

Lecture Series on Chinese Economy and Society

Department: Fudan International Summer Session

Course Code	ECON170008		
Course Title	Lecture Series on Chinese Economy and Society		
Credit	1	Credit Hours	18 credit hours + 3 tutorial hours (one credit hour is 45 minutes)
Course Nature	<input type="checkbox"/> Specific General Education Courses <input type="checkbox"/> Core Courses <input checked="" type="checkbox"/> General Education Elective Courses <input type="checkbox"/> Basic Courses in General Discipline <input type="checkbox"/> Professional Compulsory Courses <input type="checkbox"/> Professional Elective Courses <input type="checkbox"/> Others		
Course Objectives	On successful completion of this course, student should be capable to form a brand-new understanding of China through insightful lectures from multiple perspectives and critical conversations with top scholars and classmates from all over the world.		
Course Description	<p>China has been perceived as a rising giant with remarkable economic growth and social development in the past decades. Along with these achievements, China has also been confronted with a set of challenges during its period of transformation and globalization.</p> <p>This course critically examines China's performance from different angles to equip students with a comprehensive understanding of the Chinese economy and society in the past, present and future. The topics covered are accessible to a general audience and yet still provide insightful analyses for students with a professional background. The speakers will be top scholars in relevant research fields from Fudan University.</p>		
Course Requirements:			
Prerequisites: NA			
Teaching Methods:			
Lecture series			
Instructor's Academic Background:			
Please see the brief introduction of each lecture below.			

Course Schedule:

Agenda - Week 1

	MON	TUE	WED	THU	FRI
	7/12	7/13	7/14	7/15	7/16
Afternoon (13:30-16:45)	15:30-16:30 Overview of Chinese Economy Prof. Jun ZHANG	China's Legal Environment and IPR Protection Prof. Jun WANG (break 15:00-15:15)	Leverage Cycle Prof. Yongqin WANG (break 15:00-15:15)	The Rise of Asia and Mid-term Growth of the Chinese Economy Prof. Guanghua WAN (break 15:00-15:15)	China's population dynamics and future challenges Prof. Xizhe PENG (break 15:00-15:15)
	Break				
Evening (17:45-21:00)			Land development in Urban China Prof. Zhi WANG (break 19:15-19:30)	China's Taxation and Public Finance System: what is different? Prof. Li DU (break 19:15-19:30)	The Effect of the China Connect Prof. Sili ZHOU (break 19:15-19:30)

Agenda - Week 2

	MON	TUE	WED	THU	FRI
	7/19	7/20	7/21	7/22	7/23
Afternoon (13:30-16:45)	The Unbalanced Regional Development in China Prof. Dan LI (break 15:00-15:15)	Media Network Based Information Diffusion and Return Predictability Prof. Li GUO (break 15:00-15:15)	Trade with the World Prof. XIE Yiqing (break 15:00-15:15)		
	Break				

Evening (17:45-21:00)	Taxation, Debt, and Finance: Resource Misallocation in China Prof. Yu LIU (break 19:15-19:30)			The Spiritual World of the Chinese Prof. Anning HU (break 19:15-19:30)	
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The design of class discussion or exercise, practice, experience and so on:

Please see the brief introduction of each lecture below.

Grading & Evaluation:

1) Attendance 20%

Please refer to the syllabus attached below for the lectures available for this course. Please note for this 1 credit course, students only need to choose to attend 5 lectures from the 13 lectures, NOT all 13 lectures.

2) Final Essay 80%

- Topic: the essay topic doesn't need to be exactly the same as the lecture topic, but could be any topic deriving from one of our lectures which you think is really interesting and deserve your efforts for a research.

- Content: the essay structure and expression way are flexible as long as you clearly explain why do you think this topic intrigues you and if you want to do research, how are you going to do it.

- Citation Formatting: including but not limited to Harvard/APA/MLA

- Other requirements of the essay:

Submission Deadline: July 30, 2021

Format:

- File name: Student ID_Name (e.g. 12345678910_XX YY)
- Length: no more than 2 pages
- Page: A4 (210×297 mm)
- Font: Times New Roman, 12pt
- Spacing: 1.5

Teaching Materials & References:

Please see the brief introduction of each lecture below.



