

**Citizenship, Economics and Society**  
**(Secondary 1-3)**  
**Support Resources**  
**Secondary 3**

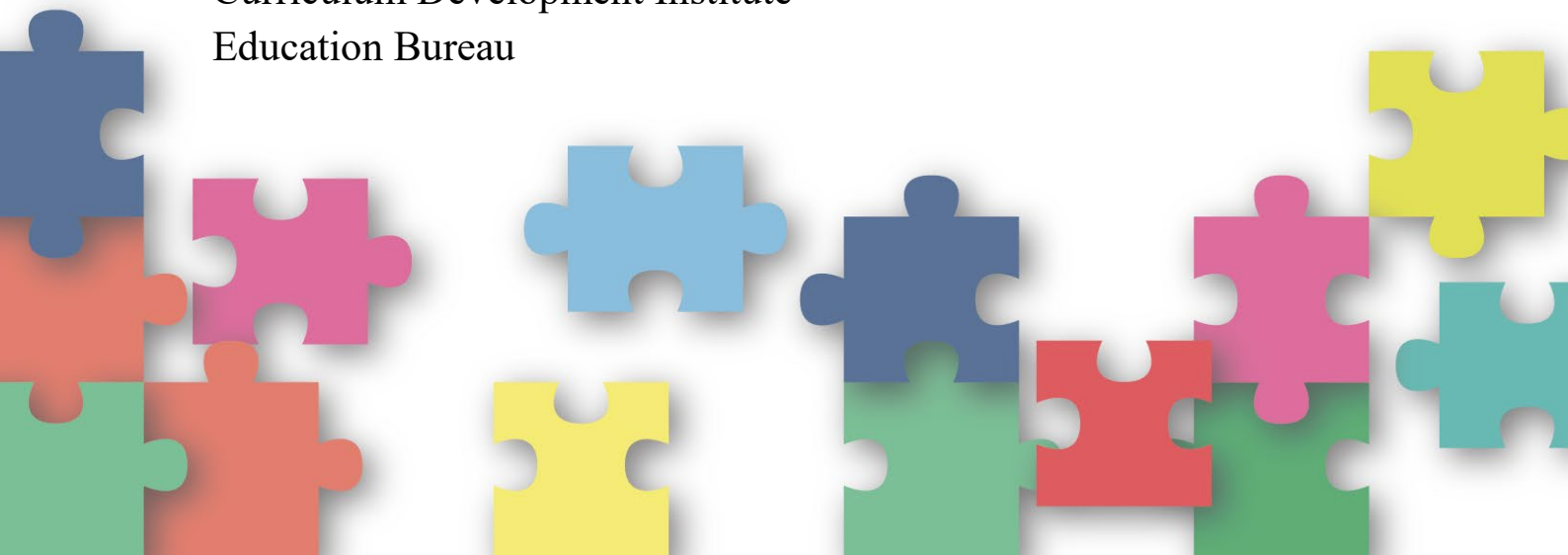
**Module 3.2**

**Overview of Our Country's Economy  
and World Trade**

**Part 2:**

**Economic System of Our Country**

Personal, Social and Humanities Education Section  
Curriculum Development Institute  
Education Bureau



## **Introduction**

- The “Citizenship, Economics and Society (Secondary1-3) Support Resources” covers the essential learning contents of Strands 1, 5 and 6 in the Personal, Social and Humanities Education Key Learning Area. It is designed to support the implementation of the Citizenship, Economics and Society curriculum.
- The support resources provide diversified learning activities to help students acquire knowledge and understand concepts, develop skills and nurture positive values and attitudes. In addition, they offer teaching guidelines and suggestions on learning and teaching activities for teachers’ reference. Further, they provide reading materials to enhance students’ interest in reading.
- “Module 3.2: Overview of Our Country’s Economy and World Trade Part 2: Economic System of Our Country” for Secondary 3 was developed by the Personal, Social and Humanities Education Section, Curriculum Development Institute of the Education Bureau. Part of the contents are based on the learning and teaching materials developed by the Business School of the Chinese University of Hong Kong and Hong Kong Effective Teaching Association, commissioned by our section in 2019 and 2014 respectively.

## Module 3.2 Overview of Our Country's Economy and World Trade

### Part 2: Economic System of Our Country

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## **Introduction**

This learning resource aims to let students know the directions of our country's economic development through understanding its policies and plans. Firstly, students will learn about the guiding principles of resource allocation in different economic systems, and recognise that our country employs the socialist market economy. The Central People's Government makes detailed planning for economic development, and proposes timely regulatory measures to ensure the plan is put into practice. Students will briefly understand the major ministries, commissions and organisations which are responsible for formulating important economic policies; and learn about our country's planning for economic development through relevant important national policies set out in the recent Five-Year Plans (e.g. the development of the Guangdong-Hong Kong-Macao Greater Bay Area). They will also understand the important role of the government in safeguarding economic security, and the role and positioning of Hong Kong in the economic development of our country. The contents of this part can also help students further extend their learning in Module 2.4 "Economic Performance and Human Resources of Hong Kong", and encourage them to equip themselves early, be diligent, seize every opportunity and contribute to our society and country.

## **Prior Knowledge**

At the primary level, students have acquired basic knowledge about the economy of our country. In General Studies, they have learned relevant contents including "recent development of China (e.g. economic and technological aspects)", "linkage between China and other parts of the world", trade between Hong Kong, the Mainland and other parts of the world.

In addition, students have learned about the role of Hong Kong in the economic development of our country under economic globalisation, as well as the availability of entrepreneurial and employment opportunities in the Guangdong-Hong Kong-Macao Greater Bay Area in Module 2.4 "Economic Performance and Human Resources of Hong Kong".

