%	Extra reward /penalty are given to good / poor attendance. Peer review will be conducted in students' presentation.
* The weightings should add up to 100%.					100%	

The final examination contains both multiple choice questions and essay questions. The essay questions will help students integrate theories and concepts and develop students' problem solving skills. This reflects students' accomplishments in discovery and innovation.

The project will be based on current issues and will develop students' ability to make use of relevant information for analysis.

Students are required to pass both coursework and examination components in order to pass the course.

5. Assessment Rubrics

(Grading of student achievements is based on student performance in assessment tasks/activities with the following rubrics.)

Assessment Task	Criterion	Excellent (A+, A, A-)	Good (B+, B, B-)	Fair (C+, C, C-)	Marginal (D)	Failure (F)
Semester Project	Allow students to discover aspects of the China economy	Exceptional	High	Moderate	Basic	Unacceptable
Final Examination	Test of knowledge					

Part III Other Information (more details can be provided separately in the teaching plan)

1. Keyword Syllabus

Topics to cover in the course

1. The Chinese economy in the pre-reform years.
2. Economic Management and Fiscal Discipline.
3. Money and Banking.
4. Financial Liberalization.
5. Growth, Capital Accumulation and Economic Efficiency.
6. Securities Markets.
7. Rural Reform and Agriculture.
8. State and non-state sectors.
9. Trade, WTO, Foreign Exchange and Reserve.
10. Foreign Direct Investment.
11. Socio-Economic Issues.
12. Role of Hong Kong and Financial Crisis.
13. The Next Stage of Economic Reform.

2. Reading List

2.1 Compulsory Readings

(Compulsory readings can include books, book chapters, or journal/magazine articles. There are also collections of e-books, e-journals available from the CityU Library.)

1.	Li, Kui Wai, 2001, "The Two Decades of Chinese Economic Reform Compared", <i>World Economy and China</i> , Vol. 9, No. 2, March-April: 55-60. (HC427.92 .W68)
2.	Li, Kui Wai, 2000, "The Changing Economic Environment in People's Republic of China", in Oliver H. M. Yau and Henry C. Steel (ed), <i>China Business: Challenges in the 21st Century</i> , Hong Kong: Chinese University Press, Chapter 2, pp. 29-68. (HF3836.5 .C553 2000)
3.	Lardy, Nicholas, 1998, <i>China's Unfinished Economic Revolution</i> , Brookings Institution Press, Chapter 1. (HC427.92 .L373 1998)
4.	Wu, Jinglian, 2005, <i>Understanding and Interpreting Chinese Economic Reform</i> , Ohio: Thomson. (HC427 .W798 2005)
5.	Chow, Gregory C., 2002, <i>China's Economic Transformation</i> , Oxford: Blackwell Publishers. (HC427.92.C4782 2002)
6.	Qian, Yingji and Gerard Roland, 1996, "The Soft Budget Constraint in China", <i>Japan and the World Economy</i> , Vol. 8, pp. 207-223. (HF1601 .J352)
7.	Wong, Christine, Christopher Heady and Wing Woo, 1995, <i>Fiscal Management and Economic Reform in the People's Republic of China</i> , Oxford University Press. (HJ1401 .W66 1995)