Jun ZHANG

Professor

Dean of the School of Economics, Fudan University

Director of the China Center for Economic Studies, Fudan University

Chang-Jiang Scholar

Topic: Overview of Chinese economy

Instructor's Background: Professor Zhang is a respected commentator on Chinese economy who speaks regularly on Chinese TV stations, and BBC, CNN, PBS, KBS, and so on. His views on Chinese economy have been widely cited by domestic and international print media, including Wall Street Journal, Financial Times, New York Times, South China Morning Post, etc.

Abstract: The lecture is a conclusion and overview of the Chinese economy and society.



Guanghua WAN

Professor, School of Economics, Fudan University

Director, Institute of World Economy, Fudan University

Former Director of Department of Research, Asian Development Bank

Topic: The rise of Asia and mid-term growth of the Chinese economy

Instructor's Background: Prof. Guanghua Wan was Director of Research, the Asian Development Bank Institute. Previously, he was Principal Economist and Head of Poverty/Inequality Group, Asian Development Bank. Prior to ADB/ADBI, he was a senior economist in the United Nations and taught in a number of Universities in Australia and China.

Trained in development economics and econometrics, Dr. Wan is a multi-award-winning scholar on the Chinese economy and an expert on Asia, with an outstanding publication record of more than 100 professional articles and a dozens of books including two by Oxford University Press. An honorary professor of over ten top institutions in China including Fudan and Zhejiang Universities, Dr. Wan is among the top 8% economists globally and top 4% in Asia according to the latest ranking of RePEc.

Abstract:

Led by Japan after the Second World War, followed by Asian Dragons, and more recently with fast growth in China, Asia has been on the rise in the last 70 years. The rise of Asia is changing the global distribution of economic power fundamentally, generating complex and thorny geopolitical issues. This presentation will outline the process of Asia's rise and discuss major challenges Asia is facing. The second half of the presentation will focus on China – the second largest economy in the world, with a special emphasis on her medium- and long- term growth prospect.



Yongqin Wang

Professor

School of Economics, Fudan University

Topic: Leverage Cycle

Instructor's Background: Professor of Economics at School of Economics, Fudan University; Changjiang Young Scholar (Chinese Ministry of Education). Prof. Wang also held post-doc position at Yale University (2008-2010) and Fulbright Visiting Scholar at Harvard (2016-2017). His research focus in financial economics. He has published 9 books and published numerous papers in review journals.

Abstract:

The lecture will introduce a new approach to finance and macroeconomics, with important implications for boom-bust cycles and regulation, and provide a coherent explanation for both the Great Depression and the recent Great Recession. The lecture will also discuss the current state of the Chinese economy and finance.



Li DU

Professor

School of Economics, Fudan University

Executive Director, Center for Public Economy Research, Fudan University

Academic director, Master of Taxation Program, Fudan University

Topic: China's Taxation and Public Finance System: what is different?

Instructor's Background: Prof. Du has received the bachelor, master and PhD degrees in Economics from Fudan University. She was also a visiting scholar during September 2003 and August 2004 in Department of Economics, University of Konstanz (Germany) and a postdoctoral research fellow during July and August 2016. Besides the academic research, she is also an excellent university teacher in taxation courses delivered in English language.

Abstract: The lecture will give an outline of China's public finance and taxation system, focusing on the special features that make China different from other countries, such as the role of SOEs, the evolution of local government financing vehicles, the way China taxes individuals and business entities, etc.

**Dan Li****Professor****School of Economics, Fudan University****Deputy Director, University Office of Global Partnerships, Fudan University****Topic: The Unbalanced Regional Development in China**

Instructor's Background: Dan Li is a professor in the School of Economics at Fudan University. She received her PhD from Boston University in 2008. Her research fields include Economic History, Development Economics, and Urban Economics & Regional Science. She has published in the top journals in her related research fields including *Economic History Review*, *Journal of International Money and Finance*, *World Development*, the *Review of Development Economics* and etc. Her current research interests focus on the bond market development in Pre-war Republican China (1912-1937) and the unbalanced regional development in today's China.