## **Objectives**

- To understand the knowledge related to the economic system of our country
- To develop and nurture relevant generic skills, values and attitudes

## **Learning Points**

- Understand the characteristics of different economic systems
- Know the major ministries, commissions and organisations in charge of economic policies of our country, and have a preliminary understanding of their roles in promoting economic development
- Understand the important role of government in safeguarding economic security

## **Suggested Number of Lessons**

- 7 lessons (40 minutes each)

## Teaching Design

<b>Topic:</b>	Economic system of our country	
<b>Duration:</b>	7 lessons	
<b>Learning Objectives:</b>	<ul style="list-style-type: none"> <li>To understand the characteristics of different economic systems</li> <li>To know the major ministries, commissions and organisations in charge of economic policies of our country, and have a preliminary understanding of their roles in promoting economic development</li> <li>To understand the important role of government in safeguarding economic security</li> </ul>	
<b>Lesson 1 and Lesson 2 (Different types of economic systems)</b>		
		<b>Suggested lesson time</b>
<b>Enquiry process:</b>	<b>1. Set:</b> <ul style="list-style-type: none"> <li>The teacher introduces the contents of these seven lessons, and through the “Lead-in Activity: Different economic systems” lets students analyse the cases to understand two different economic systems as a foundation for understanding our country’s economic system.</li> </ul>	10 minutes
	<b>2. Interactive teaching:</b> <ul style="list-style-type: none"> <li>The teacher distributes and explains “Knowledge Content I: Different economic systems” to help students consolidate related concepts and understand common economic systems.</li> <li>The teacher asks students to complete the questions in “Worksheet 1: Characteristics of different economic systems” and then elaborates on related contents based on students’ answers.</li> </ul>	35 minutes
	<b>3. Interactive teaching:</b> <ul style="list-style-type: none"> <li>The teacher distributes and explains “Knowledge Content II: Socialist market economy” to help students understand its features.</li> </ul>	25 minutes
	<b>4. Conclusion:</b> <ul style="list-style-type: none"> <li>The teacher summarises what students have learned in class and asks them to read “Knowledge Content III: Departments responsible for formulating important economic policies” at home and collect a</li> </ul>	10 minutes

	news item that mentions the National Development and Reform Commission, the Ministry of Finance, or the People’s Bank of China, and share it with other students in the next lesson.	
<b>Homework:</b>	Students read “Knowledge Content III: Departments responsible for formulating important economic policies” at home and collect a news item that mentions the National Development and Reform Commission, the Ministry of Finance, or the People’s Bank of China.	
<b>Learning and Teaching Resources:</b>	Worksheet 1	

<b>Lesson 3 and Lesson 4 (Departments responsible for formulating important economic policies)</b>		
<b>Pre-class preparation:</b>	The teacher distributes “Knowledge Content III: Departments responsible for formulating important economic policies” before class and ask students to read it at home and collect a news item that mentions the National Development and Reform Commission, the Ministry of Finance, or the People’s Bank of China.	
		<b>Suggested lesson time</b>
<b>Enquiry process:</b>	<b>1. Set:</b> <ul style="list-style-type: none"> <li>The teacher invites students to share a news item that mentions the National Development and Reform Commission, the Ministry of Finance, or the People’s Bank of China.</li> </ul>	5 minutes
	<b>2. Interactive teaching:</b> <ul style="list-style-type: none"> <li>The teacher helps students understand the functions of the National Development and Reform Commission, the Ministry of Finance, and the People’s Bank of China by explaining the content of “Knowledge Content III: Departments responsible for formulating important economic policies” in conjunction with the news items provided by students.</li> </ul>	30 minutes
	<b>3. Interactive teaching:</b> <ul style="list-style-type: none"> <li>The teacher asks students to complete “Worksheet 2: Departments responsible for formulating important economic policies” and then elaborates on related contents based on students’ answers.</li> </ul>	15 minutes
	<b>4. Interactive teaching:</b> <ul style="list-style-type: none"> <li>The teacher helps students understand the meaning of macroeconomics regulation and control by explaining the content of “Knowledge Content IV: What is macroeconomics regulation and control?”</li> </ul>	20 minutes
	<b>5. Summary:</b> <ul style="list-style-type: none"> <li>The teacher summarises what students have learned in class so that they can have a general understanding of the main departments responsible for formulating</li> </ul>	10 minutes

	important economic policies of the country.	
<b>Learning and Teaching Resources:</b>	Worksheet 2	

**Lesson 5 to Lesson 7 (The planning of economic development by our country)**

**Lesson 5 to Lesson 7**

		<b>Suggested lesson time</b>
<b>Enquiry process:</b>	<b>1. Set:</b> <ul style="list-style-type: none"> <li>The teacher plays a TV programme “Vision of the Fourteenth National Five-Year Plan Episode 1: Hong Kong’s New Vision” (<a href="https://www.cmab.gov.hk/doc/tc/documents/14th_5yrsplan/episode-1.mp4">https://www.cmab.gov.hk/doc/tc/documents/14th_5yrsplan/episode-1.mp4</a>), to let students have a brief understanding of the background of our country’s five-year plans.</li> </ul>	10 minutes
	<b>2. Interactive teaching:</b> <ul style="list-style-type: none"> <li>The teacher explains the background and key points of the “14th Five-Year Plan” and asks students to complete Questions 1-2 of “Worksheet 3: The 14th Five-Year Plan”; and then elaborates on related contents based on students’ answers.</li> </ul>	25 minutes
	<b>3. Interactive teaching:</b> <ul style="list-style-type: none"> <li>The teacher explains the contents of the “14th Five-Year Plan” related to Hong Kong and asks students to complete Questions 1-2 of “Worksheet 3: The 14th Five-Year Plan” and then elaborates on related contents based on students’ answers. <i>(Remark: According to students’ interests, abilities and prior knowledge, the teacher asks students to watch videos on the HKSAR’s work in complementing the National 14th Five-Year Plan for extended learning at home.)</i></li> </ul>	15 minutes
	<b>4. Interactive teaching:</b> <ul style="list-style-type: none"> <li>The teacher plays a video introducing the Guangdong-Hong Kong-Macao Greater Bay Area and review the background information</li> </ul>	25 minutes



	<p>of the Greater Bay Area with students.</p> <ul style="list-style-type: none"> <li>The teacher asks students to read Sources 1-3 of “Case Study: The Guangdong-Hong Kong-Macao Greater Bay Area Development Plan” and complete discussion questions 1-3. <i>(Remark: The teacher can discuss challenge question 4 with students according to their interests, abilities and prior knowledge.)</i></li> </ul>	
	<p><b>5. Group discussion:</b></p> <ul style="list-style-type: none"> <li>The teacher asks students to discuss and complete Question 5 in pairs. After the discussion, the teacher invites several groups of students to share their answers and bring out the important role of the government in safeguarding economic security.</li> </ul>	15 minutes
	<p><b>6. Interactive teaching:</b></p> <ul style="list-style-type: none"> <li>The teacher asks students to read Sources 4 to 7 of “Case Study: Guangdong-Hong Kong-Macao Greater Bay Area Development Plan” and complete the relevant discussion questions. Based on students’ answers, the teacher gives explanation of related contents.</li> </ul>	20 minutes
	<p><b>7. Summary</b></p> <ul style="list-style-type: none"> <li>The teacher summarises what they have learned in class so that students can understand our country’s economic development direction in terms of policy and planning.</li> </ul>	10 minutes
<b>Learning and Teaching Resources</b>	Worksheets 3; Case Study: Guangdong-Hong Kong-Macao Greater Bay Area Development Plan	

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**(Lesson 1 and Lesson 2)**  
**Learning and Teaching Materials**

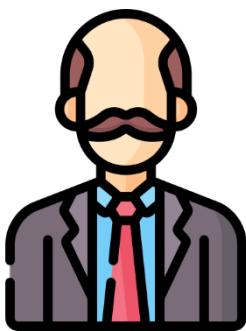
**Lead-in Activity: Different economic systems**

Students can learn about two different economic systems by analysing the following two cases to establish prior knowledge for understanding the economic system of our country.

