Course Form for PKU Summer School International 2020

| Course Title               | China in the Global Economy  
<table>
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<tbody>
<tr>
<td>Teacher</td>
<td>CHEN Shaofeng</td>
</tr>
<tr>
<td>First day of classes</td>
<td>June 29, 2020</td>
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<tr>
<td>Last day of classes</td>
<td>July 10, 2020</td>
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<tr>
<td>Course Credit</td>
<td>3 credits</td>
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**Course Description**

**Objective:**

a. To understand the roadmap of Chinese reform and the logic behind it;
b. To understand the uniqueness of China’s transition and its economic implications;
c. To learn how China interacts with the world;
d. To build the capability of studying Chinese economy.
e. Upon completing this course, students are expected to get familiar with China model, China’s economic interaction with the outside world, challenges the Chinese economy is facing, as well as the world economic system.

**Pre-requisites /Target audience**

**Proceeding of the Course**

Based on a philosophy that effective learning hinges not only upon teacher-student interaction, but also upon inter-student interaction, this course will be carried out in a variety of forms. Besides lectures offered by the instructor, students are encouraged to engage in class discussions, learning from each other and self-learning. Hence, there will be some team projects like presentations on some case studies, group discussions and debates.

(1) Presentation: Throughout the course, students are required to present some topics. For topic presentation, students may be divided into different groups (depending on the no. of students), each responsible for one topic. Students in the same group need to make joint efforts to make well preparation for their presentations.

Presentations will count toward final grades. The students who prepare presentations should circulate the PPT slides to other students and the instructor before class. Topic presentation should be around 15-18 minutes, followed by class discussion. Students’ performance in presentations will be counted.

(2) Debates: Students will be divided into four groups, and each two groups responsible for one topic.

(3) Field trip study and group discussions. We will organize 2-3 field trips to some companies and markets in order to observe the dynamism of Chinese economy. After each trip,
students are required to discuss their thoughts. Students are expected to complete all required readings prior to class meetings and to actively participate in class discussion. Absence without legitimate reasons will lead to deduction in scores for participation and discussion.

## Assignments (essay or other forms)

<table>
<thead>
<tr>
<th>Evaluation Details</th>
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<tbody>
<tr>
<td>Attendance: 30%</td>
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<td>Case presentation: 10%</td>
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<tr>
<td>Group discussions:</td>
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<tr>
<td>Final Paper/Exam: 50%</td>
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## Text Books and Reading Materials


## Academic Integrity (If necessary)

Taking this course implies that students and the instructor abide by a general norm of equal opportunity and academic integrity. Plagiarism will directly lead to the failure in this course. It is your responsibility to familiarize yourself with the definition of plagiarism.

## CLASS SCHEDULE

<table>
<thead>
<tr>
<th>CLASS SCHEDULE</th>
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<tbody>
<tr>
<td>(Subject to adjustment)</td>
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<table>
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<tr>
<th>Session 1-2: China’s Reform and Opening-up</th>
<th>Date: 6-29/30</th>
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【Description of the Session】 (purpose, requirements, class and presentations scheduling, etc.)

To understand the Rationale and Roadmap of Chinese reform and open-up

【Questions】

- Why did China launch the reform and opening-up in 1978?
- How did China carry out reform and opening-up?
What is notable about China’s reform path?
Why has China adopted a gradualism approach to economic reform?

**Readings, Websites or Video Clips**


**Assignments for this session (if any)**
Group Discussion and Debate 1: Will American supremacy be overtaken by China?

**Session 2-3: China’s State-Owned Enterprises Reform**

**Description of the Session** (purpose, requirements, class and presentations scheduling, etc.)
To understand major problems of Chinese SOEs, why SOE reform matters in China, how to reform and prospect of the SOE reform

**Questions**
- How has China carried out its SOE reform?
- How shall we evaluate the SOEs’ performance?
- Can mixed ownership reform save Chinese SOEs?
- What are the problems?

**Readings, Websites or Video Clips**


“Why SOE Reform Cannot Be Avoided,”

Tracy Yang, Jamus Jerome Lim, and Toshiki Kanamori, “Strategies for the People’s Republic of China’s Small and Medium Enterprise Development within the National Innovation System,” ADB Institute Research Paper Series No. 73, November 2008,
http://www.adbi.org/files/2008.11.05.rp73.prc.strategies.national.innovation.system.pdf

### Assignments for this session (if any)

| Student presentation 1: Will China’s surging debts spark a financial crisis? Or: Do you think it justifiable for China to preserve the control of the capital account? |
| Field Trip 1 | Date: 7-1 afternoon |
| Field Trip 2: Students will be divided into different small groups. Each group picks up 1 item of goods that impresses you most (e.g.: apartment, cigarette, car, mobile phone bill, haircut, a meal in the restaurant, etc). Compare its prices in Beijing and your hometown, and analyze why there is (no) a price gap; Try to find its price changes in the past 5 years and analyze why there is such a change. Has the price kept stable compared with your hometown, why or why not? | Date: 7-2 afternoon |
| Session 4: China’s Sustainable Development | Date: 7-3 |
**Description of the Session** (purpose, requirements, class and presentations scheduling, etc.)