8.	Lardy, Nicholas, 1998, China's Unfinished Economic Revolution, Brookings Institution Press, Chapter 4. (HC427.92 .L373 1998)
9.	Tang, Xu and Kui Wai Li, 1997, "Money and Banking in China", in Kui Wai Li (ed), Financing China Trade and Investment, Praeger Publishers, Chapter 1. (HG5782 .F45 1997)
10.	East Asia Analytical Unit (EAAU), 1999, Asia's Financial Markets, Department of Foreign Affairs and Trade, Australia, Chapter 12. (HG187.E37 A84 1999)
11.	Li, Kui-Wai and Jun Ma, 2004, "The Economic Intricacies of Banking Reform in China", The Chinese Economy, July-August: 50-77. (HC426 .C485)
12.	Li, Kui Wai, 1994, Financial Repression and Economic Reform in China, Praeger Publishers, Chapters 1 and 5. (HG187.C6 L54 1994)
13.	Li, Kui Wai, 1997, "Money and Monetization in China's Economic Reform", Applied Economics, Vol. 29, pp. 1139-1145. (HB1 .A66)
14.	Li, Kui Wai and Tung Liu, 2001, "Financial Liberalization and Growth in China's Economic Reform", The World Economy, 24 (5), May: 673-687. (HG3881 .E57)
15.	Liu, Tung and Kui Wai Li, 2001, "Impact of Financial Resources Liberalization in China's Economic Growth: Provincial Evidence", Journal of Asian Economics, 12: 245-262. (HC460.5.A1 J68)
16.	Chow, Gregory C. and Kui Wai Li, 2002, "China's Economic Growth: 1952-2010", Economic Development and Cultural Change, October. (HC10 .E34)
17.	Lin, Shuanglin, 2000, "Resource Allocation and Economic Growth in China", Economic Inquiry, Vol. 38, No. 3, pp. 515-526. (HB1 .E36)
18.	Chen, Baizhu and Yi Feng, 2000, "Determinants of Economic Growth in China: Private Enterprise, Education, and Openness", China Economic Review, Vol. 11, pp. 1 – 15. (HC426 .C482)
19.	Chan, David, 2000, "Stock Markets in China", in Oliver Yau and Henry Steel (ed), China Business, Chinese University Press, Chapter 4. (HF3836.5 .C553 2000)
20.	Xu, Cheng Kenneth, and Glen Allen, 2000, "The Microstructure of the Chinese Stock Market", China Economic Review, Vol. 11, No. 1, pp. 79-97. (HC426 .C482)
21.	China Securities Handbook, 1995, Hong Kong: Philip Jay Publishing Limited. (HG5782 .C45 1995)
22.	Tait, A. Neil and Kui Wai Li, 1997, "Trade Regimes and China's Accession to the World Trade Organization", Journal of World Trade, Vol. 31, No. 3, June, pp. 93-112. (K10 .O97)
23.	U.S. International Trade Commission, 1999, Assessment of the Economic Effects on the United States of China's Accession to the WTO, Publication 3228, August, Washington D.C.
24.	Cheng, Leonard and Y. K. Kwan, 2000, "What are the Determinants of the Location of Foreign Direct Investment? The Chinese Experience", Journal of International Economics, Vol. 51, pp. 379-400. (HF1 .J65)
25.	Yun Wing Sung, 1994, The China – Hong Kong Connection: Key to China's Open Door Policy, Cambridge University Press. (HF1604 .S87 1991)
26.	Nicholas Lardy, 1998, "China and the Asian Contagion", Foreign Affairs, Vol. 77, No. 4, July/August, pp. 78-88. (D410 .F67)
27.	Li, Kui-Wai, 2006, The Hong Kong Economy: Recovery and Restructuring, Chapter 8. (HC470.3 .L535 2006)
28.	Sung, Yun Wing, 1998, Hong Kong and South China: the economic synergy, Hong Kong: City University of Hong Kong Press. (HF3836.5 .S87)

29.	Li, Shuhe and Peng Lian, 1999, “Decentralization and Coordination: China’s Credible Commitment to Preserve the Market under Authoritarianism”, China Economic Review, Vol. 10, pp. 161-190. (HC426 .C482)
30.	Li, Shaomin, Shuhe Li and Weiyang Zhang, 1998, “The Road to Capitalism: Competition and Institutional Change in China”, Journal of Comparative Economics, Vol. 28, No. 2, pp. 262-292. (HB90 .J685)
31.	Neil Huges, 1998, “Smashing the Iron Rice Bowl”, Foreign Affairs, Vol. 77, No. 5, July/August, 67-77. (D410 .F67)

2.2 Additional Readings

(Additional references for students to learn to expand their knowledge about the subject.)

1.	<p>Online Resources:</p> <p>Students are encouraged to search data either online or government statistical sources. These include data and reading materials from: CEIC Database, Hong Kong SAR Government websites, China statistical websites, websites of major newspapers.</p>
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