

World Economy and China

2016-2017(Spring)

SEMESTER TWO

TIMETABLE:

Lectures/Seminars: Wednesday, 1-3, 8:00-10:40am.

随着经济全球化的拓展以及中国改革开放进程的深入,世界经济与中国经济之间的关系愈渐紧密。本课程在系统介绍世界经济运行中主要概念、理论的基础上,结合中国的特点以及中国在世界经济中的位置,进行分析和讲授。

【Course Description】 China is playing a rising role in the world economy. It is one of the world's fastest growing countries and has the world's second largest economy title now. Even more significantly, China is attracting vast amounts of foreign direct investment and playing an increasingly important role on international capital markets, regionalization and globalization.

This course examines the implications of China's emergence as a major player in the world economy. Its integration into the global economy brings major effects for the rest of the world. China's participation in the world economy also offers important opportunities for trade, investment, and international cooperation to promote world prosperity and stability. Following an introduction and two chapters on cycle theories and world system theories, we are going to introduce and analyze some facts of Chinese economy from a global economic structure perspective.

Main Reference Books

Peter Dicken, 2011, *Global Shift, Sixth Edition: Mapping the Changing Contours of the World Economy*, The Guilford Press.

Barry Eichengreen (Editor), Poonam Gupta (Editor), Rajiv Kumar (Editor), 2010, *Emerging Giants: China and India in the World Economy*, New York: Oxford University Press.

Paul Krugman and Maurice Obstfeld, 2008, *International Economics: Theory and Policy*, 8th Edition, Prentice Hall.

Kartik Roy, Hans Blomqvist and Cal Clark, 2012, *Economic development in China, India and East Asia*, Edward Elgar Publishing Limited.

Darel E. Paul and Abla Amawi, ed. 2013, *The theoretical evolution of the international political economy: A Reader*, 3rd edition, Oxford University Press.

Stephen S Roach, 2014, *Unbalanced: The Codependency of America and China*, Yale University Press.

Contents & Additional Readings

Chap 1. Introduction

IMF, 2016, *World Economic Outlook*, Oct, 2016, www.imf.org.

World Bank, 2016, *Global Economic Prospects*, January 2016, www.worldbank.org

Thierry Bracke, Matthieu Bussière, Michael Fidora, Roland Straub, 2010, *A Framework for Assessing Global Imbalances*, The World Economy, Volume 33, Issue 9, pages 1140–1174, September.

Wing Thyee Woo¹ and Wei Zhang, 2011, *Combating the Global Financial Crisis with Aggressive Expansionary Monetary Policy: Same Medicine, Different Outcomes in China, the UK and USA*, *The World Economy* Special Issue: CHINA AND THE GLOBAL FINANCIAL CRISIS, Volume 34, Issue 5, pages 667–686, May.

Bin Zhang, 2015, *China's Economic Transition Syndrome*, *China & World Economy* / 59–78, Vol. 23, No. 3.

Pingyao Lai, 2015, *Growth Slowdown in China since 2008: Will There Be a Hard Landing in the Near Future?* *China & World Economy* / 42–58, Vol. 23, No. 3,

Chap 2. Cycle Theories in the World Economy

Orley M. Amos, Jr. and Kevin M., *The Foundations of a Hierarchical Theory of the Long-Wave Phenomenon*, Southern Economic Journal, Vol. 56, No. 1 (Jul., 1989), pp. 142-15.

Joachim K. Rennstich, *The new economy, the leadership long cycle and the nineteenth K-wave*, Review of International Political Economy, Volume 9, Issue 1 March 2002 , pages 150 – 182.

C. H. Kwan, *Business Cycle in China since the Lehman Crisis: Interaction among Macroeconomic Policy*, Economic Growth and Inflation, China & World Economy / 1–19, Vol. 21, No. 5, 2013.

Chap 3. World Economic Structure

Barry Eichengreen, *China, Asia, and the World Economy: The Implications of an Emerging Asian Core and Periphery*, China & World Economy / 1 – 18, Vol. 14, No. 3, 2006.

W. Ladd Hollist and James Rosenau, *World System Debates*, International Studies Quarterly, Volume 25, Issue 1, World System Debates, Mar.,1981, 5-17.

Chap 4. International Division of Labour and China as a Global Production Base

Horst Siebert, Locational Competition: *A Neglected Paradigm in the International Division of Labour*, THE WORLD ECONOMY, Volume 29, Issue 2, February 2006, Pages: 137–159.

Qiang Li, Jikun Huang, Renfu Luo, Chengfang Liu, 2013. *China's Labor Transition and the Future of China's Rural Wages and Employment*, China & World Economy / 4–24, Vol. 21, No. 3.

