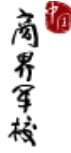




**PHBS**  
北京大学汇丰商学院



# China Studies Module 2, 2021-2022

## Course Information

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### **Instructor: Zhiwei Xu**

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Email: xuzhiwei09@phbs.pku.edu.cn

Office Hour: 1:30PM-2:30PM Tuesday and Friday, or by appointment

### **Classes:**

Lectures: Tuesday and Friday, 10:30-12:20

Venue: PHBS Building, TBA

## 1. Course Description

### **1.1 Context**

Course overview:

This is a Master-level topic course in Macroeconomics. The course is designed for those Master students who prepare their master thesis or plan to pursue further studies in Economics and Finance. The main content of the course focuses on the aggregate implications of individual optimization decisions with Chinese characteristics. The course aims to help the students understand the underlying mechanism behind the important phenomena in China by using rigorous analytical tools.

The topics in this course will cover households' saving and investment decisions, firms' production and investment decisions, bank's credit allocation decisions and local government decisions. In each topic, I will first introduce a particular type of heterogeneous-agent model with Chinese characteristics. Then I will analyse the properties of related model and briefly talk about the quantitative approach that conducts simulation/estimation analysis based on the Chinese data.

The course is self-contained regarding the macroeconomics. Students need to have basic knowledge about advanced macroeconomics and econometrics. After taking this course, the students are expected to be able to apply modern macroeconomic tools to analyze the phenomenon in reality.

Prerequisites:

Advanced Macro I and Advanced Micro I from the Ph.D. fundamental course sequence

### **1.2 Textbooks and Reading Materials**

No specific textbook. The course materials are based on the lecture notes, slides and some research papers.

## 2. Learning Outcomes

### 2.1 Intended Learning Outcomes

Learning Goals	Objectives	Assessment (YES with details or NO)
1. Our graduates will be effective communicators.	1.1. Our students will produce quality business and research-oriented documents.	NO
	1.2. Students are able to professionally present their ideas and also logically explain and defend their argument.	YES – evaluated by homework and a presentation
2. Our graduates will be skilled in team work and leadership.	2.1. Students will be able to lead and participate in group for projects, discussion, and presentation.	No
	2.2. Students will be able to apply leadership theories and related skills.	No
3. Our graduates will be trained in ethics.	3.1. In a case setting, students will use appropriate techniques to analyze business problems and identify the ethical aspects, provide a solution and defend it.	No
	3.2. Our students will practice ethics in the duration of the program.	No
4. Our graduates will have a global perspective.	4.1. Students will have an international exposure.	No
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 – evaluated by homework and a presentation
	5.2. Our students will be prepared to face problems in various business settings and find solutions.	YES – evaluated by homework and a presentation
	5.3. Our students will demonstrate competency in critical thinking.	YES – evaluated by homework and a presentation

### 2.2 Course specific objectives

### 2.3 Assessment/Grading Details

Grade in this course is determined by the following standard:

Homework: 50%

Presentation: 50%

### 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

Time	Class contents
Week 1-2	1. Consumption and Saving under Incomplete Market <b>■ Application:</b> a) <i>Understanding Chinese housing boom: household perspective</i> b) <i>Monetary Policy under Uncertainty Shocks in China</i>
Week 3-4	2. Production and Investment Decisions with Financial Frictions <b>■ Application:</b> a) <i>Evaluating interest rate liberalization in China</i> b) <i>Understanding Chinese housing boom: firm perspective</i> c) <i>Introduction on asset bubbles</i>
Week 5-6	3. Bank's Credit Allocation Decisions under Incomplete Market <b>■ Application:</b> a) <i>Understanding Chinese monetary policy: a bank-risk taking perspective</i> b) <i>Credit cycles during Pandemic</i>
Week 7-8	4. Local Government Decisions with Chinese Characteristics <b>■ Application:</b> a) Local government competition: empirics and theory b) Real consequence of local government debt reform
Week 9	Student presentations