In Country A, most of the resources are owned by the government, and the government decides how to allocate them. For example, after discussing with officials and experts from the Ministry of Economic Development every year, government leaders determine the kinds of goods and quantities of goods to be produced each year, as well as the resources and production method to be used. Finally, our citizens can receive the supplies needed according to the number of family members at the government’s “Resource Allocation Station”.



A government officer in Country A



A businessman in Country B

In Country B, we can earn money by our own efforts, buy the things we want, and own our own property and possessions. As a businessman, I aim to maximize profits and to produce at the lowest cost. In addition, we will use the information provided by the market price every year to decide what goods to produce and how much to produce. Of course, the more popular a product is, the higher the price will be, and we will increase the production of that product. In the end, whoever can afford the price will get the item!



## **I. Different economic systems**

### **1. Planned economy (also called command economy)**

In a planned economy, the government plans the production and economic development, and decides on the allocation of resources and distribution of outputs.

### **2. Market economy**

Market economy is an economic system in which competition for profits serves as the driving force. In market economy, the balance between supply and demand of a commodity is automatically adjusted through the free market mechanism, and social resources are allocated through this mechanism. For example, when the demand for a specific product increases, its price will go up and the producer will increase the output accordingly in order to make more profit.

### **3. Mixed economy**

It is difficult to find a pure planned economy or a pure market economy in the real world. In reality, the market mechanism is adopted by most economies to allocate resources. However, the government also allocates resources in certain areas through different commands or policies. This is known as a mixed economy. For example, in Hong Kong, citizens are free to choose their occupations, and employers are also free to recruit employees. Wages in many industries are freely set by the market, while the government implements a statutory minimum wage to provide wage protection for low-wage workers.

#### **Think about it:**

Can you identify which economic system Country A and Country B belong to in the Lead-in activity?

**(Country A is a planned economy; country B is a market economy.)**

## Worksheet 1: Characteristics of different types of economic systems

Apply what you have learned to determine which economic system each of the following cases belongs to.

1. The prices of all food in Country A are set by the government.

*Planned economy*

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2. Owing to global warming, people in Country B are more concerned about environmental issues. Demand for environmentally-friendly vehicles hence increases, leading to increased price. Some automobile factories put a lot of effort into the development of environmentally-friendly vehicles in order to increase the market share.

*Market economy*

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3. As the price of luncheon meat keeps rising, the operation costs of restaurants in Country C increase. So, some restaurants owners decide to change the menu replacing “luncheon meat instant noodles” with “ham instant noodles” with effect from next month.

*Market economy*

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4. In country D, some residential buildings are built and sold by private developers, and some are provided by the government for low-income residents.

*Mixed economy*

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Teaching guidelines: For students of higher ability, teachers can further discuss with them to identify the features that belong to market economy (some residential buildings are built and sold by private developers) and features that belong to planned economy (some residential buildings are provided by the government for low-income residents).

### **Extended learning:**

According to students' interest, ability and lesson time, teachers can discuss with students how different economic systems solve the three basic economic problems, namely, “what to produce?”, “how to produce?” and “for whom to produce?”.



## II. Socialist Market Economy

Prior to reform and opening up, a planned economy was the main system in the Mainland of China. Resources were owned and allocated by the government, and government commands became the only means of regulating the economy. Since the market adjustment was not in place, the measures in the planned economy might not meet actual needs. In addition, all the products of production of the people were publicly owned, and the income from work basically adopted an equal distribution system instead of being determined according to labour inputs. As a result, the incentive for production was not high, and enterprises also lacked management autonomy and innovation motivation.

In 1978, the Central Government implemented the policy of reform and opening up to improve our country's economy and people's livelihood. The full name of reform and opening up is "Reform internally and open externally". Internal reform means changing the planned economic system and using the market as the basic way of allocating resources gradually; external opening means introducing foreign capital and developing the national economy with the help of foreign economic resources and advanced technologies.

In 1979, Deng Xiaoping, then Vice Premier of the State Council, pointed out that the market economy was not exclusive to capitalism and that socialism could also use market mechanism. He also said that the Mainland of China should focus on a planned economy and at the same time it should be combined with a market economy, formally proposing to implement a socialist market economy system.

The socialist market economy is the economic system currently practised in the Mainland of China. It combines the market economy and the basic system of socialism, and uses the market mechanism to allocate social resources and guide the operation of the economy. It plays a fundamental role in the allocation of resources under the state's macro-control. The socialist market economy has similarities with the market economy but also has its uniqueness.

### **Characteristics of a socialist market economy:**

1. Public ownership is the main body: Production resources are jointly owned by laborers, which ensures the fundamental direction of socialism.
2. The economy is guided by economic planning: Economic planning overcomes the problems in the market economy and facilitates the implementation of different plans.

3. Achieving common prosperity is the goal: To achieve the common prosperity of all the people is the essence and the most basic pursuit of socialism, and thus also the basic feature of the socialist market economy.

Source : Academy of Chinese Studies (n.d.)

<https://ls.chiculture.org.hk/tc/idea-aspect/192>



### **III. Departments responsible for formulating important economic policies**

The State Council of the People's Republic of China is the highest executive authority of our country. There are many ministries and commissions under the State Council. Some of them are mainly responsible for formulating economic policies, including: National Development and Reform Commission, Ministry of Finance and People's Bank of China. Some of their functions are described as follows:

#### **1. National Development and Reform Commission (NDRC)**

The functions of the National Development and Reform Commission include formulating and implementing national economic and social development strategies, medium- and long-term development plans and annual plans; monitoring economic and social development trends; participating in the formulation of fiscal and financial policies; promoting economic system reform; and implementing macroeconomic management.