Abstract: China's remarkable economic growth in more than three decades has attracted worldwide attention. However, the unbalanced regional development becomes a major challenge to her sustainable growth, both economically and politically. This talk provides an overview of the unbalanced regional development in China since the beginning of the 20th century to the present. Emphasis is placed on the underlying historical, political and economic factors that account for the current unbalanced development pattern. The talk will include the welfare implications for today's China caused by the unbalanced development. Finally, it will conclude with a brief discussion on policies adopted to close the regional income gap.

Background Readings:

Brand, L. and Rawski, T. (eds.) *China's great economic transformation* (Cambridge University Press), 2008, Chapters 18-19.

Ho, Chun-Yu, and Dan Li. "Spatial dependence and divergence across Chinese cities." *Review of Development Economics* 14.2 (2010): 386-403.

Ho, Chun-Yu, and Dan Li. "Rising regional inequality in China: Policy regimes and structural changes." *Papers in Regional Science* 87.2 (2008): 245-259.

Justin Yifu Lin, Fang Cai, and Zhou Li. *The China Miracle: Development Strategy and Economic Reform*, (Revised) Hong Kong: Chinese University Press, 2003 (English edition), Section 7.5.

Naughton, B., *The Chinese economy, transitions and growth* (MIT Press), Chapter 1.



Zhi Wang

Associate Professor
School of Economics, Fudan University

Topic: Land development in urban China

Instructor's Background: Zhi Wang is an associate professor (with tenure) in the School of Economics at Fudan University. She received her PhD in Economics from Brown University in 2013. Her research focuses on the applications of microeconomics in the field of Urban Economics. Her papers have been published or forthcoming at *Review of Economics and Statistics*, *Journal of Urban Economics*, *Journal of Environmental Economics and Management*, and *Journal of Housing Economics*. She is the Associate Editor of *Regional Science and Urban Economics*.

Abstract: Along with rapid urban population growth, Chinese cities have undergone substantial spatial expansion during the past decades. The total built-up urban land area of 200 major cities expanded from 18,652 square km in 1990 to 51,891 square km in 2010. This astonishing scale of urban land development produced profound social and economic impacts that may last for decades. This lecture provides an overview of China's urbanization and its urban land development. I will discuss the economic and political determinants of urban land expansion, with a focus on the decisions of local governments and politicians. I will describe the government regulations on urban land development and their impacts on housing market and local industrial development. This lecture will also provide insights into the operation of urban land and housing markets, the effect of transportation systems, and the determinants and consequences of spatial distributions of economic activities within Chinese cities.

Background Readings:

Baum-Snow, N. et al. "Roads, railroads, and decentralization of Chinese cities." *Review of Economics and Statistics*, July 2017, 99(3): 435-448.

Cai, H., Wang, Z., Zhang, Q. "To build above the limit? Implementation of land use regulations in urban China." *Journal of Urban Economics*, 98(2017): 223-233.

Tian, W., Wang, Z., Zhang, Q. "The micro-foundations of China's industrial land market post-2007." Working paper, 2020.

Wang, Z., Zhang, Q., Zhou, L. "Career incentives of city leaders and urban spatial expansion in China." Forthcoming in *Review of Economics and Statistics*, December 2020, 102 (5).



Yu Liu

Associate Professor
School of Economics, Fudan University

Email: yu_liu@fudan.edu.cn

Topic: Taxation, Debt, and Finance: Resource Misallocation in China

Instructor's Background: Yu Liu is an associate professor in the School of Economics at Fudan University. He received his PhD in economics from Yale University in 2014. His research fields include Public Finance, Development Economics, and International Trade. He has published in the top journals in his research fields including Journal of International Economics, Journal of Economic Behavior and Organization, Journal of Comparative Economics, World Economy, and etc. His current research focuses on the effects of taxation on firm behaviors and the effects of local government debt on corporate finance.

