



International Business in China

ECON 360: *China: Economic Giant*

Course Description

This course is primarily intended to lay out the foundation and also provide an informed perspective about the evolving process of China's economic transition and development during the past three decades. In the semester, we will analyze the Chinese economy from both economic and political perspectives, cover issues at both micro- and macro-level, and combine theoretical and empirical aspects.

Learning Objectives

Students are expected to:

- 1) Understand the geographical and historical background of China's economic transformation;
- 2) Grasp the strengths and weaknesses of China's reform policies as well as achievements;
- 3) Compare and evaluate the progresses in different sections of the Chinese economy, and
- 4) Apply economic theories to the analysis of economic situation and sociopolitical consequences of today's China.

Course Schedule

Session 01-14 Introduction

Readings:

Naughton, Introduction

Steinfeld, Chapter Quiet Revolution

Session 02-14 Ancient and Socialist China

Readings:

Naughton, chapter 1: The Geographical Setting

Naughton, chapter 2: The Chinese Economy Before 1949.

Session 03-14 China's Market Transition

Readings:

Naughton, chapter 3: The Socialist Era, 1949-1978: Big Push Industrialization and Policy Instability.

Naughton, chapter 4: Market Transition: Strategy and Process.

Session 04-14 China's Economic Growth

Readings:

B-R, chapter 1: China's Great Economic Transformation.

Naughton, chapter 6: Growth and Structural Change.

Session 05-14 Sources of China's Economic Boom, Part One

Readings:

Naughton, chapter 12: Rural Industrialization: Township and Village Enterprises.

Naughton, chapter 13: Industry: Ownership and Governance.

Session 06-14 Sources of China's Economic Boom, Part Two

Readings:

B-R, Chapter 4: A Political Economy of China's Economic Transition

B-R, Chapter 3: China in Light of the Performance of the Transition Economies

Capstone Proposal Due

Session 07-14 China's Fiscal System

Readings:

B-R, Chapter 12: China's Fiscal System: A Work in Progress

Naughton, Chapter 14: Structural Change: Industry, Energy, and Infrastructure

Session 08-14 China and International Trade

Readings:

Steinfeld, Chapter 4: Taking Industry Global

B-R, Chapter 16: China's Embrace of Globalization

Naughton, Chapter 17: Foreign Investment

Session 09-14 Guest lecture in Hong Kong

Session 10-14 Banking and Finance in China

Readings:

Naughton, Chapter 18: Macroeconomic Trends and Cycles

Naughton, Chapter 19: Financial System

B-R, Chapter 14: China's Financial System: Past, Present, and Future

Capstone Presentation To Be Delivered

Session 11-14 Income Distribution and Socio-political Consequence of Reform**Readings:**

Naughton, Chapter 5: The Urban-Rural Divide

B-R, Chapter 18: Income Inequality during China's Economic Transition

Session 12-14 Beyond the Current Development**Readings:**

Naughton, Chapter 15: Technology Policy and the Knowledge-based Economy

Naughton, Chapter 20: Environmental Quality and the Sustainability of Growth

Session 13-14 Paper presentations

Session 14-14 Paper presentations

Course Materials***Required Books***

- Naughton, Barry. 2007. *The Chinese Economy: Transitions and Growth*. The MIT Press. (Hereafter Naughton)
- Brandt, Loren and Thomas G. Rawski. 2008. *China's Great Economic Transformation*. Cambridge University Press. (Hereafter B-R)
- Edward Steinfeld, *Playing Our Game: Why China's Rise Doesn't Threaten the West* (Hereafter, Steinfeld).

Recommended Books (Check with the Instructors for Details)

- Guthrie, Doug. 2009. *China and Globalization: The Social, Economic and Political Transformation of Chinese Society*. Revised Edition. New York: Routledge, available in electronic copy.
- Wu, Xiao-bo, *China Emerging 1978-2008*, Translated by Martha Avery, Singapore: Cengage Learning, 2009, available in electronic copy.
- Mitter, Rana, *Modern China: A Very Short Introduction*, Oxford & New York: Oxford University Press, 2008, available in electronic copy.

Evaluation

Attendance & Class Participation	10%
Group essay	20%
Individual essay	20%
Company visit/field trip report	15%
Capstone project	35%

Assessment Criteria

Group essay

Students will be divided into several small groups. We will conduct a preference identification process during our first class. Each group will write ONE essay based on the readings for the week they choose. Each student within this group will get the same score for this essay. In addition, this group will be expected to play a leading role in that week's discussions. The essay should be within 2200 words, about 6-7 pages in length and double spaced. The essay is due at the start of class each week. Late essays will be penalized unless with a justifiable reason and having notified the instructor in advance.

In this essay, the group members should strive to compare and criticize the readings, present the major theoretical debates and the contribution of the readings, as well as consider any interesting unanswered research questions that you think can extend the literature, i.e., the future fruitful avenues of research. The essay should convey a sense that you have read all the required readings; however, the essays should NOT only summarize the readings and should be written in such a way that can be easily accessible to the readers. A good essay should have a structure that can facilitate the readers to understand the argument. A model structure would include a clear introduction, summaries of different theories, followed by your critiques, comments, observations and suggestions, and a conclusion. Exceptional essays usually are composed around a core argument, which the whole essay serves to bring about.

