

Course Form for PKU Summer School International 2023

Course Title	Title in English: International Practice from the Perspective of the New Structural Economics
	Title in Chinese: 新结构经济学国际实践
Teacher	Dr. Jia YU
First day of classes	July 3, 2023
Last day of classes	July 14, 2023
Course Credit	3 credits
Course Description	
Objective:	
<p>The aim of this course is to enable students to familiarize with development economics and analyze the development path of developing countries from the perspective of new structural economics. In particular, students will be required to assess investment opportunities in selected Asian, African or Latino-American countries through establishments of special economic zones and industrial parks. In the context of COVID-19, increasing trade frictions and emerging carbon taxes, the deglobalization and fragmentation of the global industrial supply chain are accelerating. Based on the theory of the New Structural Economics, further industrial transfer and direct foreign investment will need to develop a new mode of "Infrastructure + Manufacturing + Service", and cooperate with the third parties, including cooperating with international organizations such as the United Nations, to promote sustainable economic growth in the world.</p>	
Pre-requisites /Target audience	
A university-level introductory course in Development Economics (New Structural Economics)	
Proceeding of the Course	
The course will be delivered through a mix of lectures and case studies. Students are expected to make presentations on case studies.	
Assignments (essay or other forms)	
Students will be requested to conduct case studies on selected Asian, African or Latino-American developing countries.	
Evaluation Details	

Class attendance: 25%

Case study presentation: 75%

Note:

Class Attendance:

A basic requirement of this course is to attend the lectures on time. Absence without prior notice is allowed only in case of sickness. In such a case, however, a written explanation (with your signature) should be submitted afterwards. If you have no choice but to miss a lecture out of some reason, a written application is required before the lecture. Absence without notice for reasons other than sickness will result in a reduction of your attendance by 10% for each offence (out of ten lectures).

Text Books and Reading Materials

1. Justin Yifu Lin, Growth Identification and Facilitation: The Role of the State in the Dynamics of Structural Change, The World Bank, January 2012
2. Justin Yifu Lin, The Washington Consensus revisited: a new structural economics perspective. Journal of Economic Policy Reform, Volume 18, December 2014
3. Justin Yifu Lin and Yan Wang, Going Beyond Aid: Development Cooperation for Structural Transformation, Cambridge: Cambridge University Press, 2016.
4. Justin Yifu Lin, Célestin Monga, Beating the Odds: Jump-Starting Developing Countries. Princeton University Press, 2017
5. Justin Yifu Lin, China's rejuvenation and the Belt and Road Initiative, in Book "How China's Silk Road Initiative Is Changing the Global Economic Landscape", Routledge, 2019
6. Justin Yifu Lin, Jiajun Xu, and Junjie Xia. Explaining Reform and Special Economic Zones in China. The Oxford Handbook of Industrial Hubs and Economic Development. Edited by Arkebe Oqubay and Justin Yifu Lin, July 2020
7. Justin Yifu Lin, Wei Wang, Venite Zhaoyang Xu, Catch - up industrial policy and economic transition in China, The World Economy, Volume 44, Issue 3, March 2021
8. Justin Yifu Lin, Yong Wang, Structural Change, Industrial Upgrading, and Middle-Income Trap, Journal of Industry, Competition and Trade, Volume 20, Issue 2, June 2020
9. UNIDO; World Bank Group; GIZ. 2021. An International Framework for Eco-Industrial Parks, Version 2.0. World Bank, 2021.
10. World Bank, World Development Indicators
<https://databank.worldbank.org/source/world-development-indicators>

Academic Integrity (If necessary)

Plagiarism is strictly prohibited in this course. Plagiarism is defined as presenting others' work as one's own. Any ideas or materials taken from another source must be fully

acknowledged, unless the information is common knowledge. Any evidence of plagiarism will lead to zero credit to your work submitted and will be reported to university authorities.

