THE UNIVERSITY OF HONG KONG  
FACULTY OF BUSINESS AND ECONOMICS  
Course Template for the Learning Outcomes System  

School of Business  
STRA3705 – China Economy

GENERAL INFORMATION

Instructor: Dr. Jing Li  
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Office: 601 K.K. Leung Building  
Phone: (852) 3917-4463  
Office hour: Friday 11:00 am -12:00 pm or by appointment  
Class: Friday 14:30 pm -17:20 pm

Teaching Assistant: TBD  
Email: TBD  
Phone: TBD  
Office: TBD

Other Information  
Pre-requisites: NA  
Co-requisites: NA  
Mutually exclusive: ECON2264 Economic Development of China  
Other important details: background in basic calculus and statistics is highly recommended.

COURSE DESCRIPTION

This course provides a general introduction of China economy since 1949 with emphasis on the era of transition from a planned economy to a more market driven one. It aims to help students understand the development and transition of Chinese economy, the working of major market mechanism, as well as related issues that China encounters. Basic economic principles are used to explain the economic issues of modern China.

Specifically, this course will start from an historical overview of China economy. Then it will talk about the economy reform, followed by the reform of firms and household behaviors that are specific to China. Next, it will focus on two important markets: financial market and housing market, focusing on the market mechanism, function of major players, and issues/concerns that may hinder economic development. Besides that, this course will also cover the topic about the interactions between China and the world by focusing on the international trade and foreign direct investments. Finally, this course will have an in-depth discussion of the development of China economy with specific emphasis on driving forces, obstacles, and problems associated.

COURSE OBJECTIVES

The focus of this course is to develop students’ ability to conduct applied economic analysis of Chinese economic issues. By highlighting several topics, this course will guide students to use the basic economic tools to systematically analyze economic problems in China. Besides that, this course provides students with diverse background general knowledge of Chinese economy, as well as the interactions among institutions and other major players in the process of economic development in China.

1. To provide a structured set of assessments of transition and development of China economy.  
2. To guide students to apply basic economy theory and empirical analytic skills to study issues that are important to Chinese economic development.  
3. To combine lecture, case studies and discussions, as well as project presentation for better development of students’ communication and facilitation skills.
Programme Learning Outcomes

PLO1: Acquisition and internalization of knowledge of the programme discipline
PLO2: Application and integration of knowledge
PLO3: Inculcating professionalism and leadership
PLO4: Developing global outlook
PLO5: Mastering communication skills

COURSE LEARNING OUTCOMES

Course Learning Outcomes | Aligned Programme Learning Outcomes
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On completion of this course, students are able to:

CLO1: Understand the transition and development of Chinese economy and identify current economic challenges in China. | PLO1, PLO2, PLO4
CLO2: Critically examine major economic issues in China using basic economic theory and principles. | PLO1, PLO2, PLO3, PLO4
CLO3: Develop analytical skills to systematically solve economic issues. | PLO1, PLO2, PLO3, PLO4
CLO4: Demonstrate effective written skills, communication skills, and teamwork skills through discussion, presentations, and paper writing. | PLO1, PLO2, PLO3, PLO4, PLO5

COURSE TEACHING AND LEARNING ACTIVITIES

| Course Teaching and Learning Activities | Expected contact hour | Study Load (% of study) |
--- | --- | ---
T&L1. Lectures with In-class discussion and class work | 32 | 24.62% |
T&L2. Group-based Project and Presentation | 20 | 15.38% |
T&L3. Term Paper | 40 | 30.77% |
T&L4. Self-study | 38 | 29.23% |
Total | 130 | 100% |

Assessment Methods

| Brief Description (Optional) | Weight | Aligned Course Learning Outcomes |
--- | --- | ---
A1. Class Participation | 10% | COL1, COL2 |
A2. Quizzes | 20% | COL1, COL2, COL3 |
A3. Group Presentation | 30% | COL1, COL2, COL3, COL4 |
A4. Term Paper | 40% | COL1, COL2, COL3, COL4 |
Total | 100% |

STANDARDS FOR ASSESSMENT

Course Grade Descriptors

A+, A, A- | Strong evidence of superb ability to fulfill the intended learning outcomes of the course at all levels of learning: describe, apply, evaluate, and synthesis.
B+, B, B- | Strong evidence of the ability to fulfill the intended learning outcomes of the course at all levels of learning: describe, apply, evaluate, and synthesis.
Evidence of adequate ability to fulfill the intended learning outcomes of the course at low levels of learning such as describe and apply but not at high levels of learning such as evaluate and synthesis.