#### **2. Ministry of Finance**

The Ministry of Finance is responsible for formulating and organising the implementation of national fiscal and tax policies; preparing national budget; drafting and monitoring the laws related to fiscal policies, finance and accounting management; and supervising the implementation of administrative regulations, etc.

#### **3. People's Bank of China**

The functions of the People's Bank of China include the formulation and implementation of monetary policies, including managing the issuance and circulation of Renminbi (RMB), the interest rate of RMB and other lending markets, and the foreign currency exchange rate, etc. As the central bank of China, it is also responsible for ensuring the stability of the financial sector and monitoring the operation of financial market in China.

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**Worksheet 2: Departments responsible for formulating important economic policies**

- 1 The following are some excerpts of announcements related to national economic policies. Do you know which department should be responsible for the implementation of related policies and measures?

To improve foreign exchange management in financial institutions, the reserve requirement ratio for foreign currency deposits will be cut by one percentage point, from 9 percent to 8 percent, which will be effective on 15 May 2022. (25 April 2022)

<http://www.pbc.gov.cn/en/3688110/3688172/4437084/4539012/index.html>

Responsible Department:

*[People's Bank of China](#)*

According to the recent changes in oil prices in the international market and in accordance with the current mechanism for determining the price of refined oil, starting from 24:00 on 23 August 2022, domestic gasoline and diesel prices (standard products, the same below) will be reduced by 205 yuan and 200 yuan per ton, respectively. (23 August 2022)

[https://en.ndrc.gov.cn/news/mediar/sources/202208/t20220823\\_1333627.html](https://en.ndrc.gov.cn/news/mediar/sources/202208/t20220823_1333627.html)

Responsible Department:

*[National Development and Reform Commission](#)*

In order to strengthen the security of energy supply and promote high-quality development, from 1 May 2022 to 31 March 2023, the provisional import tax rate of zero will be implemented for coal. (26 April 2022)

[http://gss.mof.gov.cn/gzdt/zhengcefabu/202204/t20220428\\_3807196.htm](http://gss.mof.gov.cn/gzdt/zhengcefabu/202204/t20220428_3807196.htm)

Responsible Department:

*[Ministry of Finance](#)*



#### IV. What is macroeconomic regulation and control?

Macroeconomic regulation and control refers to the country’s comprehensive use of various means (such as monetary policy and fiscal policy) to regulate and control the economic aggregate (usually measured by GDP). The main objectives of macroeconomic regulation and control include promoting economic growth, increasing employment, and stabilising prices. For example, when the economy is in recession, the government can take the following measures to stimulate the economy:

<b>I. Monetary policy: In general, it refers to the government’s control of the money supply and/or interest rates to achieve a predetermined economic policy effect.</b>	
<b>Reduce the interest rate</b>	When interest rates are low, people tend to save less and borrow more, spend more and invest more, thereby stimulating production and economic growth.
<b>Increase money supply</b>	Increasing the money supply can inject new capital into the economic system and increase currency circulation, making it easier for enterprises to obtain the required capital from the market for investment and thereby promoting economic growth.
<b>II. Fiscal policy: In general, it refers to the government’s control of government revenue (such as taxation) and/or government expenditure to achieve a predetermined economic policy effect.</b>	
<b>Reduce the profits tax rate</b>	Encourage enterprises to invest or attract overseas capital to invest locally, thereby promoting economic growth.
<b>Increase public spending and carry out large-scale infrastructure construction</b>	For example, the construction of ports, railways, and aviation, on the one hand, is beneficial to future economic development and enhances our country’s production capacity and competitiveness; on the other hand, it can immediately create jobs and improve the unemployment situation. Government expenditure will also increase our country’s GDP and promote economic development.
<b>III. Promulgation and implementation of administrative order</b> The Central Government also issues and implements laws, enacts temporary measures, promulgates guiding policies, implements concessionary policies, offers information services and penalises law-breakers in order to achieve the goals of macroeconomic management.	

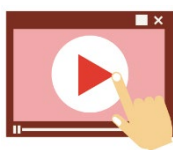
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### **Worksheet 3: The 14th Five-Year Plan**

#### **A. Five-year plan**

Since 1953, our country has adopted a five-year planning system, and has completed and implemented 13 five-year plans so far, formulating the development directions, strategies and indicators for the economic and social development of our country for the next five-year period. It serves as the blueprint and action agenda for national development and the work basis of government agencies at all levels.

Source: Constitutional and Mainland Affairs Bureau  
[https://www.cmab.gov.hk/en/issues/12th\\_5yrsplan\\_q\\_a.htm](https://www.cmab.gov.hk/en/issues/12th_5yrsplan_q_a.htm)



The video briefly introduces the background of the national five-year plan (Cantonese Only)(00:00-5:48)

[https://www.cmab.gov.hk/doc/tc/documents/14th\\_5yrsplan/episode-1.mp4](https://www.cmab.gov.hk/doc/tc/documents/14th_5yrsplan/episode-1.mp4)

Source: Constitutional and Mainland Affairs Bureau

#### **B. The 14th Five-Year Plan**

##### **I. Background**

On 11 March 2021, the National People’s Congress officially approved the “Outline of the 14th Five-Year Plan for the National Economic and Social Development and the Long-Range Objectives Through the Year 2035” (“The 14th Five-Year Plan”), which provides the blueprint and action agenda for the development of our country from 2021 to 2025. After the completion of the building of a moderately prosperous society in all aspects, which is the target of the “13th Five-Year Plan”, the next target is to build a modern socialist country in all aspects.

## II. Key points of the “14th Five-Year Plan” (examples):

<b>Holistic economic development</b>	<ul style="list-style-type: none"> <li>➤ Sustained economic growth: Average annual growth of GDP will be maintained in a reasonable range.</li> <li>➤ Develop strategic emerging industries: Focus on strategic emerging industries such as new generation information technology, biotechnology, new energy, new materials, high-end equipment, new energy vehicles, green and environmentally friendly products, and aerospace and marine equipment, and raise the share of the value-added of strategic emerging industries to more than 17% of GDP.</li> </ul>
<b>Innovation and technology</b>	<ul style="list-style-type: none"> <li>➤ Increase investment: The research and development (R&amp;D) expenditure of society as a whole will increase by more than 7% annually, striving to make the intensity of investment higher than the actual investment during the period of the “13th Five-Year Plan” period.</li> <li>➤ Establish laboratory systems: Establish a number of national laboratories with a focus on fields such as quantum information, photonics and micro and nano electronics, network communications, artificial intelligence (AI), biomedicine, modern energy systems, etc.</li> </ul>
<b>National security</b>	<ul style="list-style-type: none"> <li>➤ Strengthen economic security system: Secure food security, energy resource security and financial security.</li> </ul>



Appendix 1

### **Know More: Economic security**

Economic security, including security of the economic system, economic order, economic sovereignty and economic development, is the foundation of national security and development.

