Course Overview
The rise of China has undoubtedly been one of the most important developments in the twenty first century. Since China embarked its economic reform starting 1978, the Chinese economy has grown at an unprecedented annual rate of 9.5 percent for more than three decades. More than 500 million people were lifted out of poverty. China is now second largest economy in the world, the world’s largest trading nation, and the holder of the biggest foreign exchange reserves.

In this seminar, we will cover topics including: the political logic of China's economic reform, the institutional foundations of the Chinese economic growth miracle, corruption/anti-corruption, labor market transitions in China, China’s integration into the world economy, Chinese financial market, among others.

In Week One, we will collectively choose 8 topics to cover for the semester. We will spend three sessions on each topic: In the first two sessions, the instructors will lecture and present two main articles, one from economics and one from political science. In the third session, students will present two other required readings for that week and engage in discussions. Students will sign up to present once, in a group of 3 or 4, and will also write a referee report on the academic article they present on.

The course will be mostly based on discussions of research papers. We do not assign a textbook. A new website VoxChina.org, co-founded by Professor Fang, posts summaries based on research papers on issues related to Chinese economy. It will be a useful source of information for many current topics.

Grading
Class Participation (10%), Presentation and Referee Report (25%), Midterm Exam (30%), Final Exam (35%).

- Presentation (10%) and Referee Report (15%): Starting from Topic 3, students will be presenting an academic journal article in a group of 3 or 4. A good presentation will: (1) clearly identify the descriptive and/or causal claims made in the reading, (2) describe the evidence the author uses to support these claims, and (3) evaluate the quality of the evidence (i.e., is it convincing?). Presentations should be about 30 minutes.
- Students are expected to submit a referee report (3-4 pages, double space) critiquing the article they are presenting on by 2:00PM on the presentation day. See Canvas for referee report examples.
- Midterm (3/12) and final (4/25) exams are both in-class and open-notes. Political science and economics majors will have different exams.
- Late assignments will be penalized one third of a grade (e.g., A- to B+) for every day.

**Agenda (25 sessions, 2 exam days)**

**Topic 1: Overview of Economic Reform.** 1/17, 1/22
- Topic 2: 1/24, 1/29
- Topic 3: 1/31, 2/5, 2/7
- Topic 4: 2/12, 2/14, 2/19
- Topic 5: 2/21, 2/26, 2/28
- Spring Break: 3/2-10
- Midterm Exam: 3/12
- Topic 6: 3/14, 3/19, 3/21
- Topic 7: 3/26, 3/28, 4/2
- Topic 8: 4/4, 4/9, 4/11
- Topic 9 (or conclusion, make-up presentations): 4/16, 4/18, 4/23
- Final Exam: 4/25

**Potential Topics**

(The instructors will lecture the first two articles in depth in the first two sessions. Students will choose one of the * articles to present in the third session. Articles with # are optional readings)

- **Topic 1: Overview of Economic Reform**

- **Topic 2: Political Institution: Regime Type, Rule of Law, Corruption**

- Topic 3: Institution 2: Bureaucracy, Political Competition, Selection

- Topic 4: Decentralization

- Topic 5: Informal Institutions

- Topic 6: Market Economy, Chinese Style
  - Loren Brandt, Changtai Hsieh, Xiaodong Zhu, "Growth and Structural Transformation in China", in *China's Great Economic Transformation* (edited by

**Topic 7: SOE and Private Firms**


**Topic 8: Financial Market and Shadow Banking**

- Introduction to the Chinese financial system (Banking System, Stock Market)
- Allen, Franklin, Jun Qian, Susan Shan, and Julie Lei Zhu. 2014. “The best performing economy with the worst performing market: Explaining the Poor Performance of the Chinese Stock Market”
Acharya, Qian and Yang (2016)
Chen, He and Liu (2017)

- Topic 9: Innovation
  - He, Hui, Jing Fang, and Nan Li. 2016. “China’s Rising IQ (Innovation Quotient) and Growth: Firm-level Evidence.” IMF WP 16/249

- Topic 10: Housing Market
  - Fang Hamming, Quanlin Gu, Xiong Wei and Li-An Zhou. 2015. “Demystifying the Chinese Housing Boom” NBER Macroeconomics Annual 30(1).

- Topic 11: Globalization: WTO; Global Integration
  - Wei et al.

- Topic 12: One Child Policy and its Aftermath

**Topic 14: The Environment**


**Topic 15: Inequality**
