



ENGAGE. EXPERIENCE. EMBRACE. EDUCATE.

Study Center in Shanghai, China

Course name:	China's Economic Reforms
Course number:	EAST 3002 SBLC/ ECON 3002 SBLC
Programs offering course:	Shanghai Accelerated Chinese Language, Shanghai Business, Language and Culture, Shanghai China in a Global Context
Language of instruction:	English
U.S. Semester Credits:	3 semester/4.5 quarter hours
Contact Hours:	45
Term:	Spring 2018

Course Description

This course introduces students to both domestic and international aspects of China's economy. It explores the political, social, and cultural forces that are shaping China's modernization and how the country's businesses interact with the world marketplace. The course also provides students with the knowledge of processes of reforms in different economic aspects in China and tries to help students to understand the characteristics of Chinese economy.

Learning Objectives

In this course, students are expected to learn the macro and micro economic characteristics of Chinese economy, to understand the economic mechanism in the so called "Socialist Market Economy," and to gain a better understanding of the achievements and challenges that China is facing in its further economic reform and modernization. By the end of the semester, students are expected to analyze the Chinese economy using practical methods appropriate to China's actual current economic situation.

Course Prerequisites

One semester of macroeconomics

Methods of Instruction

Lectures together with student questions and answers will be the main method of instructions. There will also be group discussions following the introduction of important aspects of the course in class. There will also be a fieldtrip during the term.

Assessment and Final Grade

Class Participation:	15%
Midterm Exam:	25%
Oral Presentation:	20%
Research Paper:	40%



Overdue work may be counted down by the professor.

Course Requirements

Reading

Total required readings are 588 pages, and average 53 pages per week. Each student should finish weekly reading assignments in advance of class. All required readings will be provided in a course reader, and will include all works listed in the below bibliography.

Writing assignments

A research paper is due toward the end of the semester analyzing a topic we discussed in class. The paper should be approximately 3,000 words and is due by the end of Week Thirteen. All written assignments should be formatted with double line spacing and typed using a 12-point font and include proper footnotes and bibliography of works cited.

Midterm exam

There will be an in-class midterm exam. The exam will be mainly short answer essay questions and will take place in Week Seven. Specific instructions about the exam will be announced before Week Five.

Oral presentation

Each student will be asked at least once to make an oral presentation to talk on specific topic discussed in the class or his/her intended paper topic in the class. So the students should be prepared to make such presentation after Week Eight.

Attendance and Class Participation

Participation

Students are expected to:

- be on time for class and attendance all class sessions.
- be active in class, participate and contribute to the class discussions;
- read assigned chapters and readings BEFORE coming to class on the day that they are assigned so that they are prepared to discuss the material in class;
- attend all the lectures, discussions, and presentations.

Attendance

Attendance in all area studies courses will be taken by the instructor of record or CIEE staff within the first fifteen minutes of each class. Students arriving after enrollment is taken should speak to the instructor after class, but may be marked absent at the discretion of the instructor. Students are expected to arrive prepared for each class and to remain for the entire class period. Arriving late to class or leaving class early may affect your final grade and is considered very disrespectful in Chinese culture.

Excused Absences

Absences may be excused in the event of a medical necessity or family emergency. In such cases, you may request an Excused Absence Form from the Program Coordinator in the CIEE Study Center office. First submit the form to the instructor of record for her or his approval and signature, prior to returning the completed and signed form, together with a note from the attending physician or other supporting documentation, to the Program Coordinator for approval by the Academic



Director. A copy of an approved Excused Absence Form will be returned to the instructor by the Program Coordinator. Course instructors are not authorized to independently excuse any absence.

