

Course Title	:	China, Hong Kong, and the World Economy: the Greater Bay and beyond
Course Code	:	ECO3213
Recommended Study Year	:	3 and 4 3
No. of Credits/Term	:	
Mode of Tuition	:	Lecture-Tutorial
Class Contact Hours	:	2-hour lecture per week 1-hour tutorial per week
Category in Major Prog.	:	Major of Economics (Elective Course), , IEP Major (Elective Course)
Discipline	:	Economics
Prerequisite(s)	:	(a) ECO2101 Introduction to Economics, or (b)ECO2104 Introduction to Microeconomics and ECO2105 Introduction to Macroeconomics , or (c) BUS2105 Microeconomics for Business
Co-requisite(s)	:	N/A
Exclusion(s)	:	N/A
Exemption	:	N/A
Requirement(s)	:	

Brief Course Description

The course covers the major aspects of China's integration with the global economy, including its assimilation into the world trading system and practice, readjustment in import and export structure, and intake of foreign capital and investment. A special reference is given to the role played by HKSAR as a facilitator. The impact of China's entry into the world economy on both domestic economic growth and the other developing, as well as industrial economies is also discussed in detail. In taking this class, students will receive an introduction to key topics in international economics (both trade/micro and finance/macro) using the cases of Hong Kong and China as illustrative examples.

Aims

This course aims to analyse the main problems emerged during the integration of Chinese economy with the international economy, and the interactions of Mainland Chinese economy with the Hong Kong's economy.

Learning Outcomes (LOs)

Upon completion of this course, successful students should be able to:

1. Examine China's trade and investment relations with the outside world;
2. demonstrate familiarity with the patterns and trends of economic interaction between Hong Kong and Mainland China;
3. identify the Chinese government's foreign trade strategy, foreign investment policy, and foreign exchange regime;
4. critically evaluate the problems that emerged during of the integration of Chinese economy with the international economy and the interactions of the economies of Mainland and Hong

- Kong; and
5. analyse how these problems may bear on economic growth and stability within the world economic complex.

Indicative Contents

International trade of China

The impact of WTO accession on Chinese economy and its trading partners

Mainland and Hong Kong Closer Economic Partnership Arrangement (CEPA)

Foreign direct investment: long-term capital inflows to China

Capital flight and hot money: problems of short-term capital flows of China

The instability of China's currency Renminbi

Asian financial crisis and sub-prime crisis in the US

The problems facing Hong Kong's economy

A comparative study of the financial centers of Hong Kong and Shanghai

Teaching Method

There will be a 2-hour lecture and one 1-hour tutorial per week. In tutorials, students are expected to give presentations and comment on each other's presentations. Students are required to attend all tutorial classes. Students are expected to participate in class discussion to enhance their understanding of the topics covered. Facilitated discussion will stimulate students to give critical responses to the assigned readings and enhance their reflective mind on the subject matter. The instructor may adopt a flipped classroom approach in order to promote greater critical thinking during the in-person lecture time by having the students watch pre-recorded videos outside the scheduled lecture time.

Assessment

<u>Midterm examination</u> (date to be announced)	30%
<u>Lecture quizzes</u>	10%
<u>Tutorial attendance and participation</u>	15%
<u>News portfolio</u>	15%
<u>Final examination (non-cumulative)</u>	30%

Measurement of Learning Outcomes

1. Tutorial discussion and participation are designed to assess the student's comprehension of the lecture. (LO1, LO4, LO5)
2. Before each lecture, students will look for news story from Hong Kong or China describing the economic concept being studied in lecture. This news story should come from a reliable source that normally adheres to traditional standards of journalistic objectivity and integrity. Over the course of the term, these news stories will constitute a news portfolio. The student will write a 1-2 page summary and analysis of this article, exploring how it informs our understanding of the theories presented in the lecture. The instructor will evaluate the summary and analysis for its accuracy, analytic depth, and clarity of exposition. (LO1, LO3, LO4, LO5)
3. Each week, students will have the opportunity volunteer to present their findings from the latest edition to their news portfolio to the course in tutorial. A student who volunteers to present **may receive up to 8 points** (see the rubric for tutorial presentations later in this

document). A student who is present in class will receive 1 point. Students who do not present but make some contribution to the discussion will receive 2 points. Students who arrive late to tutorial will receive half of the points for any afore-mentioned activity. (LO3, LO4, LO5)