To understand major challenges for China’s sustainable development, why environmental pollution has become so serious in China

<table>
<thead>
<tr>
<th>Questions</th>
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<tbody>
<tr>
<td>How does China perceive and deal with energy security?</td>
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<tr>
<td>Why has environmental pollution in China become so serious?</td>
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<tr>
<td>What are the major drivers?</td>
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<tr>
<td>Can China’s economic mode sustainable?</td>
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**Readings, Websites or Video Clips**

*Barry Naughton, pp. 487-502.*


**Assignments for this session (if any)**

**Student presentation 2:** China's demographic trend and its impact on the Chinese economy

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**Session 5: China’s Internal Imbalance and Economic Challenges**

**Date: 7-6**

**Description of the Session** (purpose, requirements, class and presentations scheduling, etc.)

To understand China’s economic growth mode and problems associated with it

<table>
<thead>
<tr>
<th>Questions</th>
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<tbody>
<tr>
<td>How to understand the change of China’s economic growth mode?</td>
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<tr>
<td>What are the characteristics in different growth periods?</td>
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<tr>
<td>What are the problems?</td>
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</tbody>
</table>

**Readings, Websites or Video Clips**


*Cheung, Yin-Wong and Jakob de Haan, chapter 6 and 7.*


**Assignments for this session (if any)**

**Student presentation 3:** Will China fall into the “Middle income trap”?

**Group Discussion:** Commodity price gap b/w Beijing and your hometown city

| Date: 7-6 afternoon |

**Session 6-7:** China’s Foreign Trade and Global Imbalance

**Description of the Session** (purpose, requirements, class and presentations scheduling, etc.)

To understand the world we are in and how the world economy is operating and governed, the role of China in leading to global imbalance

**Questions**

- How has the world economy been governed? What are the major institutions and mechanisms?
- Why and how global imbalance happened?
- Has global imbalance been redressed?

**Readings, Websites or Video Clips**


Chinn M.D. (2013), “Global Imbalances”. In: Gerard Caprio (ed.) The Evidence and Impact of

Claudio Borio and Piti Disyatat, “Global imbalances and the financial crisis: Link or no link,”
http://www.bis.org/publ/work346.pdf

Martin Feldstein, “Resolving the Global Imbalance: The Dollar and the U.S. Saving Rate,”

Andrew Walter, “Global economic governance after the crisis: The G2, the G20, and global
imbalances,”
http://personal.lse.ac.uk/wyattwal/images/Globaleconomicgovernanceafterthecrisis.pdf

【Assignments for this session (if any)】
Student presentation 4: China-US trade war: why it happened and who will win?

Field Trip 3
Date: 7-7 afternoon

Session 8: China and economic regionalization in East Asia
Date: 7-8/9

【Description of the Session】 (purpose, requirements, class and presentations scheduling,
etc.)
To understand why countries join regional integration projects, the evolution of FTAs in the
world, the status quo and features of regional integration in East Asia, why it differs from
Europe and North America

【Questions】
➢ What progress has East Asia made in economic regionalization?
➢ What are the major arrangements?
➢ What role has China played?
➢ And how the US and Japan see China’s regional influence?

【Readings, Websites or Video Clips】
Françoise Nicolas, “ East Asian Regional Economic Integration: A Post-Crisis Update,”
Ifri Center for Asian Studies, Asiie Visions 43, September 2011.

C. Fred Bergsten, “Chapter 9 China and Economic Integration in East Asia: Implications
for the United States,”

【Assignments for this session (if any)】
**Student presentation 5:** Rising populism and its impact on world economy  
or: Trump’s economic policy and impact on world economy

**Group Discussion and Debate 2:** The China model will/will not defy Washington consensus  
Or

**Field Trip 4**

**Session 9:** China’s One Belt, One Road Initiative  
**Date:** 7-9 afternoon

【Description of the Session】 (purpose, requirements, class and presentations scheduling, etc.)

To help understand the logic, motives and rationale of the BRI

【Questions】
- What is China’s One Belt, One Road Initiative?
- Why has China put forth such an initiative?
- What are the implications to the world?
- Any potential risks?

【Readings, Websites or Video Clips】


European Council on Foreign Relations, “‘One Belt, One Road’-China’s great leap outward,” June 2015.

The Economist Intelligence Unit, “Prospects and challenges on China’s ‘one belt, one road’: a risk assessment report,” 2015.

【Assignments for this session (if any)】
**Student presentation 6:**  
Will ‘Abeconomics’ (a term describing Japanese prime minister Shinzo Abe’s economic policies) be able to reinvigorate Japan’s economy?
Session 10: China Model: Debates and Prospect
Date: 7-10

**Description of the Session** (purpose, requirements, class and presentations scheduling, etc.)

To understand the debate surround the China model, whether it can be exported to other countries, and whether it will defy the Washington Consensus

**Questions**
- How to explain China’s economic success?
- What is Chinese model?
- Is Beijing consensus a substitute of Washington consensus?
- What challenges is China facing?

**Readings, Websites or Video Clips**

*Joshua Cooper Ramo, "The Beijing Consensus", *The Foreign Policy Centre*, May 2004. [time.dufe.edu.cn/wencong/washingtonconsensus/beijingconsensusen.pdf](time.dufe.edu.cn/wencong/washingtonconsensus/beijingconsensusen.pdf)


**Assignments for this session (if any)**
**Student presentation 7:**
Will China become the Japan of the 1980s?

**Final Exam**
Date: 7-10