International Conference
“Greater China and the World Economy”

City University of Hong Kong, July 17-18, 2000

Organizing Units: City University of Hong Kong
Chinese Economic Association in North America (CEANA)
Chinese Economists Society (CES)

Sponsors: Centre for International Economics Research, Asia-Pacific Financial
Markets Research Centre, and Faculty of Business, City University of
Hong Kong

Program Committee: Kar-yiu Wong, University of Washington (co-chair)
Richard Y. K. Ho, City University of Hong Kong (co-chair)
Aimin Chen, Indiana State University
Fred Y. K. Kwan, City University of Hong Kong
David Daokui Li, HK University of Science and Technology
Donald Lien, University of Kansas
Guoqiang Tian, University of Texas, A & M
Guanzhong James Wen, Trinity College
Wing Thye Woo, University of California, Davis
Dianqing Xu, Huron College at West Ontario
Anming Zhang, City University of Hong Kong
Lin Zhou, City University of Hong Kong

Local Organizing Committee: Fred Y. K. Kwan (chair), Shuhe Li and Lawrence Khoo,
City University of Hong Kong

Symposia: Symposia in Journal of Comparative Economics for selected papers
presented at the conference.

For more information about this conference and a workshop on “International Economics and Asia” held at City
University of Hong Kong, July 19-21, 2000, please visit http://faculty.washington.edu/karyiu/
All sessions will be held at Lecture Theatre 11, Fourth Floor, Academic Building, City University of Hong Kong. Locations for lunches are indicated below.

**July 17, 2000**

8:00 – 8:35 am  **Registration**

8:35 – 8:55 am  **Welcome Session**

*Chair*: Anming Zhang, City University of Hong Kong

H. K. Chang, President, City University of Hong Kong
Richard Ho, City University of Hong Kong
Kar-yiu Wong, University of Washington and City University of Hong Kong

9:00 – 10:30 am  **Session I: FDI and the Local Economy**

*Chair*: Kueh Yak Yeow, Lingnan University

*Discussant*: Xiao Geng, University of Hong Kong

Zhiqiang Liu, National University of Singapore, “Foreign Direct Investment and Technology Spillover: Evidence from China”  
*Discussant*: Wing Fai Leung, City University of Hong Kong

Anming Zhang, Yimin Zhang and Ronald Zhao, City University of Hong Kong, “Impact of Ownership and Competition on the Productivity of Chinese Enterprises”  
*Discussant*: Yanrui Wu, University of Western Australia

10:30 – 10:45 am  **Coffee Break**
10:45 – 12:15 pm  **Session II: China and the WTO**

*Chair: Chira Hongladarom, Foundation for International Human Resource Development*

**David Li** and **Changqi Wu**, HK U of Science and Technology, “FDI and Trade Liberalization: Will FDI in China Diminish after WTO Accession?”

*Discussant: Edwin Lai, City University of Hong Kong*

**Chung Mo Koo** and **Hyun-Hon Lee**, Kangwon National University, “China, the World Trade Organization, and Regional Economic Cooperation”

*Discussant: Lok-Sang Ho, Lingnan University*

**Aimin Chen**, Indiana State University, “WTO Entry and the Changing Structure of Chinese Industry”

*Discussant: Clement Wong, City University of Hong Kong*

12:15 – 2:15 pm  **Lunch: City Top Restaurant, 9th Floor, Amenities Building.**

2:15 – 3:45 pm  **Session III: Financial Markets and Issues**

*Chair: Guy M. Meredith, Hong Kong Monetary Authority*

**John Bonin**, Wesleyan University and **Yiping Huang**, Australian National University, “Dealing with the Bad Loans of the Chinese Banks”

*Discussant: Yimin Zhang, City University of Hong Kong*

**Yum K. Kwan**, City University of Hong Kong and **Francis T. Lui**, HK U of Science and Technology, “How Well Has the Currency Board Performed? Evidence from Hong Kong”

*Discussant: Ka-Fu Wong, Chinese University of Hong Kong*

**Yin-Wong Cheung** and **Jude Yuen**, University of California, Santa Cruz, “Effects of US inflation on Hong Kong and Singapore”

*Discussant: Lawrence Khoo, City University of Hong Kong*

3:45 – 4:00 pm  **Coffee Break**

4:00 – 5:30 pm  **Session IV: FDI and Foreign Relations**

*Chair: Y. V. Hui, City University of Hong Kong*


*Discussant: Leonard K. Cheng, HK U of Science & Technology*


*Discussant: Lin Zhou, City University of Hong Kong*


*Discussant: Kenneth Chan, McMaster University*
7:00 – 10:30 am  
**Session V: Economic Growth and Productivity**

*Chair:* Kenneth Chan, McMaster University

*Discussant:* Win-Lin Chou, Chinese University of Hong Kong

**Hiroyuki Imai,** Lingnan University, “Structural Transformation and Economic Growth in Hong Kong: Another Look at Young’s ‘A Tale of Two Cities’”  
*Discussant:* Francis Lui, HK U of Science and Technology

**Michael Ka-yiu Fung,** Chinese University of Hong Kong, **Wai-ming Ho,** York University and **Lijing Zhu,** National University of Singapore, “Public Infrastructure Investment in the Transforming Chinese Economy: A Dynamic General Equilibrium Analysis”  
*Discussant:* Chi-Wa Yuen, University of Hong Kong

10:30 – 10:45 am  
**Coffee Break**

10:45 – 12:15 pm  
**Session VI: External Trade and Foreign Relations**

*Chair:* Murray Kemp, University of New South Wales

**Eden Yu,** Chi-Chur Chao, and **Win-Lin Chou,** Chinese University of HK, “China’s Export Tax Rebate: Theory and Empirical Results”  
*Discussant:* Koji Shimomura, Kobe University

**S. Guillaumont Jeanneney** and **Ping Hua,** CERDI, “Economic Openness and Public Expenditure in China: A Regional Analysis”  
*Discussant:* Kai-Yuen Tsui, Chinese University of Hong Kong

**Yanrui Wu,** University of Western Australia, “Openness, Productivity and Growth: A Study of Greater China and other Asian-Pacific Economies”  
*Discussant:* Larry Qiu, Hong Kong University of Science and Technology

12:15 – 2:15 pm  
**Lunch:** Chinese Restaurant, 8th Floor, Amenities Building
2:15 – 4:15 pm  Session VII: Economic Challenges and Policy Consideration

Chair: Ben-Chieh Liu, Chung Yuan Christian University

Wing Thye Woo, University of California, Davis, “China: Confronting Restructuring and Stability”
Discussant: Gregory Chow, Princeton University

Mike Shadwick, Australian Embassy in China, “Economic Policy Challenges for China from Globalisation”
Discussant: John Bonin, Wesleyan University

Yongzheng Yang and Rod Tyers, Australian National University, “GTAP-Based Comparative Static Macroeconomics: An Application to China’s Policy Options”
Discussant: Lijing Zhu, National University of Singapore

Yan Yu, HK U of Science and Technology, “Corruption: Its Role in Public Ownership and Transitional Economies”
Discussant: Hai-Ying Zhao, University of Hong Kong

4:15 – 4:30 pm  Coffee Break