4. At the beginning of each session, students will take a quiz in lecture that 1) tracks attendance and 2) tests their comprehension of material covered in the previous week. These quizzes will ensure that students confront the material on a regular basis and prevent the students from falling behind. Only students who have arrived on time and are in their seats at the beginning of the class will be allowed to take the quiz. The quiz will be out of 4 points: 2 points for attendance (arriving in class and gaining your seat before the session begins, not walking in the door at exactly 30 minutes past the hour) and 2 points for the course material. Quizzes are to be taken independently; you may not share materials during the quiz. If I catch you sharing materials, you and the person(s) with whom you are sharing will receive 0 points for that quiz.
If you are late to a lecture, you will be allowed to take the quiz but will suffer a 50% penalty of the points that you might have earned had you arrived on time.
If you have a lecture or tutorial just before the lecture or tutorial for this course and feel that you are at risk of being late, please contact me via Moodle. I will give precise instructions later. Do not use Moodle to contact me for any other purpose. For all other purposes, contact me via email. I may administer other quizzes at my discretion. I will announce the arrangements for these quizzes during the term. (LO1,LO2,LO3)
5. A midterm exam (counting for 30% of the final grade) covering all the topics taught through the middle of the course will assess students' overall understanding and applications of economic concepts introduced in the course. (LO1, LO2, LO3, LO5)
6. A final exam (counting for 30% of the final grade) covering all the topics taught after the middle of the course will assess students' overall understanding and applications of economic concepts introduced in the course. (LO1, LO2, LO3, LO5)

I will drop the 2-lowest quizzes/"attendances" before calculating your attendance and quiz grade. That is to say, you are allowed to miss 2 lectures and 2 tutorials without fear of penalty. However, you should also be aware that a student who misses more than one-third of the term may be disqualified from taking the final exam. I reserve the right to enforce this policy if you miss more than one-third of lectures (that is to say, if you miss 5 or more lectures) and more than one-third of all tutorials. Also, if you have added this class late and miss the first lecture, that missed lecture will count as an absence.

Good Practices

All necessary course materials and readings are uploaded at the course web site at the beginning of the term. Students are trained to read the lecture notes beforehand and being well prepared for classes and presentations.

The news portfolio and presentations provide a good opportunity for students to improve their English proficiency. Students are expected to present their research findings in English fluently and confidently. Students are encouraged to interact with exchange students so that they are exposed to different cultural background and knowledge structures from different regions and countries.

Unless stated otherwise, the student must abide by the University policies regarding the use of artificial intelligence (AI) services such as ChatGPT. The instructor may rely on online checkers to verify the likelihood that a student has used an online service in completion of her or his work in contravention of the stated policies. Such contravention will result in few or zero marks as well as reporting to the University and subsequent punishment.

The instructor will give immediate comments and suggestions for further improvements to

tutorial presentations to students. Students have full interactions with the instructor and their peers about the feedbacks and suggestions in tutorial sessions and also during office hours provided by the instructor.

Required/Essential Readings

Brandt, Loren, and Rawski, Thomas G., *China's Great Economics Transformation*, Cambridge University Press, 2008.

Trade Development Council, *China's WTO accession and implications for Hong Kong*, Hong Kong: Hong Kong Trade Development Council, 2000.

Suggestive Readings

Amorim, Celeste, C. Huang and J. Gouveia, *China: Building an Innovative Economy*, Oxford: Chandos Publishing, 2007

Ash, Robert and Y.Y. Kueh, *The Chinese Economy under Deng Xiao-ping*, Oxford: Clarendon Press, 1997.