Source: Economic Security, Major Field of National Security, Website of National Security Education Day

[https://www.nsed.gov.hk/national\\_security/index.php?l=en&a=national\\_security\\_main\\_focus](https://www.nsed.gov.hk/national_security/index.php?l=en&a=national_security_main_focus)

Refer to the above information and answer the following questions:

1. What is the significance of the five-year plan for our country's economic development?

*The five-year plan is to formulate development directions, strategies and indicators for our country's economic and social advancement in the next five years, specifying the government's work priorities, and can be said to be our country's development blueprint and action agenda.*

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2. Analyse the directions of our country's economic development from the examples of key points of the "14th Five-Year Plan" above.

*Develop strategic emerging industries and innovative technologies such as new generation information technology, biotechnology, new energy, new materials, high-end equipment, etc. Environmental protection elements will also be emphasised, such as new energy vehicles and green environmental protection.*

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3. Challenge question: Referring to the examples of the key points of the "14th Five-Year Plan" above and the meaning of national economic security, analyse how our country safeguards economic security.

*Our country increases the competitiveness of the overall economy and develops the economy through innovation and technology, as well as develops strategic emerging industries such as new generation information technology, biotechnology, new energy, high-end equipment, etc. to safeguard the security of energy resources and national economic development.*

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### III. Contents relating to Hong Kong in the “14<sup>th</sup> Five-Year Plan” (Examples)

<p><b>Reinforcing and enhancing Hong Kong’s competitive advantages</b></p>	<ul style="list-style-type: none"> <li>➤ Continue to support the “four traditional centres” of Hong Kong, namely international financial centre (including global offshore Renminbi business, international asset management and risk management); international transportation centre; international trade centre; and a centre for international legal and dispute resolution services in the Asia-Pacific region.</li> <li>➤ Raise for the first time the support for Hong Kong to enhance, establish and develop the “four emerging centres”, namely an international aviation hub, an international innovation and technology (I&amp;T) centre, a regional intellectual property trading hub and a hub for arts and cultural exchanges between China and the rest of the world.</li> </ul>
<p><b>Taking forward the development of the Guangdong-Hong Kong-Macao Greater Bay Area (GBA) actively and steadily and supporting Hong Kong to better integrate into the overall development of the country</b></p>	<ul style="list-style-type: none"> <li>➤ Deepen the cooperation between the Mainland, Hong Kong and Macao in economics, trade and science and technology innovation, and deepen and widen mutual access between the financial markets of the Mainland and Hong Kong.</li> <li>➤ Deepen Guangdong-Hong Kong-Macao co-operation and Pan-Pearl River Delta regional co-operation, and promote the development of major platforms for Guangdong-Hong Kong-Macao co-operation including Qianhai in Shenzhen, Hengqin in Zhuhai, Nansha in Guangzhou, the Shenzhen-Hong Kong Loop, etc.</li> </ul>

Source: Hong Kong Themes

[https://www.brandhk.gov.hk/docs/default-source/factsheets-library/hong-kong-themes/2021-10-05/hong-kongs-role-in-the-national-14th-five-year-plan-e.pdf?sfvrsn=91d63b5e\\_3](https://www.brandhk.gov.hk/docs/default-source/factsheets-library/hong-kong-themes/2021-10-05/hong-kongs-role-in-the-national-14th-five-year-plan-e.pdf?sfvrsn=91d63b5e_3)



The video briefly introduces the National 14th Five-Year Plan and Hong Kong’s vision (Chinese only)(10:50-21:10)

[https://www.cmab.gov.hk/doc/tc/documents/14th\\_5yrsplan/episode-1.mp4](https://www.cmab.gov.hk/doc/tc/documents/14th_5yrsplan/episode-1.mp4)

Source: Constitutional and Mainland Affairs Bureau

Refer to the contents of the “14th Five-Year Plan” involving Hong Kong above and answer the following questions.

1. Choose two items that you are interested in learning more about.

*(Students can answer freely)*

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2. Regarding the above items related to Hong Kong, how would you equip yourself to meet these development opportunities?

*For example,*

*(1) Learning more about economics and finance to prepare for*

*a future career in this field.*

*(2) Cultivating interest in Chinese and foreign culture and art, as well as*

*acquiring relevant knowledge and skills.*

*(3) Understanding the culture and development of Mainland cities in the*

*Greater Bay Area, etc.*

You can study the 2021 Policy Address to understand the present situation, strengths, development strategies and measures in Hong Kong in these areas.

<https://www.policyaddress.gov.hk/2021/eng/pdf/publications/14-5/14-5-full.pdf>

#### **IV. Online self-learning resources - videos about HKSAR's work in complementing the National "14th Five-Year Plan" (Chinese only)**

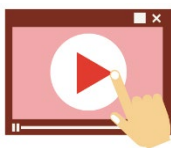
- International Transportation Centre  
[https://www.cmab.gov.hk/doc/tc/documents/14th\\_5yrsplan/episode-2.mp4](https://www.cmab.gov.hk/doc/tc/documents/14th_5yrsplan/episode-2.mp4)
  
- International Financial Centre  
[https://www.cmab.gov.hk/doc/tc/documents/14th\\_5yrsplan/episode-3.mp4](https://www.cmab.gov.hk/doc/tc/documents/14th_5yrsplan/episode-3.mp4)
  
- International Aviation Hub  
[https://www.cmab.gov.hk/doc/tc/documents/14th\\_5yrsplan/episode-4.mp4](https://www.cmab.gov.hk/doc/tc/documents/14th_5yrsplan/episode-4.mp4)
  
- International Innovation and Technology Hub  
[https://www.cmab.gov.hk/doc/tc/documents/14th\\_5yrsplan/episode-5.mp4](https://www.cmab.gov.hk/doc/tc/documents/14th_5yrsplan/episode-5.mp4)
  
- Hub for Arts and Cultural Exchanges between China and the rest of the World  
[https://www.cmab.gov.hk/doc/tc/documents/14th\\_5yrsplan/episode-6.mp4](https://www.cmab.gov.hk/doc/tc/documents/14th_5yrsplan/episode-6.mp4)
  