CLASS SCHEDULE

(Subject to adjustment)

Session 1: *The New Structural Economics in the context of*

Date:

Globalization (1) : History and New challenges

【Description of the Session】

In this session, the lecture will discuss the history of economic globalization and present the new challenges in 2020s. Given the failure of the "Washington consensus" implemented by western countries and multilateral financial institutions in developing countries, the lecture will present the New Structural Economics as a new generation of development economics, which has become a viable option for developing countries.

【Questions】

Is there an Asian Consensus?

【Readings, Websites or Video Clips】

Justin Yifu Lin, The Washington Consensus revisited: a new structural economics perspective. Journal of Economic Policy Reform, Volume18, December 2014

https://www.researchgate.net/publication/271937169_The_Washington_Consensus_revisited_A_new_structural_economics_perspective

Justin Yifu Lin. New Structural Economics : A Framework for Rethinking Development and Policy

<https://openknowledge.worldbank.org/handle/10986/2232>

【Assignments for this session (if any)】

Session 2: *The New Structural Economics in the context of*

Date:

Globalization (2) : Belt and Road Initiative (BRI) in the context of globalization

【Description of the Session】

In this session, the lecture will present the background, rationale, benefits and risks of Belt and Road Initiative (BRI). The connectivity is the priority area for implementing the BRI, and the countries along the Belt and Road should improve the connectivity of their infrastructure

connecting all subregions in Asia, and between Asia, Europe and Africa step by step. Other international regional integration initiatives will also be presented.

【Questions】

None

【Readings, Websites or Video Clips】

World Bank, Belt and Road Economics, 2019

<https://www.worldbank.org/en/topic/regional-integration/publication/belt-and-road-economics-opportunities-and-risks-of-transport-corridors>

【Assignments for this session (if any)】

Session 3: *Learning from Asia's Journey to Prosperity*

Date:

【Description of the Session】

In this session, the lecture will discuss market failure and the role of government in market economy. Governments in both developing and developed countries have used targeted “industrial policies” to support “infant industries” or, more generally, domestic industries, using a range of instruments such as tariffs and subsidies, especially at the early stage of development. The lecture will also present the successful industrialization of four eastern Asian economies (Singapore, Korea, Taiwan China and Hong Kong, China). Industrialization began by promoting labor-intensive light industries such as textiles and footwear. As income and labor costs rose, they gradually moved to more capital-, skill-, and technology-intensive industries.

【Questions】

If there are market failures, is there a “government failure”?

【Readings, Websites or Video Clips】

Justin Yifu Lin, Growth Identification and Facilitation: The Role of the State in the Dynamics of Structural Change, The World Bank, January 2012

https://elibrary.worldbank.org/doi/abs/10.1596/9780821389553_CH03

Justin Yifu. New Structural Economics and its Policy Application

<https://www.nse.pku.edu.cn/en/student/nshool/245460.htm>

Asian Development Bank. Asia's Journey to prosperity: policy, market and technology over 50 years

<https://www.adb.org/sites/default/files/publication/549191/asias-journey-prosperity.pdf>

【Assignments for this session (if any)】	
Session 4: <i>Growth Identification and Facilitation Framework of the New Structural Economics</i>	Date:
<p>【Description of the Session】</p> <p>In this session, the lecture will present a practical policy tool – the Growth Identification and Facilitation Framework (GIFF) – to help policymakers in catching-up developing countries to develop feasible and sharply focused policies in an effort to identify and unlock their latent comparative advantages to achieve structural transformation. This session will also present GROW (goal, reality, options, worries) analysis for each stakeholder to put forward targeted "win-win" solutions for SEZ Stakeholder Analysis</p> <ul style="list-style-type: none"> ➤ Goal: to clarify the main objectives and interest demands of the above stakeholders ➤ Reality: their respective realistic environment ➤ Options: various solutions and models for solving problems ➤ Worries: concerns and risks for various stakeholders 	
<p>【Questions】</p> <p>None</p>	
<p>【Readings, Websites or Video Clips】</p> <p>Justin Yifu Lin, New structural economics: A framework of studying government and economics https://www.sciencedirect.com/science/article/pii/S2667319321000148</p> <p>UNIDO; World Bank Group;GIZ. 2021. An International Framework for Eco-Industrial Parks, Version 2.0. World Bank, 2021. https://openknowledge.worldbank.org/handle/10986/35110</p>	
<p>【Assignments for this session】</p> <p>Students (in a group of 2-3 students) are required to choose a developing country to conduct a case study based on the New Structural Economics’ GIFF analysis and propose recommendations for the special economic zones/industrial parks. A report of 3000-5000 words will be required, with a PPT presentation (around 30 slides).</p>	
Session 5: <i>Application of the New Structural Economics: Industrialization and Development of Industrial Parks in Africa</i>	Date:

