

## Study Center in Shanghai, China

<b>Course name:</b>	Changing Nature of Business in China
<b>Course number:</b>	BUSI 3001 SBLC
<b>Language of instruction:</b>	English
<b>U.S. Semester Credits:</b>	3 semester/4.5 quarter hours
<b>Contact Hours:</b>	45
<b>Term:</b>	Spring 2017

### Course Description

This course provides the students an opportunity to examine the elements in the changing nature of business in China. The syllabus identified a number of issues that may affect the business development in China. These issues include fiscal policies that changed the business environment over the past three decades when the Chinese economy grew from a stagnant and poor country to the number two economic power in the world.

Some of the topics chosen in the syllabus are China's Stimulus Programs, Labor Contract law, and Economic Cooperation Framework Agreement between Taipei and Beijing. Also covered in this class is the contentious issue of the RMB undervaluation even though the Chinese government is slowly responding to international pressure on currency reform.

A new topic receiving international attention lately is the public listing of Chinese companies in the US using a mechanism called the Reserve Merger. An unprecedented number of shareholders and SEC litigations filed as a result of this wave of RTO listings prompted us to include this new topic in our syllabus.

In addition, this course will examine the various aspects of the economic, social, political, and policy issues in the Asia region especially between Beijing and Taipei. We will conclude the course by evaluating the key issues studied and exploring potential business and job opportunities for our students.

The class format emphasizes heavily on classroom discussions and students' participation. Other opportunities for networking and practical experience include a couple of plant visits.

### Learning Objectives

The objective of this course is for the students to get interested in changing business issues in China. Upon completion of this course, students can expect to have an overall understanding of the changing nature of business in China especially in the following areas:

- Emerging Chinese economic power
- The Chinese Economic Stimulus Program in the midst of Global financial crisis
- Consumer Based Value Added Tax (VAT) policy
- Chinese RTOs
- Labor Contract Law
- RMB exchange rate
- New Beijing and Taipei Economic Cooperation Pact
- Changing workforce, labor shortage, labor expectation, and human resource challenges
- Opportunities for you

Students will gain an understanding of the policies and business issues in China and develop a sense of appreciation for the dynamics of this constant changing business environment.

**Course Prerequisites**

Three semesters of college-level microeconomics or macroeconomics, accounting, finance, management, or marketing are required.

**Course Requirements**

Active participation in the class means student's willingness to share knowledge and ideas in a logical and analytical manner. Effective participation can be demonstrated by student's knowledge in the subject and by student's intelligent discussion with the teacher and other students. Thus, adequate preparation before the class is essential. Participation is critical for grades because credit will be rewarded for those students who have participated in the class. Classes will start on time. Students are expected to be in the classroom before the class begins. Credit will also be given for attending the class.

In the Week 2 class, students are expected to form five to six presentation teams. Each team should have 3-4 participants and choose one of the discussion topics below.

- Chinese Stimulus Program /Emerging Chinese economic power
- Chinese RTOs
- VAT
- BJ & Taipei Economic Cooperation Pact
- Labor Contract Law
- RMB exchange rate

Each team must decide the topic before the end of the Week 2 class. The team will make a 15-20 minute long PowerPoint or video presentation beginning Week 4. The presentation schedule is also shown in the weekly schedule section of this syllabus. Group presentation is a team effort. Each team is expected to conduct research on the subject, read the class materials, and rehearse the presentation. Each presentation should allow for a 5-minute long Question & Answer. Grades will be awarded based on the content, presentation style, team effort, and audience response. For grading purpose, a written copy or a digital copy of the presentation must be submitted before the class. Each team will be assigned one grade and the same grade awarded to each team member.

**Mid Term**

Exam includes materials and readings covered in the class from week 2 through week 6

**Final**

Exam includes materials and readings covered in the class from week 8 through week 14

**Method of Instruction**

A combination of lecture, Powerpoint and video presentations, classroom discussions, student presentations, and a factory visit will be used as teaching activities to facilitate students' learning. Each class starting Week 4 will begin with the team presentation and followed by the lecture. For those classes coincided with factory visit, there will be Q&A at the end of the class. Students will be asked to respond to questions and encouraged to participate during those factory visit/class.

**Assessment of Final Grade**

The grading system is based on the % of effort spent in each of the following areas. For reference, students will be assessed according to the following percentage distribution:

1. Class attendance & participation	10%
2. Midterm Exam	30%
3. Group presentation	
a. Content	10%
b. Presentation style and quality	10%
c. Q&A and audience reception	5%
d. Team effort	5%
4. Final exam	30%
 Total	 100%

No additional course work will be given for final grade. Therefore students should make every effort to gain maximum % in the above categories. Decimal of % will be rounded up and the grade will be final based on the % earned.