Bergsten, C. Fred, Charles Freeman, Nicholas R. Lardy and Derek J. Mitchell, *China's Rise: Challenges and Opportunities*, Peterson Institute for International Economics, Washington, DC., 2008.

Bongiorni, Sara, *A Year without "Made in China : One Family's True Life Adventure in the Global Economy*, Hoboken, N.J.: John Wiley & Sons, 2007

Eichengreen, Barry, Yung Chul Park and Charles Wyplosz (eds.), *China, Asia, and the New World Economy*, Oxford University Press, 2008

Enright, M.J., Scott, E.E., and D. Dodwell, *The Hong Kong Advantage*, Hong Kong: Oxford University Press, 1997.

[Goldstein, Morris and Nicholas R. Lardy, *Debating China's Exchange Rate Policy*, Institute for International Economics, Washington, DC, 2008.](#)

Huang, Yasheng, *Capitalism with Chinese Characteristics: Entrepreneurship and the State*, Cambridge University Press, 2008.

Huang, Yasheng, *Selling China: Foreign Direct Investment during the Reform Era*, Cambridge University Press, 2005.

Jao, Y. C , *Hong Kong as an International Financial Centre : Evolution, Prospects and Policies*, Hong Kong: City University of Hong Kong Press, 1997.

Kueh, Y.Y., *The Political Economy of Sino-American Relations: A Greater China Perspective*, Hong Kong: Hong Kong University Press, 1997.

Lardy, Nicholas, *China in the World Economy*, Washington D.C., Institute of International Economics, 1994.

Nanto, Dick K. and Radho Sinha, *China's Emergence as a Major Economic Power: Implications for U.S. Interests*, Congressional Research Service (CRS) Report for Congress Washington D.C., November 2000.

World Bank, *China 2020: China Engaged - Integration with the World Economy*, Washington D.C: The World Bank, 1997.

Warning against plagiarism (I gratefully acknowledge the syllabus of Prof. Kui-yin Cheung for ECO4305 from AY 2012-2013 for the following material)

With regard to your coursework in particular, you are reminded: You must note the sources of quotations, data, and general information in your assignments.

According to Lingnan University and Social Sciences Programme policy, plagiarism is “presentation of another’s work without proper acknowledge of the source.” Plagiarism (unattributed copying) will be heavily penalized and may result in a zero mark and disciplinary action. With regard to your coursework in particular, you are reminded that you must note the sources of quotations, data, and general information in your assignments.

If you wish to quote from the lecture slides, you may do so without giving explicit attribution to the lecture notes. However, you must use quotation marks (“”). Failure to use quotation marks will result in a 0 grade for that piece of assessment. Students shall be aware of the University regulations about dishonest practice in coursework and the possible consequences as stipulated in the Regulations Governing University Examinations.

Important Notes:

- (1) Students are expected to spend a total of 9 hours (i.e. 3 hours of class contact and 6 hours of personal study) per week to achieve the course learning outcomes.
- (2) Students shall be aware of the University regulations about dishonest practice in course work, tests and examinations, and the possible consequences as stipulated in the Regulations Governing University Examinations. In particular, plagiarism, being a kind of dishonest practice, is “the presentation of another person’s work without proper acknowledgement of the source, including exact phrases, or summarised ideas, or even footnotes/citations, whether protected by copyright or not, as the student’s own work”. Students are required to strictly follow university regulations governing academic integrity and honesty.
- (3) Students are required to submit writing assignment(s) using Turnitin.
- (4) To enhance students’ understanding of plagiarism, a mini-course “Online Tutorial on Plagiarism Awareness” is available on <https://pla.ln.edu.hk/>.
- (5) In accordance with Academic Regulation 12.8, a student whose absences from in-class sessions (lectures and tutorials) exceed 1/3 of all scheduled class time shall receive an F.