Abstract: Developing countries tend to have remarkable resource misallocation. What are the causes? And what are the implications on overall economic efficiency? We examine two causes in this lecture: weak fiscal capacity and high financial friction. We begin by introducing value-added tax (VAT) and the self-enforcing nature of VAT. Then we discuss the effects of Golden Tax Project, an information technology developed in China to enforce VAT, on firm investment, exports, remitted tax revenue, and overall resource misallocation. Next, we study the debt market in China and, particularly, the local government debt (LGD), which became salient after 2008. We investigate how the rise of LGD affects the access to finance of local firms and study the implications of LGD on resource misallocation in China. As weak fiscal capacity and high financial friction are relevant to most developing countries, the lecture offers insights on the cause of resource misallocation in developing countries.



Sili ZHOU

Assistant Professor

**School of Economics and Fanhai International School of Finance
Fudan University**

Email: silizhou@fudan.edu.cn

Website: <https://siliz.weebly.com>

Topic: The Effect of China Connect

Instructor's Background:

Professor Zhou's research interests include innovation, corporate finance, market microstructure and Chinese financial markets. His research has been published in leading academic journals including *Journal of Corporate Finance*, *Emerging Market Review*, *Pacific-Basin Finance Journal* etc. His research is also widely featured in *Wall Street Journal*, *UNIDO*, *Covid Economics*, *VoxChina*, *Fed*, *BOFIT* etc.

Professor Zhou obtained his Ph.D. degree in Business (Finance) from at Lee Kong Chian School of Business of Singapore Management University (SMU) in 2017, M.A. in Economics from Shanghai University of Finance and Economics in 2013 and B.A. in Economics from Zhongnan University of Economics and B.S. in Computer Science from Huazhong University of Science and Technology in 2011.

Abstract:

Stock market liberalization generates benefits and costs. We estimate these effects using the Shanghai (Shenzhen) - Hong Kong Stock Connect, an important opening that allows foreign investors to trade a subset of mainland Chinese firms. The liberalization brought connected Chinese firms lower funding costs and more investment, but also increased sensitivity to foreign shocks. These effects are stronger for firms whose stock return has a higher covariance with the world market return and for firms relying more on external financing. We find that both (greater) risk sharing and (lower) funding cost channels explain our results.

Readings:

Ma, C., Rogers, J., & Zhou, S. (2020). The Effect of the China Connect. *BOFIT Discussion Papers*, 2020(1), 1-35.

**Li GUO**

Assistant Professor
School of Economics, Fudan University
Shanghai Institute of International Finance and Economics

Topic: Media Network Based Information Diffusion and Return Predictability

Instructor's Background: Li GUO is an Assistant Professor in Finance at Fudan University and an Academic Researcher at Shanghai Institute of International Finance and Economics. His research work has been published in *Journal of Financial Economics* and has also received several best paper awards in international conferences, such as the 2019 WRDS Advanced Research Scholar Program (WARSP) Best Paper Award, the 26th SFM Best Research Paper Award in 2018 and the Best Young Scholar Paper Award in 2017 *Frontiers of Business Research in China*.

Abstract: Information acquisition and dissemination is always a hot topic in financial studies. As technology changes the way information is communicated, it also fundamentally changes the financial markets. A survey by the Reuters Institute (2016) finds that 51% of respondents use social media to access news every week, and 12% cite it as their main source of news. However, due to investor behavior bias and transaction frictions, information transmitted through social media could be mispriced in real world hence driving market anomalies and return predictability of behavior factors. This talk discusses how information can be effectively quantified, acquired, disseminated and priced in the financial market from the media network perspective and sheds light on how big data and machine learning can be involved to better measure soft information, thus forecasting stock returns both in-sample and out-of-sample.

Background Readings:

Campbell, J. Y., & Thompson, S. B. (2008). Predicting excess stock returns out of sample: Can anything beat the historical average?. *Review of Financial Studies*, 21(4), 1509-1531. Gu, S., Kelly, B., & Xiu, D. (2020). Empirical asset pricing via machine learning. *Review of Financial Studies*, 33(5), 2223-2273.

Tetlock, P. C., Saar-Tsechansky, M., & Macskassy, S. (2008). More than words: Quantifying language to measure firms' fundamentals. *Journal of Finance*, 63(3), 1437-1467.

Guo, L., Peng, L., Tao, Y., & Tu, J. (2018). News co-occurrence, attention spillover, and return predictability. Attention Spillover, and Return Predictability. Working Paper.



