



北京大學  
汇丰商学院

Peking University HSBC Business School

# ECON546

## Transition Economics

### Module 3, 2016

#### Course Information

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Office Hour:

**Teaching Assistant:**

Phone:

Email:

**Classes:**

Lectures: Tuesday and Friday 10.30 – 12.20

Venue: PHBS Building, Room

**Course Website:**

## 1. Course Description

### 1.1 Context

Course overview:

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 taken as 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 now arouses the attention of the world. Globalization, population growth and climate change compel all societies and their economic systems to adapt to the new challenges and to achieve sustainable economic growth. To achieve the sustainable growth and reach a harmonious society, environmental and social effects should be taken into consideration in economic growth.

Through this course, theoretical framework will be established with various explanations and theories. Conclusions will be drawn from traditional economic thinking and also new school of thoughts developed from political economy, institutional economy and geopolitical economy. Lessons will be drawn from the transition experiences from planned economy to market economy accomplished by some countries in central and Eastern Europe. Moreover, these experiences will be compared with the situation in Asia, especially in China.

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

- Sustainable consumption and green growth
- Research and innovation as basis for a sustainable economy
- Sustainable urbanization
- Territorial cohesion and urban rural harmonization
- Sustainable financial market
- Institutions and the importance of the legal and social security system
- Implementation problems and multi-level governance
- New international economic system

Through case studies, the implementation of policies in different circumstances and countries will be analyzed.

Guest speaker 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 interests in current national and international affairs, including urbanization, regional development and economic governance.

## **1.2 Textbooks and Reading Materials**

### Textbooks

### Readings

- Benjamin J. Cohen (2014), International Political Economy, Massachusetts, Edward Elgar.
- Economic Transition: Russia versus China, in Turley and Luke, Transition Economics, two decades on, 2011, New York, pages 300 – 371.
- 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.
- Stuck in Transition, Transition Report 2013, European Bank for Reconstruction and Development, [www.tr.ebrd.com](http://www.tr.ebrd.com).
- Sonja Opper, New Institutional Economics and its Application on Transition and Developing Economies, pages 389 - 405 in Eric Brousseau, Jean-Michel Glachant edit. (2008) New Institutional Economics, a guidebook, Cambridge.
- Salvatore Zecchini, Transition approaches in retrospect, pages 1 - 34, in Salvatore Zecchini edit. (1997), Lessons from the Economic Transition in Central and Eastern Europe in the 1990, London, Kluwer,
- Urban China, Toward Efficient, Inclusive, and Sustainable Urbanization, (2014), Report of the World Bank and Development Research Center of the State Council, the People’s Republic of China, Washington. Read executive summary from pages 1-120.
- Dirk Kayser, From Black to Blue: How did the Green Economy evolve in Germany? Perspectives on the Development of the Green Economy and Society in German, pages 236 - 254, in Ms.Liu, Mike Henry and Huang Haifeng, edits, 2014, Towards a Green Economy, Singapore.

Additional reading will be provided for some individual courses.

## **2. Learning Outcomes**

### **2.1 Intended Learning Outcomes**

Learning Goals	Objectives	Assessment
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1. Our graduates will be effective communicators.	1.1. Our students will produce quality and research-oriented documents.	
	1.2. Students are able to professionally present their ideas and also logically explain and defend their argument.	
2. Our graduates will be skilled in team work and leadership.	2.1. Students will be able to lead and participate in group work for projects, discussion, and presentation.	
	2.2. Students will be able to apply leadership theories and related skills.	
3. Our graduates will be trained in ethics.	3.1. In case studies, students will use appropriate techniques to analyse economic problems and identify the ethical aspects, provide a solution and defend it.	
	3.2. Our students will analyse ethical principles in the implementation of policies.	
4. Our graduates will have a global perspective.	4.1. Students will have an international exposure.	
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.	
	5.2. Our students will be prepared to face problems in various international settings and find solutions.	
	5.3. Our students will demonstrate competency in critical thinking.	

## **2.2 Course specific objectives**

This course intends to lead students to build a better understanding of the necessary policies to achieve the transition towards a more sustainable economic development. As future managers and leaders in business, finance, administration and politics, students should learn the challenges to implement policies and projects in the changing world, shaped by international trends and increased interdependence.

## **2.3 Assessment/Grading Details**

### **An active participation of students is expected**

Class attendance and performance 20%

Group presentation 30%

### **Final examination composed of**

Individual thesis 30%

PPT presentation 20%

### **Individual Thesis and PPT**

Students can choose a topic of their interests 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)

PPT should be based on and present the main idea of the thesis. (It should not exceed 15 slides)

### **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 present different concepts of cooperation between the public and private sector.

2. How do the countries in different economic systems plan their long-term developments? Two examples will be given and analyzed in detail:

The 12th five-year plan of China and the preparation of the 13 th five year plan

The Europe 2020 - Strategy of the EU and its implementation.

3. Historical experiences of the transition from a planned economy to a market economy will be studied and especially the situation of the former communist countries in east-Europe will be analyzed.

4. The theory of sustainable development will be illustrated: smart, green, inclusive growth.

5. The climate challenge and the social challenge

6. The geopolitical and international challenge

7. Important factors to implement green economy will be studied: sustainable consumption, energy efficiency and energy savings, recycling.

8. Business and green economy

9. Sustainable urbanization and territorial cohesion (urban-rural relationship)

10. Research, innovation and financing of sustainable development

11. Financial Markets: the international financial system (IMF, World bank, AIIB) and the supervision systems in the US and the EU

12. Developing countries and the International financial markets

13. Implementation of policy, multilevel governance and private public partnership

During the course the group works will be presented and at the end of the course the individual thesis.