Evidence of basic familiarity with the subject.

Little evidence of basic familiarity with the subject.

Assessment Rubrics for Each Assessment (Please provide us the details in a separate file if the space here is not enough)

1. **Class Participation: 10%**
   
   Effective participation is very important to guarantee the quality of learning outcome. Basically, I measure students’ participation through two aspects:
   
   a. **Attendance and punctuality**: This is the basic requirement of participation. Students are required to attend all the classes on time. Excused absence is allowed but has to notify the instructor at least one day ahead. Sick leave can be requested on the day of class.
   
   b. **Contribution of the discussion**: Discussion is a very important part of the learning process of this class. During the process of lectures and presentations, you are encouraged to ask questions, give comments that could lead the discussion to a new direction. Please be less concerned about the “right” or “wrong”. The main purpose of discussion is to help students develop ability of systematic thinking and skills of effective communication. All of your contribution are valuable and I will track all of your participation during discussion.
   
   c. **Note**: If you are not comfortable of discussing in the class, please come to talk with me during the consultation time. We can work together to get it solved.

2. **Quizzes: 20%**
   
   Quiz is used as an effective assessment of both students’ learning and instructor's teaching outcome. Two in-class quizzes will be provided. Questions can be in the format of both multiple choices and short essay.
   
   **Schedule of Quizzes:**
   
   Quiz One: March 2nd, 2018 (Friday) ---Focus on class materials covered before/on this date.
   
   Quiz Two: April 13th, 2018 (Friday) ---Focus on class materials covered since quiz one.
   
   **Note:**
   
   No make-up quizzes will be provided unless you demonstrate in advance that you have significant reasons that prevent you from attending the class (e.g. illness or injured confirmed by your doctor, or family emergency).

3. **Group Presentation: 30%**
   
   Besides to help students familiarize the economy in China, group work fulfills another major objective of this course—develop analytical skills, communication skills, as well as presentation skills. Students should form a group and choose a topic/case related to China Economy. Students can choose to present a topic such as discussing a puzzling phenomenon in China economy or conducting a case study during the transition of economic process.
   
   **How it works:**
   
   Step 1: **Form a group**. Students are required to form a group with no more than 4 members.
   
   Step 2: **Choose a topic**. Each group should choose a topic related to China Economy. A proposed list of topics is provided below. Students can choose a topic from this list or a new topic by themselves as long as it is related to China Economy. Each listed topic can only have one presentation and the first group who notify the instructor about their choice will be given priority.
   
   Step 3: **Notify the instructor**. Students should send an email to the instructor about their group
information (name of each group member) and the presentation topic no later than January 26th, 2018.

Step 4: Make a presentation. Each group will present their group work in class starting from February 9th, 2018 (first presentation). One presentation for each week, except the week of quizzes.

**About the presentation:**
- Each group should prepare a 30-mins presentation and leave another 10 mins for questions and comments
- Participation and contribution of audience groups during the presentation will be tracked.