Exam, news portfolio, and SL essay rubric

	4 marks	3 marks	2 marks	1 mark	0 marks
Analysis	The response has a clear thesis that is analytically interesting and creative, plausible; the analysis has impressive depth	The response meets most of the criteria listed in the column to the left, but is lacking in one or more of them-or accomplishes all of them at a slightly lower level than excellence	The response has an identifiable thesis, but it may be a bit mundane or uninteresting, and not particularly creative; the analysis is superficial	The response has an identifiable thesis, but it is not analytically interesting, plausible; there is little analysis	The response lacks any clear thesis and little to no analysis.
Documentation	The response provides ample evidence in support of its thesis, with no extraneous detail; evidence is well-connected to the thesis; documentation is clear.	The response provides significant amounts of supporting evidence, well-connected to the thesis; some detail is extraneous; documentation is mostly clear.	The response provides supporting evidence, but less than is needed to make the argument; there is a significant amount of extraneous detail; documentation is incomplete or unclear.	The details of the response relate very thinly to a main argument; the evidence is poorly documented .	The response provides little to no evidence in support of a main argument; most evidence provided is undocumented .
Organization	All writing relates to the thesis in a clear manner; individual paragraphs have a clear focus; there are clear transitions between paragraphs or ideas when appropriate; the order in which the ideas are presented makes sense.	Nearly all writing relates to the thesis in a clear manner; all or most individual paragraphs have a clear focus; there are generally clear transitions between paragraphs or ideas; the order in which the ideas are presented makes sense.	Most writing relates to the thesis in a clear manner, most individual paragraphs have a clear focus, and the order in which the ideas are presented generally makes sense; but there are often unclear transitions between ideas.	Most writing relates to the thesis in a clear manner, most individual paragraphs have a clear focus; it is often unclear why ideas are presented in their particular order, and there are often unclear transitions between	The response is extremely disorganized to the point that the order in which ideas are presented appears virtually random.

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				ideas.	
Language skills	The writing displays excellent English language skills, with few mistakes, and is easily understandable	The writing contains several fairly minor errors, but the writing is clear and understandable	The writing contains several minor errors and/ or a few major ones; the writing is mostly clear but may be difficult to understand in places.	The writing contains numerous writing errors that are serious enough that the paper is very difficult to understand	The writing contains an unacceptably large number of writing errors, major or minor, to the point of making it difficult or impossible to understand.

Presentation rubric

	4 marks	3 marks	2 marks	1 mark	0 marks
Analysis and topic	Presentation has a clear thesis that is analytically interesting and creative, plausible; the analysis has impressive depth	Presentation meets most of the criteria listed in the column to the left, but is lacking in one or more of them-or accomplishes all of them at a slightly lower level than excellence	Presentation has an identifiable thesis, but it may be a bit mundane or uninteresting, and not particularly creative; the analysis is superficial	Presentation has an identifiable thesis, but it is not analytically interesting, plausible; there is little analysis	Presentation lacks any clear thesis and little to no analysis
Documentation	Presentation provides ample evidence in support of its thesis, with no extraneous detail; evidence is well-connected to the thesis; documentation is clear	Presentation provides significant amounts of supporting evidence, well-connected to the thesis; some detail is extraneous; documentation is mostly clear	Presentation provides supporting evidence, but less than is needed to make the argument; there is a significant amount of extraneous detail; documentation is incomplete or unclear	The details of the presentation relate very thinly to a main argument; the evidence is poorly documented	Presentation provides little to no evidence in support of a main argument; most evidence provided is undocumented
Organization	All sections relate to the thesis in a clear manner; individual sections have a clear focus; there are clear transitions between sections or ideas; the order in which the ideas are presented makes sense	Nearly all sections relate to the thesis in a clear manner; all or most individual sections have a clear focus; there are generally clear transitions between sections or ideas; the order in which the ideas are presented makes sense	Most sections relate to the thesis in a clear manner, most individual sections have a clear focus, and the order in which the ideas are presented generally makes sense; but there are often unclear transitions between ideas	Most sections relate to the thesis in a clear manner, most individual sections have a clear focus; it is often unclear why ideas are presented in their particular order, and there are often unclear transitions between ideas	The presentation is extremely disorganized to the point that the order in which ideas are presented appears virtually random
Language skills	Presentation displays excellent English language skills, with few mistakes, and is easily understandable	Presentation contains several fairly minor errors, but the language is clear and understandable	Presentation contains several minor errors and/ or a few major ones; the language is mostly clear but may be difficult to understand in	Presentation contains numerous language errors that are serious enough that the presentation	Presentation contains an unacceptably large number of language errors, major or minor, to the point of making it difficult or

