Description
This course surveys the political economy of China. It begins with China’s political institutions and its economic history from pre-revolutionary times to the present. It then explores China’s rural and urban economies, private sector, local governments, income inequality, social welfare provision, and macroeconomic planning. It next turns to China’s international trade and foreign investment. It concludes with a review of China’s demographic trends and environmental issues. Throughout the course, we will focus on the changing role of state-society relations. To what degree has political reform accompanied economic reform? Is the state increasingly accountable to citizens? Or has China become trapped in a partial reform equilibrium in which elite interests impede further liberalization? An introductory economics course is a helpful, but not required, precursor to this course.

Requirements
The course has six requirements. They are enumerated for simplicity:

1. Participation, 10%
2. Quiz, 10%
3. Crisis simulation, 10%
4. Midterm, 20%
5. Final, 25%
6. Presentation, 25%

First, students are expected to have read all assigned materials prior to class and contribute substantially to class discussions. Weekly reading assignments will average roughly 150 pages and will be available via Blackboard. This will constitute 10% of final grades. The instructor reserves
the right to calculate class participation through performance on pop quizzes, if necessary. Second, a quiz on regional geography will be given on Thursday, January 25, which will constitute 10% of final grades.

Third, students will participate in an economic crisis simulation on Thursday, April 5. Students will be assigned to parties involved in the crisis and will prepare a three-minute presentation and a one-page memorandum on their party’s position. They will then attempt to resolve the crisis during the emergency policy meeting convened during class. This will constitute 10% of final grades.

Finally, students will complete midterm and final exams; they constitute 20% and 25% of final grades, respectively. The exams will require students to skillfully synthesize the course’s themes and draw on relevant scholarship. The midterm will be administered in class on Thursday, March 8; the final exam will be scheduled later.

The final course requirement is a presentation during the final week of class, which will constitute 25% of final grades. Working in groups, students will give 15 minute “briefings” to the class. These “briefings” should introduce the class to pressing issues in China’s political economy, and may focus upon any topic that, due to time constraints, I have neglected during previous weeks. Student groups will meet with me prior to Week 8 to discuss preliminary ideas. Possible topics include China’s engagement with Latin America or its policies on rare earth exports, among countless others.

Technology Policy

Please make sure that your cell phones are silenced and put away before class starts. I leave it to students to decide whether they will use laptops to take notes. Before making this decision please consult recent research that shows that students take better notes by hand and learn less, both individually and collectively, when laptops are in the classroom.[2]

Statement on Academic Conduct and Support

Plagiarism – presenting someone else’s ideas as your own, either verbatim or recast in your own words – is a serious academic offense with serious consequences. Please familiarize yourself with the discussion of plagiarism in SCampus in Section 11, Behavior Violating University Standards.[3] Other forms of academic dishonesty are equally unacceptable. See additional information in SCampus and university policies on scientific misconduct.[4] If you engage in plagiarism or any other form of academic misconduct, you will fail the course. If you aid someone else’s misconduct, you will fail the course.

Discrimination, sexual assault, and harassment are not tolerated by the university. You are encouraged to report any incidents to the Office of Equity and Diversity[5] or to the Department of

1 http://pss.sagepub.com/content/25/6/1159
3 https://scampus.usc.edu/1100-behavior-violating-university-standards-and-appropriate-sanctions
4 http://policy.usc.edu/scientific-misconduct
5 http://equity.usc.edu
Public Safety. This is important for the safety of the whole USC community. Another member of the university community – such as a friend, classmate, advisor, or faculty member – can help initiate the report, or can initiate the report on behalf of another person. The Center for Women and Men [7] provides 24/7 confidential support, and the sexual assault resource center webpage [8] describes reporting options and other resources.

A number of USC’s schools provide support for students who need help with scholarly writing. Check with your advisor or program staff to find out more. Students whose primary language is not English should check with the American Language Institute [9], which sponsors courses and workshops specifically for international graduate students. The Office of Disability Services and Programs [10] provides certification for students with disabilities and helps arrange the relevant accommodations. If an officially declared emergency makes travel to campus infeasible, USC Emergency Information [11] will provide safety and other updates, including ways in which instruction will be continued by means of blackboard, teleconferencing, and other technology.

Students requesting academic accommodations based on disability are required to register with Disability Services and Programs (DSP) each semester. A letter of verification for approved accommodations can be obtained from DSP when adequate documentation is filed. Please be sure the letter is delivered to me as early in the semester as possible. DSP is open Monday-Friday, 8:30am–5:00pm. The office is in Student Union 301 and their phone number is 213.740.0776.