Fang Cai, 2015, *Haste Makes Waste: Policy Options Facing China after Reaching the Lewis Turning Point*, China & World Economy / 1–20, Vol. 23, No. 1.

Chap 5. International Trade Policy and China's Performance

Luo, ChangYuan and Zhang, Jun, 2010, *China Trade Policy Review: A Political Economy Approach*, The World Economy, Nov, Vol. 33 Issue 11, p1390-1413.

Mathieu Bussiere, Emilia Perez-Barreiro, Roland Straub and Daria Taglioni, 2011, *Protectionis Responses to the Crisis: Global Trends and Implications*, The World Economy Special Issue: CHINA AND THE GLOBAL FINANCIAL CRISIS, Volume 34, Issue 5, pages 826–852, May.

Brett Berger, Robert F. Martin, 2013, *The Chinese Export Boom: An Examination of the Detailed Trade Data*, China & World Economy / 64–90, Vol. 21, No. 1.

Chap 6. International Capital Market and China's Financial Development

Xianguo Yao and Xin Wu, 2011, *Transition of China's Financial System after the Global Financial Crisis*, The World Economy, Special Issue: CHINA AND THE GLOBAL FINANCIAL CRISIS, Volume 34, Issue 5, pages 792–804, May.

Ronald McKinnon, Gunther Schnabl, 2014, *China's Exchange Rate and Financial Repression: The Conflicted Emergence of the RMB as an International Currency*, China & World Economy / 1–35, Vol. 22, No. 3.

Hyoung-kyu Chey, 2015, *Renminbi in Ordinary Economies: A Demand-side Study of Currency Globalization*, China & World Economy / 1–21, Vol. 23, No. 3.

Chap 7. International Investment and FDI in China

John H. Dunning, *The Determinants of International Production*, Oxford Economic Papers, Volume 25, Issue 3, Nov. 1973, 289-336.

Yiping Huang, Bijun Wang, 2011, *Chinese Outward Direct Investment: Is There a China Model?* China & World Economy / 1 – 21, Vol. 19, No. 4.

Xiaoguang Liu, Qin Gou, Feng Lu, 2015, *Remedy or Poison: Impacts of China's Outward Direct Investment on Its Exports*, China & World Economy / 100–120, Vol. 23, No. 6.

Chap 8. Regionalization and China's Participation

Richard Baldwin, 1997, *The Causes of Regionalism*, The World Economy, Blackwell Publishing, vol. 20(7), pages 865-888, November 1997.

Jayant Menon, 2014, *Multilateralisation of Preferences versus Reciprocity when FTAs are Underutilized*, THE WORLD ECONOMY, 14 JUL.

Buhara Aslan, Merve Mavus Kutuk, Arif Oduncu, 2015, *Transatlantic Trade and Investment Partnership and Trans-Pacific Partnership: Policy Options of China*, China & World Economy / 22–43, Vol. 23, No. 6.

Chap 9. Globalization, East Asian Economy and China's Development

Jeffrey G. Williamson, *Winners and Losers Over Two Centuries of Globalization*, NBER Working Paper 9161, September 2002.

Joseph E. Stiglitz, 1996, *SOME LESSONS FROM THE EAST ASIAN MIRACLE*, The World Bank Research Observer, vol. 11, no. 2 (August 1996), pp. 151-77.

Warwick J. McKibbin, Andrew B. Stoeckel and YingYing Lu, *Global Fiscal Adjustment and Trade Rebalancing*, THE WORLD ECONOMY, Volume 37, Issue 7, July 2014, Pages: 892–922.

Peter Nolan, 2014, *Globalisation and Industrial Policy: The Case of China*, THE WORLD ECONOMY, Volume 37, Issue 6, June 2014, Pages: 747–764.

Zhizhong Yao, 2015, *How Can China Avoid the Middle Income Trap?* China & World Economy / 26–42, Vol. 23, No.5.

Son Ngoc Chu, Ligang Song, 2015, *Promoting Private Entrepreneurship for Deepening Market Reform in China: A Resource Allocation Perspective*, China & World Economy / 47–77, Vol. 23, No. 1.

【Teaching Methods】 Students' acquisition of core knowledge is achieved primarily through course lectures and presentations. The weekly session, comprises two elements. Generally, the first 1 and 1/2 hour will take the form of a formal lecture. The second part, 3/4 hour will mainly be seminar-based, which leaves considerable room for interaction. Most seminars are student-led and will be assigned at the beginning of the course. The course lecturer will perform a primarily facilitative role in the seminars ensuring that learning outcomes are met.

【Course Requirements】 Students are required to participate all classes and prepare assigned presentations. A final term paper will also be compulsory.