【Description of the Session】

In this session, the lecture will present industrial park development in Africa based on the New Structural Economics:

- Selecting industries that conform to comparative advantages of the country to ensure international competitiveness;
- Concentrating limited resources to build industrial parks with one-stop service;
- Establishing a local favorable investment environment, and lowering transaction costs;
- Inviting foreign companies that have already produced products for international buyers, so that international buyers have the confidence to place orders for companies in Africa.

【Questions】

None

【Readings, Websites or Video Clips】

Video: Beating the Odds: Jump-Starting Developing Countries — Justin Yifu Lin
<https://in-pursuit-of-development.simplecast.com/episodes/justin-lin>

UNIDO, International Guidelines for Industrial Parks
https://www.unido.org/sites/default/files/files/2020-05/International_Guidelines_for_Industrial_Parks_EN.pdf

Zhihua Zeng, The Dos and Don'ts of Special Economic Zones
<https://openknowledge.worldbank.org/handle/10986/36663>

【Assignments for this session】

Continue to work on the case study.

Session 6: *Role of the Development Financing Institutions*

Date:

【Description of the Session】

In this session, the lecture will introduce the role of the development financing institutions (so called Bretton Woods Institutions), such as the World Bank; as well as other multilateral development banks (MDBs), such as African Development Banks, Asian Development Banks and Inter-American Development Banks. The lecture will also present the case of AIIB and NDB as a new generation of development banks and their differences with traditional MDBs.

【Questions】

- Why the world needs new development banks such as AIIB and NDB?
- Why African countries are willing to join Asian Infrastructure Investment Bank?

【Readings, Websites or Video Clips】

AFD, INSE-PKU. Public Development Banks. The First Global Database. 2020
<https://www.afd.fr/en/actualites/public-development-banks-first-global-database>

AIIB Corporate Strategy

<https://www.aiib.org/en/policies-strategies/strategies/corporate-strategy.html>

NDB's General Strategy

<https://www.ndb.int/wp-content/uploads/2017/08/NDB-Strategy.pdf>

【Assignments for this session】

Continue to work on the case study.

Session 7: *The third party cooperation for Belt and Road Initiative*

Date:

【Description of the Session】

In this session, the lecture will discuss the third party cooperation to develop the markets in developing countries, combining China's industrial capacity with advanced technology of developed countries, to meet the needs of developing countries, and achieve mutual benefits. The lecture will also present the third party cooperation with international organizations such as the United Nations and multinational development banks, to support the Sustainable Development Goals in 2030 to eradicate poverty, promote economic growth and address the social needs of education, health, social protection and employment opportunities.

【Questions】

None

【Readings, Websites or Video Clips】

Ernst & Young. How international cooperation can be achieved along the Belt and Road
https://www.ey.com/en_cn/china-opportunities/how-international-cooperation-be-achieved-along-belt-and-road

Justin Yifu Lin, Dan Yang. Development beyond Aid: Utilizing Comparative Advantage in the Belt and Road Initiative to Achieve Win-Win, August 2017

[Journal of Infrastructure Policy and Development](#)

Dynamic synergies between China's Belt and Road Initiative and the UN's Sustainable Development Goals

<https://link.springer.com/article/10.1057/s42214-020-00082-6/tables/1>

【Assignments for this session】

Continue to work on the case study.

