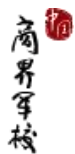




PHBS

北京大学汇丰商学院



Economics Elective Transition Economics Third Module, Spring Semester 2020

Course Information

Instructor: Gerhard Stahl

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Office Hour: Wednesday 10:30 – 12:30

Teaching Assistant:

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Classes:

Lectures: Monday and Thursday 8:30 – 10:20

Venue: PHBS Building, Room

Course Website:

1. Course Description

1.1 Context

Transition Economics studies the policies needed for a fundamental change of an economic system. In the late 20th century the economic transition from the planned economy to the market system was the main focus. This process is still ongoing in numerous countries including China. In the 21st century, the need to achieve sustainable and inclusive economic growth becomes the guiding principle for policy-making. Globalization, innovation and climate change compel all societies and their economic systems to adapt to the new challenges and to achieve sustainable economic growth. To achieve sustainable economic growth and reach a harmonious society, environmental and social aspects have to be taken into account. Policy instruments, measures and implementation challenges to achieve sustainable development and an ecological civilization will be discussed in the context of an interlinked global economy.

The consequences of the opening of national markets and opposing protectionist measures will be studied.

Theoretical explanations will be provided and concrete case studies will be presented. Conclusions will be drawn from traditional economic thinking and also new ideas will be developed from political economy, institutional economy and geopolitical economy. Lessons will

be drawn from the transition experiences of planned economies to market economies, accomplished by some countries in Central and Eastern Europe. Moreover, these experiences will be compared with the situation in Asia, especially in China. This course should enable to better understand the transformation of China and the current debate and conflicts about the future of the global international economy and the fight against climate change.

Different policy areas as below, which are most important for a successful transition of an economy, will be discussed:

- Market efficiency, market failures and state interventions
- Export oriented development versus sustainable consumption and green growth
- Research and innovation as basis for a successful economy
- Urbanization and rural development
- Importance of the social security system
- Sustainable financial markets and foreign direct investment
- International economic order: free trade versus protectionism, fight against climate change
- Policy implementation and multi-level governance

The implementation of policies in different circumstances and countries will be analyzed through case studies. Guest speakers with specific expertise may be invited during the course.

Prerequisites: Students are expected to have a good knowledge of macroeconomics, microeconomics, public finance, as well as interest in current national and international economic affairs.

1.2 Reading Materials

- Benjamin J. Cohen, *International Political Economy*, 2014, Massachusetts, Edward Elgar.
- Transition for all: Equal Opportunities in an Unequal World, Transition Report 2016/17, European Bank for Reconstruction and Development, www.tr.ebrd.com, pages 4 – 23.
- Rui Mano and Jiayi Zhang, *China's Rebalancing: Recent Progress, Prospects and Policies*, in IMF Working Paper, WP/18/243, 2018, Washington, <https://www.imf.org/.../Chinas-Rebalancing-Recent-Progress-Prospects-and-Policies-4>.

- Gerhard Stahl, Forty years of China's opening: Changing the Post World War II international order, in EU-China Observer, College of Europe, Bruges, no. 2/18, 2018, pages 9 – 13, https://www.coleurope.eu/system/files_force/research.../eu-china_observer218.pdf?.
- The Sustainable Development Report 2016, United Nations, New York, pages 2 – 11.
- Urban China, Toward Efficient, Inclusive, and Sustainable Urbanization, 2014, Report of the World Bank and Development Research Centre of the State Council, the People's Republic of China, Washington. Read executive summary from pages 1-120.
- Gerhard Stahl, Sustainable Development is the Key to the Future, pages 334 - 340, in Ms. Liu, David Ness, Huang Haifeng (editor), The Green Economy and its Implementation in China, 2011, Hongkong.
- Sonja Oppen, New Institutional Economics and its Application on Transition and Developing Economies, pages 389 - 405 in Eric Brousseau, Jean-Michel Glachant edit. New Institutional Economics, a guidebook, 2008, Cambridge.

Additional reading will be provided for some individual lessons.

2. Learning Outcomes

2.1 Intended Learning Outcomes

| Learning Goals | Objectives | Assessment (YES with details or NO) |
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| 1. Our graduates will be effective communicators. | 1.1. Our students will produce quality business and research-oriented documents. | Yes, well-researched documents have to be prepared in group work. |
| | 1.2. Students are able to professionally present their ideas and also logically explain and defend their argument. | Yes, the results of the group work have to be presented and defended in a question and answer session. |
| 2. Our graduates will be skilled in teamwork and leadership. | 2.1. Students will be able to lead and participate in group for projects, discussion, and presentation. | Yes, because of the obligation to participate in group work. |
| | 2.2. Students will be able to apply leadership theories and related | Yes, leadership skills are needed for successful teamwork. |