Individual essay

Each student will write one essay during this course. The essay should be on a week of the student's choice, though not to be coincided with the group essay, and is similar in its structure to the group essay. Except that the individual essay should be about 1100 words, about 3-4 pages in length and double-spaced. Due to the space limit, individual essay needs not recount the readings in detail. The individual essay is due at the start of the week in question.

The preference identification process: I will ask you to list your first three preferences for the weeks (except for week 1) on which you would like to write essays. I will then assign each student to two weeks, one for group and one for individual essay, so that every week at least a few people in the class will have thoroughly reviewed the materials under study. Of course, those students are expected to be particularly active in our discussions.

Company visit/field trip report

Prior to a company visit/field trip, each student is required to do background research to understand the specific visit site and be prepared to write a field trip report that is analytical in nature. The trip report should be limited to 2-3 pages and double-spaced. The report is due at the beginning of class in the week after the visit/field trip.

Capstone project

The final requirement of this class is a capstone project. The student is required to discover and delve into a particular area of interest over the course as part of the academic work. The instructor and teaching assistant can be available to help students refine their ideas and discuss the research progress. A complete research paper and an in-class presentation are due at the end of the semester.

On the capstone project: The capstone project is intended as a research project that makes use of academic literature and secondary source materials (such as published research data and other readings). While these are very important components of any research project, your capstone project is more importantly intended to be one in which you take advantage of being in China. Your work will not only be interesting but you will learn a great deal by using the resources that you would not have access to at your home institution. Think of ways to incorporate interviews, participant observation, and other methods to inform your final paper and presentation. In the end, we hope that you can develop this project as part of your senior thesis or a broader research project in the future.

The timeline and the break-down of capstone grading are the following:

- (5%) Project proposal: Due at our 6th or 7th meeting. It should include the topic, specific research question(s) and research methodology. It should be limited to one page.
- (10%) Individual project presentations using PowerPoint: Each presentation should run no more than 15 minutes.
- (20%) Final paper: It should be about 3000 words, preceded by an abstract of about 100-150 words. It should have citations and bibliography just as any other research papers. It is due at the last class. In addition to the hard copy, you should submit an electronic version of this capstone project paper to the TA and the resident director as an email attachment by the same day.

Formatting

All papers should be double-spaced, with standard-sized font and margins. All papers should show the page numbers. Bibliography to the essays is not required but including it will not hurt. The capstone paper should include a bibliography.

All written assignments require both electronic and hard-copy submission. Emails of assignment should be directed to, and only to, economic.giant.shufe@gmail.com. The “Subject” of should use one of the following formats,

- Last Name_First Name_OWITI
- Last Name_First Name_Individual Essay
- Last Name_First Name_Field Trip
- Group Eassy_Group#

Attendance and class participation

Students must come to class having completed the required readings for the week and are prepared to engage in discussion. The required readings will be the basis of the lecture and class discussions, while the suggested readings are recommended for better understanding of the readings of a particular week.

Class participation also includes participation in our weekly exercise called “Of what is this an instance” (OWITI). Each Sunday, starting from September 7th, students will submit a newspaper clipping or articles about a current issue related to China. I will review all submissions and select one or two for distribution. I expect you not only read the article I circulate but also to consider how one can understand the event in terms of China’s particular sociopolitical contexts. In other words, “Of what is this an instance?” is an in-class exercise similar to a short analytic paper. There are no “right” answers for each week’s exercise: the purpose is to stimulate your mind, to encourage you to climb the ladder of abstraction, and to develop the habit of critical thinking. For this reason it is valuable practice for you, and a good reason to be prepared to discuss the newspaper clipping I provide.

Grading

Alliance programs utilize the follow standard grading policy well accepted by most US institutions.

Excellent	A	93-100%	Good	B+	87-89%	Acceptable	C+	77-79%
	A-	90-92%		B	83-86%		C	73-76%
				B-	80-82%		C-	70-72%
						Unsatisfactory	D+	67-69%
							D	63-66%
							D-	60-62%
						Failing	F	<60%

Course Policies

Exams and Assignments

Students are required to take all regularly scheduled exams in courses for which they are registered, and to submit all assignments on time. Any compelling academic, personal, or medical reason that might justify a rescheduled exam or assignment must be brought up to the Resident Director, not program faculty. Failure to take scheduled exams or submit the requisite assignments for a course will adversely affect your grade as per the stated grading criteria for each course.

Classroom Conduct

Student punctuality is extremely important in China and India. Please do not be late for classes or other activities, as it is considered impolite to do so. It is improper to eat in class, to engage in other activities such as texting, or to slump or nap. Students are expected to be alert and engaged as a sign of respect for their professors.

Attendance

Class attendance is mandatory. It is essential that the students participate fully in the coursework and all required academic activities. Authorized absences may only be approved by the Resident Director, and students are expected to make up any missed work. Unauthorized absences will adversely affect a student's grades.

Late Penalty

Late assignments will be penalized at a rate of 1/3 of a letter grade for every day an assignment is late, including weekends. For example a "B+" paper due on Thursday will receive a "B" grade if received on Friday, "B-" the second day, etc. I will not grant incompletes for final papers except for documented family or health emergencies.

Feedback on the course

If you have suggestions or comments about this course or how it should be taught but prefer not to be identified, you can drop an anonymous note in my mailbox in Phoenix Building in SHUFE, and I will strive to respond to your suggestions accordingly. Or, you can simply come to my office and speak with me directly, thanks.