

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

put together an original and analytical piece of research. It is a complement of classroom learning and seeks to encourage critical thinking and informed judgement. Each student of this course must write a research paper independently under the supervision of a faculty member. The research paper would normally entail the use of empirical methods such as data analysis or econometrics.

This course is offered in the summer term only and open to students with GPA not less than 3.5 in the first semester. During the second semester, students who plan to take this course choose a research topic and produce a proposal. An academic supervisor is then allocated on the basis of each chosen topic.

ECON 7450 Energy Economics (3,3,0) (E)

This course educates students in (a) interactions among energy, economy, and environment; (b) energy market organization, regulation and deregulation; (c) energy demand, pricing, investment, supply and costs; (d) energy efficiency, conservation and demand management; and (e) risk management, energy security, emissions control, and renewable energy development.

ECON 7460 Banking and Capital Markets (3,3,0) (E)

Investment banks and credit rating agencies play a very important role in the global financial markets and commercial real estate sector. The increasing publicity associated with these two industries, and the vast career opportunities offered by them, call for a need to more thoroughly understand what investment banks and credit agencies do and the function they perform in the financial markets and real estate sector.

ECON 7470 Environmental Economics (3,3,0) (E)

Environmental economics is the study of how the economic affects the environment (the recession has caused a dip in greenhouse gas emissions), how the environment affects the economy (temperature increases adversely affects the skiing industry), and the appropriate way to regulate economic activity so as to achieve an optimal balance between environmental and economic goals (which is the best way to regulate carbon emissions, a cap-and-trade scheme or an emission tax?)

ECON 7510 China's Economic Development and Reform (3,3,0) (P)

This course provides an overview of the Chinese economy, with emphasis on the development in the reform period. It mainly covers the post-1978 evolution of reform measures in various sectors, including agriculture, industry, financial institutions, fiscal system and foreign sectors. The growth and equity implications of the reforms will also be evaluated.

ECON 7520 China's Foreign Trade and Investment (3,3,0)

This course aims to introduce student basic facts and analysis of the rationale, the institutional changes, arrangements and policies as well as the economic impacts of foreign trade and investment liberalization in post-1978 China. The first part provides a theoretical as well as empirical framework for analysis of China's foreign trade issues. The second part examines and assesses the recent developments of foreign investment in China. Upon completion of the course, students are expected to have basic understanding of how foreign investment and trade have been conducted in China; how they may have shaped the structure, administration and performance of the Chinese economy particularly in the post-1978 reform period and how could their beneficial role be strengthened.

ECON 7540 Graduate Workshops on China's Economy (3,3,0) (P)

This course discusses some fundamental issues that are useful for analysing the problems facing the Chinese economy today. In particular, we will discuss three important questions. First, what are the major economic factors that determinate the economic growth of a developing country? Second, how governments can stabilize their countries' economic growth pattern? Finally, how can we identify the stimulating effect of economic policies on growth?

ECON 7550 Financial Markets and Corporate Governance in China (3,3,0) (E)

This course is designed to introduce the financial and corporate governance environment in China. The first part covers the development of banking system and financial markets in China. The second part provides theoretical as well as empirical framework for the analysis of corporate governance in China. Upon completion of the course, students are expected to have basic understanding on the contribution of financial and corporate governance reform in Chinese economic growth; and to be able to evaluate policies and potential challenges on the financial markets and corporate governance in China.

ECON 7600 Economics for Managers (3,3,0) (E)

Managerial economics concerns how to use economic analysis to make business decisions of a firm. This course (1) presents an introduction to applied economic theory necessary for sound managerial decision-making and (2) is to enable students to understand major macroeconomic issues that have important bearing on running a firm.

ECON 7610 Economic Developments in China and Hong Kong (3,3,0)

This course aims to provide students with a systemic understanding of the system and performance of the Chinese and Hong Kong economies since 1949 respectively. Adopting a historical and topical approach, this course focuses on the policy issues of reform and development of the Chinese and Hong Kong economies respectively. Issues on closer economic ties between Hong Kong and the mainland will also be examined.

ECON 7620 International Macroeconomics and Policy Issues (3,3,0)

The objective of this course is twofold: the first objective is to explore the foundations of trade policies, particularly the major policies to promote free trade among trading partners. It also discusses the major issues related to trade imbalances, including the effects of trade policies, trade balances, and world trade system. To enhance deeper understanding of various trade policies, a comparison between these policies would be provided. Another objective is to focus on topics in international finance. Major topics covered include national income accounts, balance of payments, foreign exchange market, interest parity and purchasing power parity, and topics in international monetary economics.

ECON 7630 International Trade and Finance in China (3,3,0) (E)/(P)

This course aims at fostering an understanding of two major aspects of China's economic development since 1978: (1) the basic features and impacts of expanding foreign trade under the open policy; and (2) the functions and the administration of money and finance in an increasingly liberalized and decentralized environment. After a brief historical review of major stages, achievements, and remaining problems in both aspects, reform and policy options will be discussed, and the opportunities as well as challenges from a business perspective will be examined.

ECON 7710 Advanced Econometrics (3,3,0)

The goal of the course is to provide students with advanced theories in econometrics. The emphasis is on theoretical underpinnings and unifying themes, to be supplemented by applied computer work. Students completed this course should be able to conduct sophisticated empirical research.

ECON 7740 Required Readings in Economics (3,3,0)

This course aims to (1) provide a tailor-made and guided reading program for research postgraduate students in specific area(s) of concentration, and (2) induce students to acquire in-depth understanding of their specific research field in the discipline of economics. The supervisor and the student are required to work out a reading list to cover literature supplementary to the student's research area. The approved list will be submitted to the Department for record.