



Global China Program

China and World Economy

(中国与世界经济)

General Information

Instructor: Prof. Laike Yang (杨来科)

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Language of Instruction: English

Contact Hours: 56 course hours. One course hour is 45 minutes.

Recommended Credit: 3

Semester: Spring 2024

Course Description

Since 1978 when China initiated economic reforms and opening up policies, the Chinese economy has been one of the fastest growing economies with an average annual growth rate of nearly 10% for more than 4 decades. China is now the world's second largest economy, and the biggest exporter in commodities. On the other hand, China is also becoming one of the world's No.1 energy importer, raw material consumer and CO₂ emitter. What are the impacts of China's rise on the global economy? What will other countries react to China's economic emerge? This course is designed to provide students with the knowledge of what has happened to China and its impacts on global economy in the last decades. The course will offer in-depth discussions of Chinese macroeconomic development, industrial structure, trade pattern, economic imbalance, and its impact on the rest of the world economy, particularly on Asia, the Latin America, and Africa.

Learning Objectives

The objective of this course is to provide students a better understanding about China's economic development since the starting of reform. The course provides information on how China transformed from a centrally planned economy to a market based economy, with "socialist" characteristics. It also discusses the challenges and issues in China as well as the impact of China's rapid economic development on the world.

Course Prerequisites

Previous basic knowledge of Microeconomics and Macroeconomics

Methods of Instruction

The format of the course includes lectures, class discussions of assigned readings, and students' presentation.

Assessment and Final Grade



- Class attendance and participation: 15%
- Class discussion and assignment: 20%
- Presentation:30%
- Final paper:35%

Course Requirements

- Students are required to read the assigned articles and recommended book chapters before the lectures.
- Students are required to do a group presentation on a topic about China’s economic issues. The presentation should be about 30-minute long (with a team of 4 persons) which demonstrates a team efforts.
- Students are required to write a term paper at the end of the semester. The research paper should be a Word document of 8-10 pages in length, 1.5 spaced, not including graphs or illustrations. The paper must include proper references, bibliography and citations. The deadline for the paper is the last day of class, both printed and electronic versions are acceptable.

Sessions Schedule

Time	Topics/Activities	Readings
Session 1	Introduction	Course Introduction (Assign the readings for next week)
Session 2	China’s Economic Development: An Overview	<ul style="list-style-type: none"> ➤ Angus Maddison, 2012, “Chinese Economic Performance in the Long Run”. Chapter 3 and Chapter 4, OECD Publishing. ➤ Fred Bergsten, et al., 2008, China’s Challenge to Global Economic Order, In “China’s Rise” (Chapter 1), Peterson Institute for International Economics. ➤ How much trouble is China’s economy in? , the Economist, Jul.17th, 2023 ➤ Deflation is delaying China’s rise to economic superiority, Jul. 27th, 2023 ➤ Kaiji Chen, Tao Zha, 2023, Chinese macroeconomic development and the role of gradualism approach. NBER Working Paper 31395.
Session 3	1. China’s Economy: impact of Financial Crisis, Covid 19, and Geopolitics 2. Digitization: China and world (Assign presentation topics)	<ul style="list-style-type: none"> ➤ Discussion: Angus Maddison’s projection on China’s long-term growth ➤ Thomas G. Rawski, 2001.What’s Happening to China’s GDP Statistics? ➤ UNCTAD.2022. Digital Economy Report: cross border data flow and development (overview)
Session 4	Structure and Challenges Lecture and Discussion	<ul style="list-style-type: none"> ➤ Shangjin-Wei, 2010, the mystery of Chinese savings. Forbes, February 10.



