Course Description: The Covid-19 pandemic, in an unfortunate way, shows again that we live in an inter-connected world. In this course, we will examine how the economy of China (and other emerging market countries) works, and how they are connected to the rest of the world via trade, investment, finance, and ideas. We will develop a framework to look at what opportunities and challenges that they present to the global business communities.

While the lectures will examine a number of countries, China will occupy a disproportional amount of attention. That is because, in terms of GDP, China is the world’s second largest economy, and on course to catch up with and perhaps surpass the United States. China is also bigger than the sum of the next three largest emerging market economies (India, Russia, and Brazil). Nonetheless, emerging market economies also share a number of characteristics that make them different from the more developed countries. The framework to analyze China will be useful to understand other emerging market economies as well.

In this course, we will discuss the relationship between firms and the government, the working of the consumer market, the saving/consumption behavior, trade rules and trade wars, e-commerce and FinTech, and the One-Belt-One-Road program.

A key feature of the course is that it will be data-driven and fact-driven. This means that we will examine many conventionalwisdoms critically and do not take media reports or official
pronouncements at the face value. We will also combine conceptual knowledge with practical insight by inviting speakers with rich business or government experience to share their perspectives.

**Course Features:** Students will get more out of the class by being engaged both inside and outside the classroom. Students are expected to do assigned readings ahead of each class. Students will have opportunities to work on projects related to investment opportunities and economic policy analysis.

**Grading:**

<table>
<thead>
<tr>
<th>Component</th>
<th>Points</th>
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<tbody>
<tr>
<td>Class attendance and participation</td>
<td>40 points</td>
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<tr>
<td>Two Research Reports</td>
<td>50 points</td>
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<tr>
<td>Exam</td>
<td>30 points</td>
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<td><strong>Total</strong></td>
<td><strong>120 points</strong></td>
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Per School instruction, the course will be graded on a curve.
<table>
<thead>
<tr>
<th>Date</th>
<th>Topics</th>
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<tbody>
<tr>
<td>May 17</td>
<td>Course Overview + Lessons from the History</td>
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<tr>
<td>May 31</td>
<td>The Government Factor: Covid-19, the GFC, and Policy Responses</td>
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<tr>
<td>June 14</td>
<td>The People Factor: Numbers, Ratios, and Surprises</td>
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<td>June 28</td>
<td>From “Made-in-China” to “Created-in-China”</td>
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<td>June 28</td>
<td><em>Short Report #1 due by 10 pm</em></td>
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<tr>
<td>July 5</td>
<td>Trade, Trade Rules, and Trade Wars</td>
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<td>July 12</td>
<td>e-Commerce and e-Finance</td>
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<td>July 26</td>
<td>One-Belt-One-Road: Ambition, Resistance, and Implications</td>
</tr>
<tr>
<td><em>August 9</em></td>
<td><em>Short Report #2 due by 10 pm</em></td>
</tr>
<tr>
<td>August 16</td>
<td>The Future</td>
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The Schedule and the Topics in a Glance

9 am – 1:30 pm Eastern Standard Time with 1-2 breaks in between. All sessions are met via Zoom.
Detailed Course Plan and Assigned Readings

(Most sessions starting with the second one will feature some guest speakers from investment banks, consulting firms, private equity funds, or policy institutions)

Session #1   Overview + Lessons from the History

Readings:

Session #2   The Government Factor

Readings:
- (Optional) *The Party: The Secret World of China’s Communist Rules,* by Richard McGregor. (Chapters 1-3 and 7 give you useful insight into how the government regulates the economy, the business world, and the society.)

Session #3   The People Factor

Readings:
Session #4  
Firms and Innovations

Readings:

- (Optional) AI Superpowers: China, Silicon Valley, and the New World Order, by Kai-fu Lee, Houghton Mifflin Harcourt, 2018

Session #5  
Trade, Trade Rules, and Trade Wars

Readings:


Session #6  
E-Commerce and E-Finance

Reading:

- The World Bank, 2019, E-Commerce Development: Experience from China


Session #7  
One-Belt-One-Road: Ambition, Resistance, and Implications

Reading:

- Berf Hoffman, 2015, “China’s One Belt One Road Initiative,” the World Bank
Session #8  The Future

This session will integrate the insight from a semester of learning, discuss the latest “hot” topics related to China that may have emerged in 2019, and look ahead for opportunities and challenges with regard to the rise of China in the world economy.

The members of the class are also welcome to email questions about the Chinese economy to the professor three days before the class. The professor will address all questions common to at least three students.