

School of International Education, UIBE

China in the Global Economy

Syllabus

Instructor: Prof. Ding Dou, Economics Ph.D.

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Office hour:

Tel: (86)13520101540

Lecture hours:

Venue:

Course Email Box:

Password :

Mission and Vision

Mission

This course focuses on China's economic relations with the rest of the world, covering China's increasing trade, investment and commercial links across the globe, and their resulting impacts on China's startling rise, for example, as the second global largest economy last year, and their ensuing implications on the opportunities and challenges for the major economies around the world.

Vision

Upon the completion of the course teaching, the students will be expected to be able:

- 1) to understand better the evolving developments of China's economic relationship with the world in the field of trade, investment and commerce for over three decades.
- 2) to comprehend better the ongoing economic issues around China the world is watching and highly concerned with, such as the appreciation of China's Renminbi.

- 3) to apply better basic economic methodology and overviews to analyze specific economic issues.
- 3) to be aware better of what China's growing economy means for doing business in China in the future.

Class Procedure:

1. Before the class every week, the students should read thoroughly one Preview Reading Paper designated by the syllabus.
2. In the midst of the class every week, I will lecture with PowerPoint for related hours, and afterwards discuss the reading paper with the students for half an hour, and finally make conclusive remarks.
3. After the class every week, the students are encouraged to read two Further Reading Papers designated by the syllabus. I would like to discuss the papers on student's interests.
4. Class Materials: reading articles, tutorials, but no textbook. The reading articles could be accessed in the course e-mail box.

Course grading

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| 1. Attendance | 10% |
| 2. Paper reading and discussion leadership | 20% |
| 3. Mid-term paper (up to conditions) | 20% |
| 4. Final-term paper | 50% |

Course Schedule:

Lecture	Time	Topic
1	week 1	China's Economic Performance Since 1978
2	week 2	China's Development Strategy
3	week 3	The Role of China's Foreign Trade
4	week 4	The Influence of China's Foreign Trade
5	week 5	The Foreign Direct Investment in China
6	week 6	China's Direct Investment Goes Global
7	week 7	China--US Economic Relations
8	week 8	China--Japan Economic Relations
9	week 9	China--European Union Economic Relations
10	week 10	China's Push for Free Trade Area
11	week 11	The International Impacts of China's Economic Rise

12	week 12	The Controversy on Exchange Rate of China's RMB
13	week 13	Presentation and final exam

Course Contents

Lecture 1: China's Economic Performance Since 1978

Preview reading paper:

Assessing China's economic performance since 1978: Material attainments and beyond, *The Journal of Socio-Economics*, Vol. 34, 2005, pp.499-527

What to do in class:

1. Introduction with PPT
2. Discussion on the reading paper
3. Class conclusion

Further reading paper after class:

1. A cost-benefit analysis for the economic growth in China, *Ecological Economics*, Volume 65, Issue 2, 1 April 2008, pp.356-366
2. China's Economic Growth 1978–2025: What We Know Today About China's Economic Growth Tomorrow, *World Development*, Vol. 36, 2008, pp.1665-1691.

Lecture 2: China's Development Strategy

Preview reading paper:

China's development strategy: A game of chess that countered orthodox development advice, *The Journal of Socio-Economics*, 34, 2005, pp.471–498

What to do in class:

1. Introduction with PPT
2. Discussion on the reading paper
3. Class conclusion

Further reading paper after class:

1. Whither development economics? suggestions for a new type of development economics in the light of China's experience, *Journal of Asian Economics*, Vol. 14, 2003, pp.201–208
2. Economic liberalization, the changing role of the state and "wagner's law": China's development experience since 1978, *World Development*, Vol. 33, 2005, pp.729–743

Lecture 3: The Role of China's Foreign Trade

Preview reading paper:

China's emergence and the reorganization of trade flows in Asia, *China Economic Review*, Vol. 18 2007, pp.209–243

What to do in class:

1. Introduction with PPT
2. Discussion on the reading paper
3. Class conclusion

Further reading paper after class:

1. Patterns of industrialization and the flying geese model: the case of electronics in East Asia, *Journal of Asian Economics*, Vol.15, 2005, pp.1051–1078
2. Global production networks and China's processing trade, *Journal of Asian Economics*, Volume 20, Issue 6, November 2009, pp.640-654

Lecture 4: The Influence of China's Foreign Trade

Preview reading paper:

Fear of China, *Journal of Asian Economics*, Volume 17, 2006, pp.226–240

What to do in class:

1. Introduction with PPT
2. Discussion on the reading paper
3. Class conclusion

Further reading paper after class:

1. China's Competitive Performance: A Threat to East Asian Manufactured Exports?, *World Development*, Vol. 32, 2004, pp.1441–1466
2. The Impact of Asian Drivers on the Developing World, *World Development*, Vol. 36, 2008, pp.197–209

Lecture 5: The Foreign Direct Investment in China

Preview reading paper:

30 Years of foreign direct investment to China: An interdisciplinary literature review, *International Business Review*, Vol. 19, Issue 3, June 2010, pp.235-246

