



## **CIEE in Shanghai, China**

<b>Course name:</b>	Changing Nature of Business in China
<b>Course number:</b>	BUSI 3001 SBLC
<b>Programs offering course:</b>	Shanghai Accelerated Chinese Language, Shanghai Business, Language and Culture, Shanghai China in a Global Context
<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>	Fall 2018

### **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 Reverse 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 1 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 3. 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 1 through week 4



**Final**

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

**Class 1: Class Overview/Emerging Chinese economy**

Course Syllabus – BUSI\_3001\_Fall\_2014

**Lecture - Emerging Chinese economic power**

Reading materials:

- 10\_02\_2014\_003BJ aims to revamp pension
- 17\_02\_2014\_004 Biden defends Pacific Trade Pact
- 17\_02\_2014\_018 Why trade talks are still on track
- 19\_02\_2014\_022China becomes No 1 Gold Buyer
- Jan26,2011 Xi's background
- SH FTZ Restrictions 01\_10\_2013\_004

**Class 2: 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:

05\_04\_2013\_001 Foreign firms embrace pressure from China

05\_04\_2013\_014 Firms brace China

19\_02\_2014\_001 Energy out, US in at China Fund

19\_02\_2014\_001 Islamabad BJ economic partnership

19\_02\_2014\_014 Energy out, US in at China Fund

**Video on 2008 Global Financial Crisis**

**Class 3: China RTO companies on Wallstreet**

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

**Lecture - China RTO companies on Wallstreet**

Reading materials:

4 Jan27,2011 Making Chinese Entre making reverse

05\_12\_2012\_001 China RTO new reversed trend p1

06\_05\_2013\_016 Fall of Suntech, largest solar panel co

9\_25\_08\_2011\_010 cease and desist and relist

10\_29\_09\_2011\_014 Uncovering Chinese Companies lies

27\_01\_2014\_017 China Critizes Rulings on Auditors

30\_01\_2014\_012 No accounting in China

30\_05\_2013\_014 China's accounting

30\_05\_2013\_018 China's no 1 butcher to US

Reverse mergers by SEC

**Class 4: 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

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**Review Mid Term Exam**

**Class 5:** Mid Term Exam includes lectures and reading materials assigned during Week 1-4

**Class 6: Video - Too Big To Fail/Sunzi**

**Class 7: Labor Contract Law**

**Lecture - Labor Contract Law**



Reading Materials:

1. New Labor Contract Law

**Class 8: 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 Rev.pdf
- 09\_01\_2013\_013 Chinese currency manipulation not a problem
- 09\_04\_2014\_016 no rush to stem Yuan's drop
- 12\_02\_2014\_015 BJ takes aim at Investing via Web1
- 12\_02\_2014\_023 BJ takes aim at Investing via Web2
- 16\_01\_2014\_028 China policy mixed results
- 24\_04\_2014\_017 Chinese firms tap foreign financing
- 24\_04\_2014\_022 Chinese firms are tapping foreign funds
- 27\_02\_2014\_001 PBOC behind RMB fall
- 27\_02\_2014\_018 Fall in China's Yuan
- 28\_02\_2014\_015 Hong Kong Lending to China
- 28\_02\_2014\_022 a risk for HK banks
- 28\_04\_2014\_004 BJ Reports Narrower Current-Account Surplus

**Class 9: ECFA (Economic Cooperation Framework Agreement) between Beijing & Taipei**  
**Student presentation** – RMB Exchange Rate  
**Lecture - ECFA (Economic Cooperation Framework Agreement) between Beijing & Taipei**

Reading materials:

- 12\_02\_2014\_004 Taiwan, China talks leave doors open
- 17\_02\_2014\_003 Taiwan says China rejects APEC talk
- wsj18\_12\_2009\_001 BJ Taipei set stage for pact
- wsj18\_12\_2009\_014 BJ Taipei set stage for pact
- wsj23\_12\_2009p5 Taiwan, China sign 3 pacts
- z18\_01\_2012\_011 Taiwan Economic Tunnelvision

**Class 10:** Plant tour

**Class 11: Changing Work Force, HR Issues, Staff Expectation and Challenges**  
**Student presentation** - (Economic Cooperation Framework Agreement) BJ & Taipei

**Lecture - Changing Work Force, HR Issues, Staff Expectation and Challenges**

**Review of the final exam**

Reading materials

- 12\_03\_2014\_016 Strikers in China say IBM fired 20.pdf



**Week 12:**

**Final Exam**

Final exam includes lectures and materials from Week 6 -14