Yiqing XIE

**Assistant Research Professor
Shanghai Academy of Social Sciences**

Topic: Trade with the World

Instructor's Background:

Yiqing Xie received her Ph.D. in Economics from the University of Colorado at Boulder in 2012. She has been teaching Economics including microeconomics, macroeconomics and international economics since 2008 at the University of Colorado at Boulder, the University of North Dakota and Fudan University. Her research interest is international economics and foreign direct investment.

Abstract:

This lecture "Trading with the world" aims to give audience a general overview of China's international trade from 1949 to now, and to help audience to understand the underlying economic links between the fast-growing China's international trade and China's economic development. We start from the overview of China's current economic situation, followed by a brief review of the different stages of China's trade after liberation in 1949. Then the lecture focuses on the China's current international trade features, the obstacles and controversies of China's trade. In the end, we also discuss China's different bilateral and multilateral free trade agreements including the Belt and Road Initiative and the RCEP.

**Xizhe PENG**

Professor, School of Social Development and Public Policy, Fudan University
Director, Population and Development Policy Studies, Fudan University
Director, State Innovative Institute for Public Management and Public Policy Studies
Director, Institute of Social Research, Fudan University

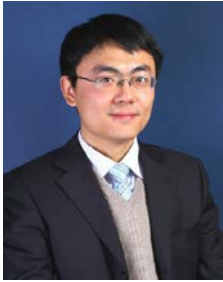
Email: xzpeng@fudan.edu.cn

Topic: China's population dynamics and future challenges

Instructor's Background: Peng Xizhe (Ph.D., London School of Economics and Political Sciences) is a Professor of Population and Development at Fudan University. He is currently the Director of the State Innovative Institute for Public Management and Public Policy Studies, Fudan University, and also in charge of the establishment of Fudan's data center (The Institute of Social Research). Dr. Peng's research areas include population dynamics and policy, social welfare and social policy, sustainable development, and gender studies.

Abstract:

This lecture focuses on Chinese population dynamics in the past and the challenges in the future. On 28 April 2011, China's state statistics bureau released its first report on the country's 2010 population census. The report states that the total population of mainland China reached 1.3397 billion in 2010, with an annual average population growth rate of 0.57% during the previous 10 years. The share of the total population aged 0 to 14 declined from 22.9% in 2000 to 16.6% in 2010, whereas the proportion aged 65 and above grew from 7.0% to 8.9% during the same period. This indicates that China's population is aging rapidly. The report also shows that China is urbanizing, with nearly half of the population--665.57 million people, or 49.7%--living in urban areas, an increase of 13 percentage points over the 2000 figure. Moreover, about 260 million Chinese people are living away from where they are formally registered, and the overwhelming majority of them (about 220 million) are rural migrants living and working in urban areas but without formal urban household registration status. China is at a demographic turning point: It is changing from an agricultural society into an urban one, from a young society to an old one, and from a society attached to the land to one that is very much on the move.



Hu Anning

**Professor of Sociology
Fudan University**

Topic: The Spiritual World of the Chinese

Instructor's Background: Dr. Hu Anning is Professor of Sociology at Fudan University. His research interests include social inequality, education, religion, trust, culture, and social research methods. Dr. Hu has published over 70 academic articles and three monographs, with research appearing in major sociological outlets, such as *British Journal of Sociology*, *Social Science Research*, *Journal of Marriage and Family*, *Poetics*, *Research in Social Stratification and Mobility*, *Demographic Research*, *Journal for the Scientific Study of Religion*, *Sociological Quarterly*, *Journal of Mathematical Sociology*, and *The China Quarterly*, to name a few. Dr. Hu is the winner of several national and municipal awards, such as the Young Yangtze Scholar, Ten Thousand People Plan Young Talent, Shanghai Leading Scholar, Shanghai Shuguang Scholar, Shanghai Chenguang Scholar, and Shanghai Young Scholar of Social Sciences. His studies have won the Shanghai Outstanding Social Sciences Research Award and Shanghai Top Ten Social Sciences Paper Award.