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			places.	is very difficult to understand	impossible to understand
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Examples of clarity of exposition are contained in the following rubric:

<p>Excellent</p>	<p>A few (generally no more than 3, though is number is not a sharp cut-off) instances of awkward turns of phrase such as: “These cities use their wastes by incineration in modern waste treatment facilities and landfilling the resultant ash.” “The people have a rigid thought” “China is facing criticism from other countries on its air pollution problem” where “on” should be replaced by “over” “These kinds of measures usually involve a huge cost on it.” “As a result, the world is having negative views on China’s environment.” Instead of “As a result, the world has negative views on China’s environment.” “In China, it is facing water crisis.” “The consequences cannot be turned back,” instead of “The consequences cannot be undone.”</p>
<p>Acceptable</p>	<p>Several awkward turns of phrase or a few (generally no-more than 3, though this number is not a sharp cut-off) instances of surface errors examples of which include: The misuse of articles (“Some terrible companies have destroyed a beautiful scenery in Indonesia” – no “a” before “beautiful”; “A obvious hazard” - it should be “An obvious hazard”) Mistaken use of homophones or near-homophones (“their” versus “there” or “Tourist visiting Hong Kong may think that those light declarations is beautiful” when “decorations” is clearly the intended word) Misuse of the form of a word (“Some of the manufactures install filters in their factories” instead of “Some of the manufacturers install filters in their factories” or “Greenpeace has hold an event called “Protect Paradise” instead of “Greenpeace has held an event called “Protect Paradise” or “Shortsighted fishermen urged the reopen of closed areas” instead of “reopening” or “A reduce of annual budget by \$100 million is targeted to the Environment Department” instead of “reduction”) Run-on sentences or sentence-like structures (“Though in her opinion, China’s active involvement in improving global warming is only for the nation’s interest, not for the ideal goal of saving the planet, the measures that China is taking indeed effective” or “In my opinion, I think that Greenpeace has done a great job on protecting the environment and the tigers habitats, although not all companies have commit to protect the forests, it is still better than doing nothing.”) Errors of capitalization (“Here, the government promotes User-pays rubbish scheme...”) Mixing different tenses of time (“China successfully reduces the cost of solar panels by 80%, which lead to a more popular use of renewable energy” – should be “has lead” or “reduced” or “In 1980’s, a fishery council was delegated the rights to manage the industry in New England but most decision makings are biased because they were in favour of short term revenue maximization.”) Disagreement between the singularity/plurality of the subject and the singularity/plurality of the verb (“Every single Hong Kong people</p>

	<p>produce” or “For instances, there are one landfill in Tseung Kwan O...”)</p> <p>Incorrect spacing (“But ,it is too expensive as it needs 14.9 billion. Therefore,taxpayers bear a huge pressure.Then,people suggest to reduce waste at source like rubbish tax.”)</p> <p>General misuse of punctuation (“Pollution, has been one of the dilemmas among the environmental issues nowadays.” – there should be no comma after the word “pollution”)</p> <p>Omitting verbs (“They can’t adapt to an environment that different from the original” instead of “They can’t adapt in the environment that is different from the original”)</p>
Poor	Several instances of surface errors.