- Regional Intellectual Property Trading Centre  
[https://www.cmab.gov.hk/doc/tc/documents/14th\\_5yrsplan/episode-7.mp4](https://www.cmab.gov.hk/doc/tc/documents/14th_5yrsplan/episode-7.mp4)
  
- Centre for International Legal and Dispute Resolution Services in the Asia-Pacific Region  
[https://www.cmab.gov.hk/doc/tc/documents/14th\\_5yrsplan/episode-8.mp4](https://www.cmab.gov.hk/doc/tc/documents/14th_5yrsplan/episode-8.mp4)
  
- International Trade Centre  
[https://www.cmab.gov.hk/doc/tc/documents/14th\\_5yrsplan/episode-9.mp4](https://www.cmab.gov.hk/doc/tc/documents/14th_5yrsplan/episode-9.mp4)

## Case Study: The Guangdong-Hong Kong-Macao Greater Bay Area Development Plan

### I. A Preliminary Study of the Guangdong-Hong Kong-Macao Greater Bay Area (the Greater Bay Area)

#### Lead-in Activity:

The teacher can first watch the following video with students to let them understand the background of the Greater Bay Area



Understand the Guangdong-Hong Kong-Macao Greater Bay Area (Length: 2 minutes and 39 seconds)

<https://www.youtube.com/watch?v=UlyivWYH7NY>

Source : Academy of Chinese Studies

Visit the following website to understand the development of the Greater Bay Area (Chinese only)

Website: “The Guangdong-Hong Kong-Macao Greater Bay Area”, Academy of Chinese Studies

<https://ls.chiculture.org.hk/tc/national-conditions/128>

#### Source 1: What is bay area

The so-called bay area refers to the port and city group composed of cities around the sea. Each city in the bay area performs different functions, thereby generating synergy and promoting economic development in the area. The current world-class bay areas are the Tokyo Bay Area, the New York Bay Area, and the San Francisco Bay Area.

Source: “The Guangdong-Hong Kong-Macao Greater Bay Area”, Academy of Chinese Studies

#### Source 2: Overview of the Greater Bay Area

##### Composition of Cities

The Guangdong-Hong Kong-Macao Greater Bay Area (Greater Bay Area) comprises the two Special Administrative Regions of Hong Kong and Macao, and the nine municipalities of Guangzhou, Shenzhen, Zhuhai, Foshan, Huizhou, Dongguan, Zhongshan, Jiangmen and Zhaoqing in Guangdong Province. The total area is around



56 000 km<sup>2</sup>. By the end of 2021, the total population was 86.7 million, the GDP reached US\$1,958.1 billion, and the per capita GDP was US\$22,585.

### Significance and Objectives

- Significance: A key strategic planning in our country’s development blueprint, having great significance in our country’s implementation of innovation-driven development and commitment to reform and opening-up.
- Objectives: To further deepen cooperation amongst Guangdong, Hong Kong and Macao, fully leverage the composite advantages of the three places, facilitate in-depth integration within the region, and promote coordinated regional economic development, with a view to developing an international first-class bay area ideal for living, working and travelling by year 2035.

Sources:

Research, Hong Kong Trade Development Council

<https://research.hktdc.com/en/article/MzYzMDE5NzQ5>

“The Guangdong-Hong Kong-Macao Greater Bay Area”, Academy of Chinese Studies

<https://is.chiciculture.org.hk/tc/national-conditions/128>

“Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area”

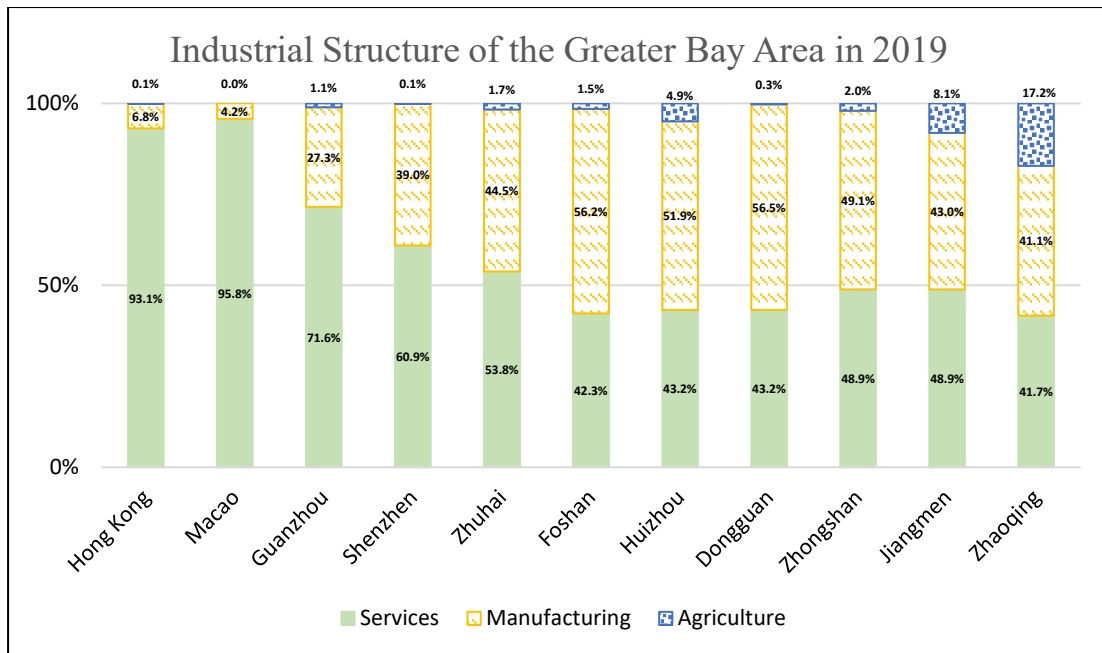
[https://www.bayarea.gov.hk/filemanager/en/share/pdf/Outline\\_Development\\_Plan.pdf](https://www.bayarea.gov.hk/filemanager/en/share/pdf/Outline_Development_Plan.pdf)