Weekly Schedule

Week 1	Orientation Week No class
Week 2	An Overview of Chinese Economy Reading requirements: Yeh, 11-54. He, 1-18
Week 3	Rural Reform and Agricultural Development in China Reading requirements: Ash, 55-87; Chen, 15-31; Lin: 34-51.
Week 4	State-Owned Enterprise Reform Reading requirements: Gao and Chi, 37-80; Tenev and Zhang, 1-30; Ling and Yau, 52-65.
Week 5	Private Enterprises Development in China Reading requirements: International Financial Corporation, 1-34; Wang, 109-119.
Week 6	China's Financial System Reform Reading requirements: Allen et al, 1-70; He, 10-26. Syed and shi, 1-2.
Week 7	Financial System Opening and Capital Account Liberalization Reading requirements: Lardy (b), 1-25. Begin oral presentations this week Midterm Exam
Week 8	Cultural Excursions No class
Week 9	China's Foreign Trade Reform and Development Reading requirements: Lardy (a), 217-246; Li: 54-70.
Week 10	Spring Break No class
Week 11	China's Foreign Investment and Opening Policy Reading requirements: Kuen, 159-216; Fujikawa and Watanabe, 56-67. Oral presentation begins
Week 12	Continuing Oral presentation
Week 13	Taxation Reform and Government Expenditure Reading requirements: Background material 1-11; Yang, 1-9; Tao and Qin,

- Week 14** **Disparity of income Distribution and Social Security Problem**
 Reading requirements: Shi et al, 40-50; Wu and Perloff, 1-24; Jiang and Li: 38-53. Dollar, 1-34.
- Week 15** **Energy Security and Food Security in China**
 Reading requirements: Kambara, 217-246; He and Qin: 93-104; Mao, 105-111.
(Handing in the research paper)
- Research paper due (last day of handing in the paper)**

Readings

- Allen, Franklin et al. "China's Financial System: Past, Present and Future."
 <<http://www.fimr.org/upload/community/20060421162350un.pdf>>
- Ash, Robert F. "Agricultural Development in China Since 1978." In *The Chinese Economy Under Deng Xiaoping*, edited by Robert F. Ash and Y.Y. Kuen. Oxford: Clarendon Press, 1996.
- Chen, Aimin. "Urbanization: The Chinese Way." *China and World Economy* 1 (2005): 15-31.
- China Tax System reform, 1-11 (background reading material provided by Xu Mingqi).
- Dollar, David. "Poverty, Inequality and Social Disparities during China's Economic Reform", World Bank working paper, April 2007.
- Fujikawa, Kiyoshi Takatoshi Watanabe. "Productivity Growth in the Chinese Economy by Industry and the Role of Foreign Capital." *China & World Economy* 5 (2005): 56-67.
- Gao, Shangquan and Chi Fulin, eds. *Reforming China's State-owned Enterprises*. Beijing: Foreign Languages Press, 1997.
- He, Fan. "China's Economic Reform: Success, Problems and Challenges", *RCIF Working Paper*, No. 0701, Nov. 19, 2007.
- He, Fan and Donghai Qin. "China's Energy Strategy in the Twenty-first Century." *China & World Economy* 2 (2006): 93-104.
- He, Liping. "Evolution of Financial Institutions in Post-1978 China: Interaction between the State and Market." *China & World Economy* 6 (2005): 10-26.
- International Financial Corporation. *China's Emerging private Enterprises: Prospects for the New Century*, International Finance Corporation, 2000. <<http://www.ifc.org/publications/>>.
- Jiang, Xiaojuan and Hui Li. "Smaller Real Regional Income Gap than Nominal Income Gap: A Price-Adjusted Study." *China & World Economy* 3 (2006): 38-53.
- Kambara, Tatsu. "The Energy Situation in China." In *The Chinese Economy Under Deng Xiaoping*, edited by Robert F. Ash and Y.Y. Kuen. Oxford: Clarendon Press, 1996.

