

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

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 emphasises 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 developments and income distribution, amongst others. Sterilisation 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 liberalisation.

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)**

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)**

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

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)**

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

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)**

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 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 7720 Advanced Microeconomics (3,3,0)**

This course educates students advanced treatments of microeconomics by emphasizing more rigorous proofs. Students will investigate the optimization behaviour of individual agents as well as resource allocation in a decentralized economy.

**ECON 7730 Advanced Macroeconomics (3,3,0)**

The course introduces students to important topics in macroeconomics, including growth theory, business cycles, New Keynesian theories, and recent development in macroeconomics.