**Proposed topics for presentation:**

1) Household Behaviors:
   - Question: Tapping China’s Luxury-goods market: a study of consumers’ purchase behaviors

2) Financial System:
   - Case study: Opportunity and challenges of Bank of China
   - Question: Impact of Aging in China on financial system

3) Housing Market:
   - Case study: The success of Vanke (Vanke is one of the largest real estates in China)

4) Trade and Foreign Direct Investment (FDI):
   - Case study: Anti-dumping on shoes industry between China and EU
   - Case study: Anti-dumping on shrimp industry between China and US
   - Case study: Successful FDI case in China: e.g. Coca Cola

5) Economic Growth:
   - Question: Comparisons of economic growth between China and US

6) Issues of Economic Growth
   - Question/Case study: Food safety issues in China

4. **Term Paper: 40%**

The last assessment of this course is the individual term paper, which accounts for the most important part of your final grade. Based on the lectures, handouts and all other reading materials covered in this class, each student should choose one specific topic and finish writing a term paper by the end of this semester. The purpose of this paper is to encourage students to develop ability of critical thinking and learn to apply basic micro/macro theory to analyze economic issues in China.

**Requirements:**
- The deadline of this paper is April 30th, 2018.
- The topic of paper should be specific and related to the materials covered in class. Students should submit the topic of their paper no later than March 31st, 2018.
- Format: (1) a cover page indicating the title of paper, name, student ID (if available), department (if available); (2) double space with no more than 15 pages in total (including tables, graph, reference, etc.); (3) Font: Times New Roman; size: 12.
- Guideline of content: Students can choose to follow the logic of what—why—how to construct the paper (up to student’s preference). That means you are suggested to introduce the background and propose your research question/topic (what) in the first part of your paper. Then you should analyze the reason (why) and how this issue is solved (how). Both quantitative and qualitative method can be used in your paper (up to your specialization).
### COURSE CONTENT AND TENTATIVE TEACHING SCHEDULE

**Topic One: General Introduction**
- Characteristics and basic economic facts of China
  - Geographic, Demographic settings
  - Basic economic facts of China

**Topic Two: Market Transition: Strategy and Process**
- Economy before reform: The failed Socialist Experiment
- Incentives of reform
- Strategy and process of reform
- Outcome, implications and issues of the reform

**Topic Three: Enterprises in China**
- State-Owned Enterprises
- Enterprises in non-state sectors

**Topic Four: Household Behavior**
- Expenditure trend
- Segmenting demand: the wealth pyramid
- Specific expenditure behavior by age group
- Implications on the Chinese Economy

**Topic Five: Financial Market**
- Banking system
  - Banking system in China
  - Issues of current banking system
- Stock Market
  - Introduction of stock market in China
  - Reform of stock market
  - SH-HK Stock Connect and SZ-HK Stock Connect

**Topic Six: Housing Market**
- Historical overview of housing market in China
- Housing Bubbles?
- Relation with banking system and related policies

**Topic Seven: Foreign Trade**
- Overview of trade in China
- Trade reform
- Relation with major trade partners

**Topic Eight: Foreign Direct Investment (FDI)**
- Inward and outward FDI in China
- Determinants and Impact of FDI

**Topic Nine: Economic Growth**
- Driving forces for growth
- Obstacles for development

**Topic Ten: Issues with Economy Growth in China**
- Overcapacity
- Pollution

### REQUIRED/RECOMMENDED READINGS & ONLINE MATERIALS (e.g. journals, textbooks, website addresses etc.)

Two recommended books for this class:

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<tr>
<th>COURSE POLICY (e.g. plagiarism, academic honesty, attendance, etc.)</th>
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<tbody>
<tr>
<td>The University Regulations on academic dishonesty will be strictly enforced! Please check the University Statement on plagiarism on the web: <a href="http://www.hku.hk/plagiarism/">http://www.hku.hk/plagiarism/</a></td>
</tr>
<tr>
<td>Academic dishonesty is the behavior in which a deliberately fraudulent misrepresentation is employed in an attempt to gain undeserved intellectual credit, either for oneself or for another. Any type of academic dishonesty will not be tolerated, such as plagiarism, cheating, or unauthorized collaboration.</td>
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<th>ADDITIONAL COURSE INFORMATION (e.g. e-learning platforms &amp; materials, penalty for late assignments, etc.)</th>
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<td>Please note that the syllabus and schedules may be changed at the instructor's discretion.</td>
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