What to do in class:

1. Introduction with PPT
2. Discussion on the reading paper
3. Class conclusion

Further reading paper after class:

1. From foreign investors to strategic insiders: Shifting parameters, prescriptions and paradigms for MNCs in China, *Journal of World Business*, Vol. 42, 2007, pp. 14–34
2. Foreign direct investment inflows and economic growth of China, *Journal of Policy Modeling*, Vol. 32, Issue 1, January-February 2010, pp.155-158

Lecture 6: China's Direct Investment Goes Global

Preview reading paper:

China's outward foreign direct investment, Vol. 51, Issue 6, *Business Horizons*, 2008, pp.485--491

What to do in class:

1. Introduction with PPT
2. Discussion on the reading paper
3. Class conclusion

Further reading paper after class:

1. China's outward foreign direct investment: Location choice and firm ownership, *Journal of World Business*, Available online 3 November 2010
2. Investing for Strategic Resources and Its Rationale: the Case of Outward FDI from Chinese Companies, *Business Horizons*, Vol. 50, 2007, pp.71-81

Lecture 7: China--US Economic Relations

Preview reading paper:

Causality relationship between the US—China trade balance and the US and Japan direct investment in China, *Systems Engineering - Theory & Practice*, Vol. 29, Issue 6, June 2009, pp. 6-18

What to do in class:

1. Introduction with PPT
2. Discussion on the reading paper
3. Class conclusion

Further reading paper after class:

1. U.S.–Japan and U.S.–China trade conflict: Export growth, reciprocity, and the international trading system, *Journal of Asian Economics*, Volume 20, Issue 6, November 2009, pp. 669-687
2. Three decades of bilateral copyright negotiations: Mainland China and the United States, *Government Information Quarterly*, Volume 27, Issue 2, March 2010, pp. 196-207

Lecture 8: China--Japan Economic Relations

Preview reading paper:

Foreign direct investment and China's bilateral intra-industry trade with Japan and the US, *Journal of Asian Economics*, Vol. 18, 2007, pp.685–700

What to do in class:

1. Introduction with PPT
2. Discussion on the reading paper
3. Class conclusion

Further reading paper after class:

1. Integrating the two Asian economic giants: Japanese multinational corporations in China, *Journal of Asian Economics*, Vol. 15, 2004, pp.957–975
2. Japanese direct investment in China, *China Economic Review*, Vol. 14, Issue 3, 2003, pp.304-315

Lecture 9: China--European Union Economic Relations

Preview reading paper:

EU–China and the non-transparent race for inward FDI, *Journal of Asian Economics*, Volume 19, Issue 4, August 2008, pp.358-370

What to do in class:

1. Introduction with PPT
2. Discussion on the reading paper
3. Class conclusion

Further reading paper after class:

1. The strategy of multinational enterprises in the light of the rise of China, *Scandinavian Journal of Management*, Volume 23, Issue 2, June 2007, pp.107-126
2. Transfer of Technology to China: A Scandinavian and European Perspective, *European Management Journal*, Volume 20, Issue 1, February 2002, pp.98-106

Lecture 10: China's Push for Free Trade Area

Preview reading paper:

Impact of Sino-Australia free trade agreement's talks on China's dairy industry, *Agriculture and Agricultural Science Procedia*, Volume 1, 2010, pp.469-476

What to do in class:

1. Introduction with PPT
2. Discussion on the reading paper
3. Class conclusion

Further reading paper after class:

- 1、 ASEAN-China free trade area: background, implications and future development, *Journal of Asian Economics*, Vol. 13, Issue 5, 2002, pp.671-686
- 2、 WTO accession, the "Greater China" free-trade area, and economic integration across the Taiwan Strait, *China Economic Review*, Volume 14, Issue 3, 2003, pp.316-349

Lecture 11: The International Impacts of China's Economic Rise

Preview reading paper:

Global Governance and Developing Countries: The Implications of the Rise of China *World Development*, Volume 36, Issue 2, February 2008, pp.274-292

What to do in class:

2. Introduction with PPT
2. Discussion on the reading paper
3. Class conclusion

Further reading paper after class:

1. China's foreign trade and climate change: A case study of CO₂ emissions, *Energy Policy*, Volume 38, Issue 1, January 2010, pp.350-356
2. China's economic rise and its implications for logistics: The Australian case, *Transport Policy*, Volume 16, Issue 5, September 2009, pp.224-231

Lecture 12: The Controversy on Exchange Rate of China's RMB

Preview reading paper:

The US-China trade imbalance: Will revaluing the RMB help (much)? *Economics Letters*, Vol. 96, Issue 1, July 2007, pp.127-132

What to do in class:

3. Introduction with PPT
2. Discussion on the reading paper
3. Class conclusion

Further reading paper after class:

1. Stephen Kaplan, The Political Obstacles to Greater Exchange Rate Flexibility in China, *World Development*, Vol. 7, 2006, pp.1182 - 1200
2. Exchange rate regimes: China's experience and choices, *China Economic Review*, Volume 15, Issue 3, 2004, pp.336-342