	(discussion topic: why Chinese young generation is no longer saving)	➤ Wei, ShangJin and Xiaobo Zhang (2009), "The Competitive Saving Motive: Evidence from Rising Sex Ratios and Savings Rates in China", NBER Working Paper
Session 5	Intellectual Property Protection in China: issues and challenges (lecture, field trip and Discussion) Intellectual property infringement in other developing countries. (student presentation)	➤ Chapter 4, Intellectual Property Right, in book "U.S.-China Trade Disputes" pp 39-45. Institute of International Economics. ➤ Challenges Related to Intellectual Property Rights in China. https://www.trustiics.com/intellectual-property-rights-challenges-china/ ➤ Introduction about fake industry and fake market in China ➤ Video documentary " Fake Trade"
Session 6	Discussion:China's inequality issues Development and Inequality : (Student presentation)	➤ Ostry, D, Berg, A., Tsangarides, M.C.G., 2014. Redistribution, Inequality, and Growth. IMF. ➤ Milanovic, Branko, 2016. Global inequality: A new approach for the age of globalization. Belknap Press of Harvard University. Chp.2. pp46-117.
Session 7	Financial Sector Reform and Development: China's Banking System	➤ Nicholas Hope and Fred Hu: Reforming China's Banking System: How Much Can Foreign Strategic Investment Help? ➤ Discussion: is Chinese banking system stable?
Session 8	Financial Sector Reform and Development: China's Capital Market	➤ Douglas Elliot and Kai Yan, 2013 July. China's Financial System: introduction and overview. Brooking China Center paper serious ➤ Discussion: Issues of Chinese stock exchanges
Session 9	Midterm Exam Alternative (Population and development)	In class written exam
Session 10	Regional Integration and Development: China's integration in Asian and Pacific Region (Student presentation)	➤ Ian F. Fergusson, et al, 2013. TPP and Issues for Congress. Congress Research service 7-7500. ➤ Eric Emerson, 2014, TPP and China's FTA.
Session 11	FDI and Development: China's OFDI Latin America Lecture and Discussion	➤ Bettina Gransow, 2015.Chinese Investment in Latin American :Infrastructure: Strategies, Actors, and Risks
Session 12	Guest Speaker Internationalization of RMB Prof. Hansjoerg Herr,Berlin University of Economics and Law (TBC)	➤



Session 13	Trade and Development: China's Trade System Reform and China-US Trade	<ul style="list-style-type: none">➤ Wayne M. Morrison, 2018. China-U.S. trade issues, Congress Research Service. RL33536.➤ Eddy Bekkers and Sofia Schroeter, 2020. AN ECONOMIC ANALYSIS OF THE US-CHINA TRADE CONFLICT. WTO Staff Working Paper ERSD-2020-04➤ Anshu Siripurapu and Noah Berman, 2022. The Contentious U.S.-China Trade Relationship, https://www.cfr.org/backgrounders/contentious-us-china-trade-relationship
Session 14	China and Africa <i>(Student presentation)</i>	<ul style="list-style-type: none">➤ Mary Françoise Renard, 2011. China's Trade and FDI in Africa. Africa Development Bank Research Paper Series, No.126.
Session 15	1. BRI, CPTPP, RCEP and China 2. Guest speaker: China, EU and US, GDP and living standard Prof. Jan Prieue, Berlin institute of macroeconomic research	<ul style="list-style-type: none">➤

Note: the materials in boldface are required

Course Instructor

Professor Yang Laike received his PhD in economics in Xiamen University China. He is a DAAD visiting professor in FU from 2019-2020. Back in China, Prof. Dr. Yang is a chair of economics in East China Normal University, and the Dean of the Department of International Trade. He did his postdoctoral research in the Chinese Academy of Social Sciences (CASS) in Beijing from 2001 to 2004. Professor Yang has visited a number of universities in the U.S, Germany, the Netherlands, Brazil, Hungary, Uganda, Tanzania, Japan, Jordan as visiting scholars. He is an expert in international trade, with a special focus on trade and environment. He has taught courses on international business, international trade, Chinese economy, and Chinese business environment at both BA and MA levels for Chinese and international students. Professor Yang has more than 50 research papers and books, as well as a number of national research grants.