The Guangdong-Hong Kong-Macao Greater Bay Area Website, HKSAR

<https://www.bayarea.gov.hk/en/home/index.html>

### Source 3: Industrial distribution of cities in the Greater Bay Area

Hong Kong	International financial, shipping and trade centre, devoted to promote professional services, innovation and technology
Shenzhen	National high-tech research and development and manufacturing centre, with stock exchange and offers quality financial services
Dongguan	World-renowned manufacturing and export base
Huizhou	Petrochemical and electronic information industry base, with high-tech research and development centres
Macao	World tourism and leisure centre, has a number of world cultural heritage. Major industries: tourism, hospitality and gaming
Zhuhai	The only city in the Mainland that is connected to both Hong Kong and Macao by land, committed to the development of high-end manufacturing industry
Zhongshan	Professional town clusters of home appliances, clothing, lighting, furniture, etc.
Jiangmen	Manufacturing hub and starts to develop logistic industry in recent years
Guangzhou	Political and economic centre and transportation hub. Major industries: petrochemical, automotive industries
Foshan	A first-tier city of national manufacturing and private enterprises
Zhaoqing	The province's main grain-producing area, a gateway city connecting the southwest hub



Source:

Overview of Grater Bay Area, Hong Kong Legco

<https://www.legco.gov.hk/research-publications/chinese/1718fs03-overview-of-guangdong-hong-kong-macao-bay-area-20180223-c.pdf>

Research, Hong Kong Trade Development Council

<https://research.hktcdc.com/en/article/MzYzMDE5NzQ5>

Source of the picture: Greater Bay Area Website, HKSAR

<https://www.bayarea.gov.hk/en/home/index.html>

### Online self-learning resources - Details of cities in the Guangdong-Hong Kong-Macao Greater Bay Area

Learn about the economic indicators of each city, major development zones, and trade relations with Hong Kong.



Greater Bay Area Website, HKSAR

<https://www.bayarea.gov.hk/en/about/the-cities.html>

Learn about the Greater Bay Area and different cities in the Mainland



RTHK31 「灣區全媒睇」 (Chinese only)

<https://www.rthk.hk/tv/dtt31/programme/gbalifestyle>

Based on the above information, answer the following questions:

1. List the major bay areas in the world.

*The Tokyo Bay Area, the New York Bay Area, and the San Francisco Bay Area*

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2. According to Source 2, determine whether the following items are the purposes of developing the Greater Bay Area.

	Yes	No
(1) To strengthen the economic cooperation between the cities in the Guangdong-Hong Kong-Macao regions	✓	
(2) To focus on high-value-added innovative technology industries.	✓	
(3) To promote the economic development of our country.	✓	
(4) To promote and strengthen economic ties between our country and countries in the American continent.		✓
(5) To develop into a national heavy industry center.		✓
(6) To provide Hong Kong and Macao residents with a great place to start a business and live.	✓	

3. Complete the table below based on Sources 2 and 3

<b>Any two cities in which the secondary industry is the major economic contributor</b>	<b>Main economic activities</b>
Foshan	Manufacturing
Dongguan	Manufacturing
<b>Any two cities in which the tertiary industry is the major economic contributor</b>	<b>Main economic activities</b>
Hong Kong	Finance, Shipping, Trade
Macao	Tourism

4. Challenge question: Taking Hong Kong, Shenzhen, and Dongguan as examples and using the above data to analyse how the Guangdong-Hong Kong-Macao Greater Bay Area can play the role of a bay area.

*Shenzhen is a national high-tech research and development center. Results of research and development generated in Shenzhen can be produced in factories in Shenzhen or Dongguan.*

*Hong Kong is an international financial center. Hong Kong can help scientific research companies in Shenzhen raise funds and sell their finished products overseas through trading services.*

*These three cities can practise regional division of labor, complement one another, generate synergy, and promote economic development in the region.*

5. Group discussion: Students work in pairs to discuss the following question.

Based on your understanding of global and national economic development in recent years and the significance and goals of developing the Greater Bay Area, briefly analyse how our country maintains economic security through the Greater Bay Area development plan. (Hints: You can refer to Worksheet 3 of this module for the content about the 14th Five-Year Plan and the concept of economic security.)

*Economic globalisation has made countries increasingly interconnected and interdependent, and a new round of technological revolution and industrial transformation is developing rapidly. Meanwhile the global economy is beset with uncertainty and instability as well as protectionism. Our country implements innovation-driven development through the development of the Greater Bay Area to further develop the economy and protect national economic security.*

*Reference: "Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area"*

[https://www.bayarea.gov.hk/filemanager/en/share/pdf/Outline\\_Development\\_Plan.pdf](https://www.bayarea.gov.hk/filemanager/en/share/pdf/Outline_Development_Plan.pdf)

## II. Positioning and strengths of Hong Kong in the development plan of the Guangdong-Hong Kong-Macao Greater Bay Area

Watch the video below to get a preliminary understanding of the Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area



粵港澳大灣區發展規劃綱要 (Length: 4 minutes 11 seconds)

<https://www.youtube.com/watch?v=7dnswU4uVj8>

Source: Endeavour

### Source 4: Functional roles and objectives of Hong Kong in the planning of the Guangdong-Hong Kong-Macao Greater Bay Area

The “Outline Development Plan for the Guangdong-Hong Kong-Macao Greater Bay Area” announced by our country in 2019 proposed the following functional roles and goals for Hong Kong in the development process of the Greater Bay Area:

- i. Consolidate and enhance the status as international financial, transportation and trade centres as well as an international aviation hub.
- ii. Strengthen its status as a global offshore Renminbi (RMB) business hub.
- iii. Strengthen its role as an international asset management centre and a risk management centre.
- iv. Establish itself as the center for international legal and dispute resolution center in the Asia-Pacific region.
- v. Make great efforts to develop the innovation and technology industries, and nurture emerging industries.

Hong Kong has development advantages in all the roles listed in Source 4. Fill in the relevant functional roles and objectives based on the strengths described below. (Answers can be repeated)