Abstract:

Against the rapid social transition over the past several decades, more and more people start to ask the cultural basis of the Chinese culture, or the Chinese in general. In this lecture, Prof. Anning Hu will give a lecture to introduce many major concepts and theories that are related to the fundamental elements of the Chinese culture, including but not limited to Yin-Yang theory, the idea of soul, the book of change, and the wind and water practices, to name a few. By attending this lecture, students are expected to learn about the essential facets of the Chinese culture that lie behind the economic, financial, and political practices in contemporary China.

References

1. **Hu, Anning.** 2016. "Ancestor Worship in Contemporary China: An Empirical Investigation." [*China Review: An Interdisciplinary Journal on Greater China*](#) 16(1): 169-186.
2. Leamaster, Reid and **Anning Hu.** 2014. "Popular Buddhists: Predicting Popular Religious Belief and Practice in Contemporary China." [*Sociology of Religion: A Quarterly Review*](#) 75(2): 234-259.
3. **Hu, Anning** and Reid Leamaster. 2013. "Longitudinal Trends of Religious Groups in Deregulated Taiwan: 1990-2009." [*The Sociological Quarterly*](#) 54 (2): 167-190.



Jun WANG

Lecturer of the Law School, Fudan University

Researcher at the Centre for IP Studies, Fudan University

Visiting Scholar at School of Law, Washington University in St. Louis

Topic: China's Legal Environment and IPR Protection

Instructor's Background:

Dr. Wang graduated from Peking University with an LLB degree. He joined the Law School of Fudan University since 1985. He became Certified Attorney-at-Law specialized in IP and Competition Law and civil litigation since 1994. He has been nominated to Arbitration Commission of Jin-hua Municipality, Zhejiang Province since 2009. His areas of academic interests cover Law & Society, Economic Law, Competition & IP Law, with multiple articles and publications of *Perspectives on the Reformation of Chinese IP Law*, *Topics on Domestic Enforcement of IP Law*, *Cyber Law in China*, *Introductions to Chinese Legal System and Economic Law*, etc..

Topic Abstract:

China has already been the world's largest economy on a purchasing power basis. We observed China's rapid development in trade, economy, culture, society and daily life etc., for decades. The great pandemic of COVID-19 has been a huge strike to the world, on every account. We are very curious about our future: The world is changing abruptly and rapidly, but could that economic miracle of China sustain any longer?

Calling for a 'dual circulation' development, the Chinese leadership turned to rebalance the economy away from sole investment-led growth and towards consumption-driven and innovation-driven patterns, leading to an 'entirely and comprehensively politico-economic reformation'. While drawing eye-balls for its growing market power continuously and dramatically, China also remains quite a mystery to the world with its recently-so-called 'the only unbroken civilianization', could the world still get well along with such a nation with long-term historical impact, in investment? in trade? Are there real opportunities for the expansion of global business with China? Do we have safeguards in doing business with Chinese counterparts? Can we, and how to establish a rapported legal-bridge over trouble water?

This topic will provide a spectrum of ecosystem analysis for China's innovation and development, based upon its historic-approached legal environment, with the focus on the IPR protection issues. In the 2021 summer course, my topic will add-up and focus on doing better business in China with an interpretation of *Regulation on Optimizing the Business Environment*, with a side watch over Sino-US trade war.

Background Readings:

1. *To Steal a Book is an Elegant Offense*, by William P. Alford, Stanford University Press, 1995
2. *Introduction to Chinese Law Based on Data Analysis*, by Zhu Jingwen, China Renmin University Press, 2015
3. *Regulation on Optimizing the Business Environment, Administrative Regulation*, State Council, effective on Jan 1st, 2020
4. *Facing a Growing Paradox: The 2019 A.T. Kearney FDI Confidence Index*, Summary PDF available at [Here](#)
5. *China IP litigation and prosecution statistics: taking a step back to see the bigger picture.* By Eugen Low, Helen Xia et al, available at [Here](#)
6. *How China's Judicial Protection of IP Rights Will Benefit its Economy*, by Yamei, 2019, available at [Here](#)
7. *U.S. Chamber International IP Index*, by Global Innovation Policy Center, website [Here](#)
8. *U.S.-China IP Cooperation Dialogue 2016*, by multiple experts from both USA and China, Summary PDF available at [Here](#), earlier summaries PDF(s) [Here](#) and [Here](#)