Session 8: *Promoting Green Belt and Road: New Structural Economics and Green Development*

Date:

【Description of the Session】

In this session, the lecture will discuss the need for green development in the context of climate change. Based on the New Structural Economics, it is necessary to uphold the concept of green development, promote the construction of green and low carbon infrastructure, emphasize the concept of ecological civilization, strengthen ecological environment management, protect biodiversity and address climate change. Success and lessons learnt from China and some other countries will be presented, and highlight the crucial role of enabling governments and effective markets to ensure sustainable development.

【Questions】

None

【Readings, Websites or Video Clips】

Green Development Guidance for BRI Projects Baseline Study Report

<https://greenfdc.org/green-bri-development-guidance-puts-coal-in-negative-list/>

【Assignments for this session】

Continue to work on the case study.

Session 9: *The Challenges and Opportunities under the New Trend of Globalization*

Date:

【Description of the Session】

In this session, the lecture will present the new challenges of COVID-19 and Sino-US trade friction and their implications. Although the "cost and benefit" is still the dominant factor in the layout of the global supply chain, the supply security has also become an important factor. As the regionalization and even fragmentation of supply chain has been accelerating,

some developing countries, African countries in particular, are facing marginalization. A new investment model of "Infrastructure + Manufacturing + Service" should be adopted to ensure sustainable development.

【Questions】

Why is deglobalization happening? What it means for developing countries?

【Readings, Websites or Video Clips】

Video: Justin Yifu Lin: Spotlight shone on global governance, developing nations
<https://www.nse.pku.edu.cn/en/ywsy/news/505974.htm>

【Assignments for this session (if any)】

Continue to work on the case study, prepare ppt for the final presentation.

Session 10: *Final presentation of students' case studies*

Date:

【Description of the Session】

In this final session, the students will demonstrate their understanding of the New Structural Economics and present case studies on selected countries.

Case study presentation:

The expected length of the case study is 3,000 to 5,000 words, with a PPT presentation of 30 slides or more. The study will be graded by the following criteria:

- a) Relevance and originality of the topic (20%)
- b) Soundness of theoretical and (or) empirical evidence (20%)
- c) Thoroughness of reasoning and analysis (20%)
- d) Organization and format, including referencing & bibliography (20%)
- e) Quality of ppt presentation and presentation skills (20%)

The final report is due at 8:00 AM on xx, 2022 (Beijing Time). You are required to submit the electronic version (in PDF format) to jiayu@nsd.pku.edu.cn. Those submitted after that will not be accepted.

【Questions】

None

【Readings, Websites or Video Clips】

None

【Assignments for this session】

Final presentation of students' case studies.

A CV of 250-300 words and a high-resolution personal photo should also be provided

Jia YU

Senior Operations Officer and Director of the Dept. of International Development Cooperation at the Institute of New Structural Economics, Peking University. She is responsible for the application of the New Structural Economics to the international investment practice. Previously, Dr. YU worked more than 8 years for State Power Investment Corp. (SPIC) International Minerals & Investment Co., Ltd as the director of the Dept. of Business Development & Public Relations. She was responsible for overseas energy and mining investment, public relations at a corporate level, global resources market research, China's outward FDI policy, as well as empirical studies at a macro level. Before joining SPIC, Dr. YU started her career as a consultant for the utility industry with Accenture. Dr. YU graduated from Peking University with a double major in French and Economics and received a scholarship from the French government to continue her studies in France. Dr. YU has obtained two Masters' degrees, one in Development Economics and another one in Project Management, both at CERDI-CNRS in France, where she also received her PhD in Development Economics.

Her research fields focus on Chinese "Go Global" empirical studies, Industrial Park and Special Economic Zones (SEZ) diagnosis, China's overseas investment and the interaction of the manufacturing, energy and mining sector as well as their roles in the process of industrialization for developing countries.

Dr. YU is a consultant to the Asian Development Bank and she is also the first representative of the People's Republic of China who is nominated for the "Future Energy Leader" (FEL) by the World Energy Council. She is a global board member of the FEL and was a key member of its development committee (2015-2017).

A CV of 250-300 words and a high-resolution personal photo should also be provided