



**THE CHINESE UNIVERSITY OF HONG KONG  
DEPARTMENT OF ECONOMICS**

**ECON3350  
China, Hong Kong and the World Economy**

**COURSE SYLLABUS  
(2017-2018 Second Term)**

**COURSE DESCRIPTION**

The rise of China is the major event of the 21<sup>st</sup> century. Hong Kong has played an important role in the opening and reform of the Chinese economy. This course examines the major issues and challenges involved in the rise of China and economic integration of Hong Kong and the Mainland. Well-known experts from the finance sector and governmental organizations will be invited to discuss and analyse current economic issues such as Hong Kong's integration with the Pearl River Delta and the Mainland, the status of Hong Kong as China's trading, financial and services hub, the impacts on the global economy of the Hong Kong-Mainland economic nexus, and economic cooperation between Hong Kong and the Mainland.

**Students are assumed to have knowledge of introductory microeconomics and macroeconomics.** More advanced economic concepts will be explained as they are used. Students who have problems with economic concepts are advised to attend tutorials and/or discuss with tutors during their office hours.

**LEARNING OUTCOMES**

After completing this course, students should be able to:

- Understand the major issues involved in the rise of the Chinese economy and the impacts on the world economy.
- Understand the major issues involved in the economic integration of the Hong Kong and the Chinese Mainland.
- To intelligently discuss and evaluate the debates on these issues.

## **THE TEACHING TEAM**

<b>Instructor</b>	Wallace K. C. Mok
<b>Email</b>	wallacemok@cuhk.edu.hk
<b>Office</b>	ELB 905
<b>Office Hours</b>	Walk-in consultations welcomed

<b>Teaching Assistant</b>	Jason Cheung	Joe Wong
<b>Email</b>	jasonkcheung@link.cuhk.edu.hk	joewonghy2017@link.cuhk.edu.hk
<b>Office</b>	ELB1017	ELB1017
<b>Office Hours</b>	By Appointment	14:30-15:30 (Friday)

## **LECTURE HOURS**

Wednesday 4:30pm-7:15pm

## **ASSESSMENT SCHEME**

The assessment is based on:

<b>Instrument</b>	<b>Weight</b>
Group Based Tasks	50%
Guest Lectures Participation and Discussion	10%
Midterm Exam	20%
Final Exam	20%
<b>Total</b>	<b>100%</b>

## **EXAM**

The date for the midterm exam will be announced. Final exam will be centrally organized

## **COURSE TEXTBOOKS**

There are no required textbooks in this course. We will make references to a number of academic journal articles, research reports and articles in financial/business magazine. Students who are interested in a quick and sharp introduction of China's economy can refer to the following text:

*China's Economy: What Everyone Needs to Know – by Arthur R. Kroeber*

## **COURSE MATERIALS**

Course materials (lecture notes, suggested readings) will be posted on E-learning.

## **GROUP BASED TASKS**

More details will be announced.

## **HONESTY IN ACADEMIC WORK**

Students must observe the University's policy on Honesty in Academic Work (please see <http://www.cuhk.edu.hk/policy/academichonesty/>). Every assignment must be accompanied by a signed declaration of originality. For group projects, all students of the same group should be asked to sign on the declaration. For assignments in the form of a computer-generated document that is principally text-based and submitted via [VeriGuide](#), the statement, in the form of a receipt, will be issued by the system upon students' uploading of the soft copy of the assignment. Assignments without the receipt will not be graded by teachers. Only the final version of assignments should be submitted via VeriGuide. The Chinese University of Hong Kong places very high importance on honesty in academic work submitted by students, and adopts a policy of zero tolerance on cheating in examinations and plagiarism. Any related offence will lead to disciplinary action including termination of studies at the University.

## **CONTENTS (TENTATIVE AND NOT NECESSARILY IN ORDER, SOME TOPICS MAY NOT BE COVERED SUBJECT TO TIME CONSTRAINT)**

### **Modern Economic Development of China and Hong Kong**

1. Introduction of China's Economy
2. Introduction of Hong Kong's Economy
3. Hong Kong's Financial and Monetary Development
4. Case Study: Hong Kong in the Asian Financial Crisis and Great Recession
5. Case Study: Hong Kong's Property Market
6. Case Study: Hong Kong's Monetary System

### **Computable General Equilibrium (CGE)**

1. Essential Microeconomic Theory
2. Essential Macroeconomic Theory
3. The Social Accounting Matrix
4. General Equilibrium Theory
5. The Global Trade Analysis Project (GTAP) and the GTAP Model
6. The runGTAP and GTAPAgg tools

### **International Macroeconomics**

1. The IS-LM Model, Mundell-Fleming and IS-LM-BP Model
2. Trade Models: The Heckschler-Ohlin Model

## **GUEST LECTURES**

There will be 5 guest lectures in this course during regular class time. You should attend these lectures and interact with the guest speakers who are experts in their areas.

<b>Date</b>	<b>Guest Speaker</b>	<b>Topic</b>
Jan 31	Edward Leung	Economic Integration and the Emergence of Anti-Globalization
Feb 7	Nathan Chow	Renminbi Internationalization
Mar 7	Nicholas Kwan	OBOR and the Big Bay Area
Mar 14	Kwok-chuen Kwok	China's Economic Reform and Development
Mar 21	Ken Hui	Hong Kong: International Financial Centre