<b>Roles and Objectives</b>	<b>Advantages (Examples)</b>
<i>i</i>	<ul style="list-style-type: none"> <li>● Hong Kong International Airport is one of the world's busiest international passenger airports and busiest cargo gateways. At present, more than 120 international airlines operate more than 1,100 flights daily, connecting over 220 destinations around the globe.</li> </ul>
<i>ii</i>	<ul style="list-style-type: none"> <li>● Since Hong Kong has been developing offshore Renminbi (RMB) business in 2004, it has become the global hub for offshore RMB business. It has the world's largest RMB liquidity pool and provides the widest variety of offshore RMB investment products.</li> </ul>
<i>v</i>	<ul style="list-style-type: none"> <li>● The Government is stepping up efforts in Innovation &amp; Technology development in eight major areas, including: increasing resources for R&amp;D; pooling together technology talent; providing investment funding; providing technological research infrastructure; reviewing existing legislations and regulations; opening up government data; enhancing procurement arrangements; and strengthening popular science education. So far, the Government has invested over \$100 billion.</li> </ul>
<i>i</i>	<ul style="list-style-type: none"> <li>● Hong Kong Port is one of the top ten busiest container ports in the world.</li> <li>● With a cluster of over 800 shipping-related companies, Hong Kong provides a range of quality maritime services, including ship agency and management, shipbroking, marine insurance, and maritime legal and arbitration services. With our many advantages, Hong Kong is well-positioned to serve as the maritime service hub for the "Belt and Road" economies.</li> </ul>
<i>iv</i>	<ul style="list-style-type: none"> <li>● Hong Kong has a well-established legal system firmly based on the rule of law. Under the principle of "one country, two systems", Hong Kong's legal system is based on the common law as supplemented by statute law. Over the years, the Department of Justice (DoJ) has been making every effort to enhance Hong Kong's status as a leading centre for international legal and dispute resolution services in the Asia Pacific region.</li> </ul>
<i>ii</i>	<ul style="list-style-type: none"> <li>● Hong Kong is a major regional fund management centre with a large concentration of international fund managers, advisory businesses and private banks. Specifically, Hong Kong is the</li> </ul>

	largest international asset management hub in Asia. It is also the largest cross-border private wealth management and hedge fund centre in Asia, and the second largest private equity centre after the Mainland of China in Asia.
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Sources:

Greater Bay Area Website, HKSAR

<https://www.bayarea.gov.hk/en/home/index.html>

Competitive International Financial Platform, Hong Kong Monetary Authority

<https://www.hkma.gov.hk/eng/key-functions/international-financial-centre/hong-kong-as-an-international-financial-centre/competitive-international-financial-platform/>

### III. The Guangdong-Hong Kong-Macao Greater Bay Area and me

#### Source 5: Chapters related to the Guangdong-Hong Kong-Macao Greater Bay Area in the 14th Five-Year Plan (examples)

... expanding the scope of mutual recognition of professional qualifications between the Mainland, Hong Kong and Macao, and further strengthening the regulatory interface and connectivity in key areas. Facilitating young people of Hong Kong and Macao to study, take up employment and start businesses in the Mainland cities of the Greater Bay Area. (Section 3, Chapter 13)

#### Source 6: Measures of the HKSAR Government to support the development of young people in Mainland cities in the Greater Bay Area

- The Greater Bay Area Youth Employment Scheme
- Funding Scheme for Youth Entrepreneurship in the GBA
- Funding Scheme for Experiential Programmes at Innovation and Entrepreneurial Bases in the GBA
- Alliance of Hong Kong Youth Innovative and Entrepreneurial Bases

For details of the above projects, please visit the Guangdong-Hong Kong-Macao Greater Bay Area Website of the Government of the Hong Kong Special Administrative Region

<https://www.bayarea.gov.hk/en/youth/index.html>

1. Have you ever been to any Mainland city in the Greater Bay Area? If yes, which city?

*(Students can answer freely)*

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2. Do you know any infrastructure projects in the Greater Bay Area to promote traffic in the area?

*For example: high-speed rail, Hong Kong-Zhuhai-Macao Bridge, etc.*

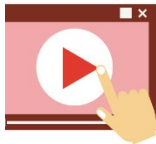
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Students may visit the Guangdong-Hong Kong-Macao Greater Bay Area website of the Hong Kong Special Administrative Region Government to learn about the infrastructure in the Guangdong-Hong Kong-Macao Greater Bay Area.

<https://www.bayarea.gov.hk/en/connectivity/key.html>

**Source 7: Watch a short video to learn about a young person starting a business in the Guangdong-Hong Kong-Macao Greater Bay Area**



織夢人—第八集 Raymond 團隊一招解決長者吞嚥障礙 (Length: 5 minutes 7 seconds)

<https://www.rthk.hk/tv/dtt31/programme/weaveyourdream/episode/774952>

Source: RTHK 31

3. Arrange the entrepreneurial experience of Raymond's team below in order of steps (code in English).

A. Conduct field trips to different elderly centres

B. Experience personally the problems caused by swallowing disorders in the elderly

C. Form problem-solving ideas

D. Establish a team and start a business

E. Develop new products continuously

F. Calculate costs and make feasible plans

1.B → 2.C → 3.A → 4.F → 5.D → 6.E



4. What qualities did Raymond's team show in the short video? Put a "✓" next to each of the qualities shown, and write down specific examples. (Students can answer by themselves, the answers below are for reference only)

Qualities		Specific examples
Humanistic qualities and empathy	✓	<i>Can empathize with the elderly who have swallowing problems.</i>
Possessing creativity and innovativeness	✓	<i>Use creativity to make food that can maintain the appearance and taste of food but have a softer texture that is suitable for the elderly to swallow.</i>
Taking initiatives and responsibilities	✓	<i>They take the initiative to find out feasible solutions to establish a company, and continue to develop and improve product quality.</i>
Assessing risks and taking calculated risks	✓	<i>Before setting up the company, they conduct in-depth research (seeking professional advice).</i>
Upholding perseverance in times of uncertainty		
Seizing the best of the opportunities ahead	✓	<i>Grasp the opportunities brought by the aging population and large market in the Mainland.</i>
Diligence (carrying out by actual efforts)	✓	<i>Conduct field visits to different elderly centers to understand the problems caused by swallowing disorders in the elderly.</i>

Raymond and his team in the video show the qualities of entrepreneurial spirit. Teachers can watch the following video with students to learn more about this spirit.



淺談開拓與創新精神 (Length: 3 minutes 5 seconds)

<https://emm.edcity.hk/media/Introduction%20to%20Entrepreneurial%20Spirit%20>

Source: EDB Educational MultiMedia

## References

National Development and Reform Commission of the People's Republic of China

<https://en.ndrc.gov.cn/>

Ministry of Finance of the People's Republic of China

<http://www.mof.gov.cn/index.htm>

The People's Bank of China

<http://www.pbc.gov.cn/en/3688006/index.html>

Constitutional and Mainland Affairs Bureau

<https://www.cmab.gov.hk/en/home/index.htm>

The Guangdong-Hong Kong-Macao Greater Bay Area Website

<https://www.bayarea.gov.hk/en/home/index.html>

National Security Education Day Website

<https://www.nsed.gov.hk/index.php?l=en>

RTHK Website

<https://www.rthk.hk/>

Hong Kong Trade Development Council

<https://home.hktdc.com/>

Academy of Chinese Studies

<https://ls.chiculture.org.hk>