- Kuen, Y.Y. "Foreign Investment and Economic Change in China." In *The Chinese Economy Under Deng Xiaoping*, edited by Robert F. Ash and Y.Y. Kuen. Oxford: Clarendon Press, 1996.
- Lardy(a), Nicholas R. "Chinese Foreign Trade." In *The Chinese Economy Under Deng Xiaoping*, edited by Robert F. Ash and Y.Y. Kuen. Oxford: Clarendon Press, 1996.
- Lardy(b), Nicholas R. "When Will China's Financial System Meet China's Needs?" Paper prepared for Conference on Policy Reform in China, Center for Research on Economic Development and Policy Reform. Stanford University, Stanford, CA, November 18-20, 1999 (Revised February 2000). <<http://www.brookings.org/views/papers/lardy/19991118.htm>>.
- Li, Yuefen. "Trade Balance: Numbers Can be Deceiving." *China & World Economy* 3 (2006): 54–70.
- Lin, Justin Yifu. "Rural Reforms and Agricultural Growth in China." *American Economic Review* (March 1992): 34-51.
- Ling, Teresa and Jot Yau. "China's State Share Reform and Exchange Traded Funds." *China & World Economy* 6 (2005): 52-65.
- Liu, Ligang and Shaoqiang Chen. "Should Chinese Local Governments be Allowed to Issue Bonds?" *China & World Economy* 1 (2005): 47-64.
- Mao, Yu Shi. "There is no Food Crisis in China." *China & World Economy* 1 (2006): 105-111.
- OECD: *Reforming State Asset Management and Improving Corporate Governance: the Two Challenges of Chinese Enterprise Reform, document*, <http://www.oecd.org/document/32/0,2340,en_2649_33735_35340704_1_1_1_1,00.html>.
- Shi, Li et al. "Empirical Analysis of Wealth Distribution Disparity of Chinese Residents and Its Changes." *China & World Economy* 6 (2005): 40-50.
- Syed, Murtaza and Xiaoling Shi "Why China Needs Financial Reform", *Business China*, November 8, 2011. <<http://en.21cbh.com/HTML/2011-11-8/5OMjU3XzIxMTE5OA.html>: 1-2>
- Tao, Ran and Ping Qin. "How Has Rural Tax Reform Affected Farmers and Local Governance in China?" *China & World Economy* 3 (2007): 19 – 32.
- Tenev, Stoyan, and Chunlin Zhang. "Corporate Governance and Enterprise Reform in China." Washington: World Bank/IFC, 2002. <http://www.ifc.org/publications/pubs/corp_gov/frontmatter.pdf>.
- Wang, Zhikai. "The Growth of China's Private Sector: A Case Study of Zhejiang Province." *China & World Economy* 3 (2006): 109-119.
- Wu, Ximing, and Jeffrey M. Perloff. "China's Income Distribution, 1985-2001." *Institute of Industrial Relations Working Paper Series* 117-05. University of California, Berkeley. <<http://www.iir.berkeley.edu/research/>>.
- Yang, Zhi-gang. "Further Reform of China's Fiscal System." *China & World Economy* 1 (2001): 1-9. <<http://www.iwep.org.cn>>.

Yeh, K. C. "Macroeconomic Issues in China in the 1990s." In *The Chinese Economy Under Deng Xiaoping*, edited by Robert F. Ash and Y.Y. Kuen. Oxford: Clarendon Press, 1996.

Course Instructor

Dr. Xu Mingqi is a professor of international economics and Director of European Studies Center at Shanghai Academy of Social Sciences, where he also served as the Deputy Director of the Institute of World Economy from 2005-2013 and Editor in Chief of *Social Sciences* and *Academic Quarterly* from 1998-2001. He also serves as Secretary General of Shanghai Research and Coordination Center for Free Trade Zone Studies and president of Shanghai Institute for European Studies. Xu Mingqi graduated with an M.A. in economics from Shanghai Academy of Social Sciences in 1982, where he completed a thesis on the problems of the petro-dollar and obtained his Ph.D. in International Economics from the Shanghai Academy of Social Sciences in 1994 with a thesis on financial restructuring and market deepening. His international experiences include working as a Visiting Scholar at the University of Western Ontario in Canada from 1987-1988, Harvard-Yenching Institute at Harvard University from 1995-1996, International Institute of Asian Studies at Leiden University in the Netherlands in 2001, and of recent he worked as a guest Professor in the School of International and Area Studies at Seoul National University in South Korea, where he researched regional monetary cooperation. Professor Xu also works as Chief Economist of Shanghai Far East Credit Rating Corporation at present and Executive Director of Municipal Research Center for International Finance. He is also a guest professor of Fudan University and Shanghai University of Finance and Economics. His main research areas are in the theory of world economy, international finance, monetary economics and monetary policy, and China's economic system reforms.