**Weekly Schedule**

**Week 1: CIEE Student Orientation**

Student arrival

**Week 2: Class Overview/Emerging Chinese economy**

Course Syllabus

**Lecture - Emerging Chinese economic power**

**Reading materials:**

BJ aims to revamp pension

Biden defends Pacific Trade Pact

Why trade talks are still on track

China becomes No 1 Gold Buyer

Xi's background

SH FTZ Restrictions

**Week 3: China Economic Stimulus in the midst of the Global Financial Crisis**

**Lecture - China Economic Stimulus in the midst of the Global Financial Crisis**

Reading materials:

Foreign firms embrace pressure from China

Firms brace China

Wal Mart returns fire on food safety

Energy out, US in at China Fund

Islamabad BJ economic partnership

Energy out, US in at China Fund

**Video on 2008 Global Financial Crisis**

**Week 4: China RTO companies on Wall Street**

**Student presentation** – Emerging China Economic Power after the Global Financial Crisis

Lecture - China RTO companies on Wall Street

**Reading materials:**

Making Chinese Entre making reverse

China RTO new reversed trend p1

Fall of Suntech, largest solar panel co

Cease and desist and relist

Uncovering Chinese Companies lies

China Criticizes Rulings on Auditors

No accounting in China

China's accounting

China's no 1 butcher to US Reverse mergers by SEC

- Week 5      Too Big to Fail Video**
- Week 6      Consumer Based VAT (Value Added Tax) policy Student presentation – Chinese RTO's**  
**Lecture - Consumer Based VAT (Value Added Tax) policy**
- Reading materials:  
 China Tax Nov 2008 Issue 13  
 China VAT Alert Major Revision Sept 2006  
 Issue 11,2008 China Swith to Consumption Based VAT  
 YAN-25
- Review Mid Term Exam**
- Week 7      Midterm Exam**
- Week 8      CIEE Weeklong field trip- no class**  
 Mid Term Exam includes lectures and reading materials assigned during Week 1-6
- Week 9      ECFA (Economic Cooperation Framework Agreement) between Beijing & Taipei**  
 Lecture - ECFA (Economic Cooperation Framework Agreement) between Beijing & Taipei  
 Reading materials:  
 Taiwan, China talks leave doors open  
 Taiwan says China rejects APEC talk  
 Taipei set stage for pact wsj BJ  
 Taipei set stage for pact wsj  
 Taiwan, China sign 3 pacts  
 Taiwan Economic Tunelvision
- Week 10      Weeklong Spring Break**
- Week 11:      Labor Contract Law**  
**Student presentation - (Economic Cooperation Framework Agreement)**  
 BJ & Taipei  
**Lecture - Labor Contract Law**  
 Reading Materials:  
 1. New Labor Contract Law

- Week 12: RMB Exchange Rate**  
**Student presentation – Labor Contract Law**  
**Lecture - RMB Exchange Rate**  
 Reading materials:  
 Banking on Reform by Stephen Thomas, Chen Ji.doc  
 Great currency debate, Tom Meehan, China Business  
 Chinese currency manipulation not a problem  
 no rush to stem Yuan's drop  
 BJ takes aim at Investing via Web1  
 BJ takes aim at Investing via Web2  
 China policy mixed results  
 Chinese firms tap foreign financing  
 Chinese firms are tapping foreign funds  
 PBOC behind RMB fall  
 Fall in China's Yuan  
 Hong Kong Lending to China  
 a risk for HK banks  
 BJ Reports Narrower Current-Account Surplus
- Week 13 Changing Work Force, HR Issues, Staff Expectation and Challenges**  
**Student presentation – RMB Exchange Rate**  
**Lecture – Changing Work Force, HR Issues, Staff Expectation and Challenges**  
  
**Review of the final exam**  
 Strikers in China say IBM fired
- Week 14: Coke Plant tour**
- Week 15: Final Exam**  
 Final exam includes lectures and materials from Week 8 -14



ENGAGE. EXPERIENCE. EMBRACE. EDUCATE.

**Course Instructor**

Charles Mo is a Certified Public Accountant in New Hampshire, USA. Charles is the Chairman and the founder of Charles Mo & Company which was established in Shanghai, China on June 23, 2005. This boutique consulting firm provides services to American companies invested in China including outsourced accounting, corporate management advisory service, training, and mid level executive recruiting. In 1995, Charles moved to China as the Controller for Polaroid China. In 1996, he served as the Chief Financial Officer for Nike China. In 1999, Charles joined Coca-Cola Shanghai as the Chief Financial Officer and later in 2001 became its Chief Operating Officer until 2005. Prior to Coke Charles worked for Wang Laboratories, Inc. in Lowell, Massachusetts in various financial management capacities for 12 years. Prior to Wang, Charles worked in the public accounting for Thomas Allen, CPA and Ernst & Whinney. In 2003 Charles joined the American Chamber of Commerce in Shanghai, and was appointed as its CSR Committee Vice Chairman in 2004 and its Board Treasurer in 2005. Charles was later elected as the Board Vice Chairman in 2006, 2007, and 2008. Charles has been an adjunct professor for CIEE (Council of International Education and Exchange) since Spring 2009. Charles has an MBA from California State University Fullerton and a BA in Business Administration from Hong Kong Baptist College.