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| | skills. | |
| 3. Our graduates will be trained in ethics. | 3.1. In a case setting, students will use appropriate techniques to analyse business problems and identify the ethical aspects, provide a solution and defend it. | Yes, with the individual thesis students have to show the capacity to use appropriate techniques. |
| | 3.2. Our students will practice ethics in the duration of the program. | Yes, the objective of the course is to provide students with a comprehensive view of business and politics, underlining ethical principles. |
| 4. Our graduates will have a global perspective. | 4.1. Students will have an international exposure. | Yes, case studies from major parts of the world (America, Europe, Africa, Asia) are presented. |
| 5. Our graduates will be skilled in problem-solving and critical thinking. | 5.1. Our students will have a good understanding of fundamental theories in their fields. | Yes, different theories are presented and their usefulness and limits will be discussed. |
| | 5.2. Our students will be prepared to face problems in various business settings and find solutions. | Yes, the course studies real-life business cases and economic policy choices. |
| | 5.3. Our students will demonstrate competency in critical thinking. | Yes, this is the main focus of the teaching. Students will learn that there are no simple answers and that different aspects have to be taken into account. |

2.2 Course specific objectives

This course intends to help students to understand the policies needed to achieve the transition towards a more sustainable economic development. As future managers and leaders in business, finance, administration and politics, students should learn how to implement sustainable policies and projects in a changing world, shaped by international trends and increased interdependence.

2.3 Assessment/Grading Details

The examination is composed of Class attendance and performance 40%, Group presentation 30%, Individual thesis 30%

Individual Thesis

Students can choose a topic amongst the different areas covered by the course to write a thesis. (5 to 10 pages including supporting evidence; Template: Times News Roman, 12 Font, double spacing)

Group Presentation

Students are expected to study in teamwork, in a more detailed manner, some of the issues of the course. Themes for the teamwork will be distributed in line with the priorities of the main program. The result of the teamwork will be presented and discussed during the course.

2.4 Academic Honesty and Plagiarism

It is important for a student's effort and credit to be recognized through class assessment. Credits earned for a student work due to efforts done by others are clearly unfair. Deliberate dishonesty is considered academic misconducts, which include plagiarism; cheating on assignments or examinations; engaging in unauthorized collaboration on academic work; taking, acquiring, or using test materials without faculty permission; submitting false or incomplete records of academic achievement; acting alone or in cooperation with another to falsify records or to obtain dishonestly grades, honors, awards, or professional endorsement; or altering, forging, or misusing a University academic record; or fabricating or falsifying of data, research procedures, or data analysis.

All assessments are subject to academic misconduct check. Misconduct check may include reproducing the assessment, providing a copy to another member of faculty, and/or communicate a copy of this assignment to the PHBS Discipline Committee. A suspected plagiarized document/assignment submitted to a plagiarism checking service may be kept in its database for future reference purpose.

Where violation is suspected, penalties will be implemented. The penalties for academic misconduct may include: deduction of honour points, a mark of zero on the assessment, a fail grade for the whole course, and reference of the matter to the Peking University Registrar.

For more information of plagiarism, please refer to PHBS Student Handbook.

3. Topics, Teaching and Assessment Schedule

1. The characteristics of a planned economy and the criteria for a market economy will be clarified. Different economic schools and scholars focus on different aspects of the society and the economy. They present different concepts of market economy and the cooperation between the public and private sector.
2. Historical experiences of the transition from a planned economy to a market economy will be studied and the situation of former communist countries in east-Europe and Asia will be analyzed. The role of state-owned and private companies will be studied.
3. How do the countries in different economic systems plan their long-term developments? Two examples will be given and analyzed in detail: The Chinese five-year plans and the EU multi-annual strategies (Lisbon-Strategy, Europe 2020-Strategy, the new green deal).
4. Beyond GDP: how to measure economic, social and environmental development?
5. The UN Millennium goals and the 17 sustainable development goals as agreed framework for sustainable economic development.
6. The concept of sustainable development will be illustrated: smart, green, inclusive growth.
7. The geopolitical and international challenges:
 - The future of free trade, globalization versus deglobalization
 - The Paris climate agreement (COP21) and the fight against climate change.
8. Important factors to implement green economy will be studied: sustainable consumption, energy efficiency, energy savings, circular economy and CO2 emission trading schemes.
9. The Business model for companies has to include the objectives of social responsibility and sustainable development: from shareholder to stakeholder orientation
10. Sustainable urbanization and territorial cohesion (urban-rural relationship)
11. Research, innovation, digital economy as drivers of economic development.
12. The role of foreign direct investment in the development of transition countries.
13. The contribution of international financial institutions (IMF, World bank, AIIB, EBRD....) to the economic development of countries.

14. The importance of the One Road One Belt initiative for China, neighboring countries and the international economic development.

During the course the group works will be presented and discussed. The individual thesis must be finished before the end of the course.

4. Miscellaneous