

and function of economic institutions. The entrepreneur as a decision maker is analysed in details. In addition to the role of a producer, the firm as an intermediary and as a market maker is also discussed.

ECON 7270 Topics in Microeconomics (3,3,0) (E)

This course aims at bringing current development of microeconomics to students. The topics may vary from year to year, depending on the research and teaching interest of instructors. Those topics are usually not covered or covered only briefly in ECON 7120. Some examples of topics are: theory of incentives, theory of organizations, mechanism design, modelling multi-person strategic behaviour, general equilibrium, modelling multi-output production, etc. Three to five topics will be covered thoroughly in one semester.

ECON 7280 Topics in Macroeconomics (3,3,0)

This course educates students in knowing the latest development of macroeconomics. The topics may vary from year to year, depending on the research and teaching interest of instructors. Some examples of topics are (1) how macroeconomic theories can be used to understand the complex relationships of a modern market economy, (2) why fluctuations and sometimes crisis may occur in an economy and (3) how government policies may be used to stabilize the functioning of an economy. Current macroeconomics issues will be discussed, too, for example, the causes and remedies of (1) the financial crisis of 2008, (2) the Euro crisis and (3) the long-term stagnation in Japan.

ECON 7310 Economic Institutions in China (3,3,0) (E)

This course studies key economic institutions of China that have emerged in the course of transition from a planned to a market economy. These institutions are not necessarily the first-best choices from the perspective of conventional theories of market economy, but they might overcome some typical institutional weaknesses of transitional economies. They include the double-track pricing and allocation system, local government ownership of firms, fiscal decentralization and yardstick competition among different regional jurisdictions, etc. Drawing on the major contributions in the economics literature, the costs and benefits of adopting these institutions by China will be analysed.

ECON 7320 Public Finance and Monetary Economics in China (3,3,0)

This course aims at providing an in-depth understanding of the functions and the performance of China's fiscal, monetary and exchange rate systems, as well as their impact on the economy. After explaining major trends in those changing regimes, their developments in the post-1994 and post-2001 periods are analysed, using theoretical models and econometric techniques to tackle critical issues.

Regarding the fiscal system, the course emphasizes topics such as central-local intergovernmental relations, the transition from contracts to tax assignment, and the impact of patterns of taxation and public expenditure on macroeconomic development and income distribution, amongst others. Sterilization operations for a semi-open monetary regime and increasing flexibility of the exchange rate form the foci for discussion of the challenges facing the People's Bank of China, on top of the reforms of monetary tools and capital account liberalization.

The reactions and effectiveness of China's fiscal-monetary mix in alleviating the adverse consequences of the global economic crisis which began to unfold from the fourth quarter of 2008 are to be reviewed. The course ends by an investigation of the evolving financial relations between the Mainland and Hong Kong.

ECON 7330 Foreign Economic Policies of China (3,3,0) (E)

This course discusses the foreign economic relations of China with the rest of the world and the foreign economic policies of China. It explores how and why China integrates its economy with the world economy, major conflicts with other countries, and how some of the conflicts were resolved or minimized. Topics covered include China's trade with other countries, accession to

the World Trade Organization, currency policy, and free trade areas. Also covered are the relations between economic growth and foreign economic policies and the relations between domestic policies and foreign policies. Students can learn from this course not only how a developing country like China can benefit from foreign trade but also the major conflicts China has with other countries.

ECON 7340 Productivity Analysis of the Chinese Economy (3,3,0) (E)

This course is an interdisciplinary field of economics, management science, mathematics and econometrics. It aims at applying advanced production theory and quantitative techniques for performance gauging in multi-input, multi-output organizations. The productivity of individual enterprises as well as the whole economy is the focus. Students will obtain hands-on experience such as evaluating the efficiency losses of firms in various industries and the welfare losses of regional fragmentations. The productivity growth of the Chinese economy before and after the economic reform will also be studied.

ECON 7350 Corporate Finance and Governance in China (3,3,0) (E)

This course is designed to introduce the financial and corporate governance environment in China. The first part explains the models of corporate finance and governance. The second part provides theoretical as well as empirical framework for the analysis of corporate finance and governance in China. Upon completion of the course, students are expected to have basic understanding on the characteristics of corporate finance and corporate governance in China; and to be able to evaluate policies and potential challenges on the financial markets and corporate governance in China.

ECON 7410 Development and Policies of Hong Kong's Major Economic Sectors (3,3,0) (E)

The course aims at providing students with a theoretical and systematic understanding of the latest development and public policies of Hong Kong's major economic sectors. These activities would include banking and finance, property and construction, industry, telecommunications, aviation and logistics, tourism, public utilities and the government sector. Policy reactions under the recent financial crisis and economic downturn will be analysed. Their impacts on Hong Kong's economic restructuring will be examined. Focus would also be placed on Hong Kong's economic integration with the Pearl River Delta and relevant policy issues. Special emphasis will be given to the usage of empirical analysis to evaluate the impact of economic policies.

ECON 7420 Applied Time Series Analysis and Forecasting (3,3,0) (E)

This course aims to introduce methods for time-series analysis, modelling and forecasting with computing application, and interpretation. The major time series models such as time trend, cycle and seasonal modelling, smoothing, stationary and unit roots tests, causality analysis, distributed lag model, Box-Jenkins ARIMA model, dummy dependent model, vector autoregression (VAR) and error correction (ER) model, ARCH and GARCH model, etc. The course shows how to apply these techniques to real-life data and to develop forecasting models for economic, business and finance applications. Computing is an integral part of this course.

ECON 7430 Applied Cost-Benefit Analysis (3,3,0) (E)

This course educates students in applied cost-benefit analysis of: (a) private investment, (b) public investment, (c) business strategy, and (d) government policy, with a primary focus of applying economic reasoning and writing/presentation skills to deliver practical information for decision making in a complicated business world.

ECON 7440 Applied Economics Research Paper (3,0,0) (E)

This course aims at training students to apply the knowledge and skills developed in the taught courses of the programme to