Required for Purchase


Recommended Reference Works

Students who seek additional background on Chinese history or politics would do well to start here.


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6 http://adminopsnet.usc.edu/department/department-public-safety
7 http://www.usc.edu/student-affairs/cwm/
8 http://sarc.usc.edu
9 http://dornsife.usc.edu/ali
10 http://sait.usc.edu/academicsupport/centerprograms/dsp/home_index.html
11 http://emergency.usc.edu
Lecture 1: Introduction and Course Overview
Date: Tuesday, January 9

The introductory lecture provides an overview of the course.

Lecture 2: Political Institutions of China
Date: Thursday, January 11

This lecture introduces Chinese political and economic institutions. Which institutions enable policy generation and execution? Has authority over policymaking become fragmented over time? More broadly, what is an institution and why is it important for economic growth?


Lecture 3: Economic History of the Pre-Revolutionary Era and Mao’s Communism
Date: Tuesday, January 16

This lecture describes the economic history of China during the pre-Revolutionary era and the Mao era. What role does geography play in China’s economic development? What are China’s factor endowments? Why did the Cultural Revolution and the Great Leap Forward claim so much economic output and so many lives?


Lecture 4: Economic Reform under Deng
Date: Thursday, January 18

This lecture introduces Deng’s economic liberalization policies. Who benefited from economic reform? How did the development of private property rights in China differ from that in England?


Lecture 5: Contemporary Economic Policies

Date: Tuesday, January 23

This lecture reviews the economic policies pursued by Jiang, Hu, and Xi. How have development priorities changed with each leader? Were Chinese economic policies in this period captured by elites, as in the post-Soviet states? Does China today exist in a partial reform equilibrium?


Quiz

Date: Thursday, January 25

Lecture 6: Leadership Selection, Incentives in the Party-State, and Returns to Office

Date: Tuesday, January 30

This lecture explores how cadres get ahead in the communist party. How do incentives for advancement affect economic outcomes?


Lecture 7: The Rural Economy
Date: Thursday, February 1

This lecture introduces the rural economy.


Lecture 8: The Urban Economy
Date: Tuesday, February 6

This lecture introduces China’s urban economy.


Lecture 9: The Private Sector and Entrepreneurs
Date: Thursday, February 8

This lecture introduces the private sector and entrepreneurship in China.


Lecture 10: Local Governments and Civil Society
Date: Thursday, February 15

This lecture focuses on the role of China’s local governments in setting and executing economic development policies.

Lecture 11: Migrant Workers
Date: Tuesday, February 20

This lecture focuses on the state of migrant workers in China.


Lecture 12: Income Inequality
Date: Thursday, February 22

This lecture reviews income inequality in China. Does China have a Kuznets Curve? What does the Elephant Curve mean for China? What are the economic origins of dictatorship and democracy, and can those factors explain China’s politics since 1949?


Lecture 13: Official Statistics
Date: Tuesday, February 27

This lecture reviews the credibility of China’s official statistics in various areas.


Lecture 14: Social and Political Contestation
Date: Thursday, March 1

This lecture introduces class issues in contemporary China.


Lecture 15: Q&A Session on First Half of Course
Date: Tuesday, March 6

This lecture will take the form of a Q&A session in advance of the midterm.

Midterm Exam
Date: Thursday, March 8

Spring Break

Lecture 16: The Financial System
Date: Tuesday, March 20

This lecture introduces China’s financial system.


Lecture 17: The Housing Market
Date: Thursday, March 22

This lecture reviews data on China’s housing market. To what extent does a real estate bubble threaten China’s economic development?


Lecture 18: International Trade
Date: Tuesday, March 27

This lecture reviews evidence on China’s international trade.


Lecture 19: Inward FDI
Date: Thursday, March 29

This lecture reviews the contributions of inward FDI to China’s economic development.


No Class: Simulation Preparation
Date: Tuesday, April 3

Crisis Simulation
Date: Thursday, April 5

In this class, students will participate in an international crisis simulation. The crisis scenario will be announced in lecture on March 30; students will be assigned to countries then. In lieu of reading assignments for April 4, students will meet before class to write a one page brief on their country’s position on the crisis. In class on April 6, groups will present their nation’s position in a 3-minute statement. Groups will employ the rest of the emergency meeting to attempt to resolve the crisis through official and unofficial channels.

Lecture 20: Outward FDI
Date: Tuesday, April 10

This lecture reviews data on China’s outward FDI flows.


Lecture 21: Demographics, the One Child Policy, and Human Capital
Date: Thursday, April 12

This class reviews China’s demographic trends.


Lecture 22: The Environment and Energy
Date: Tuesday, April 17

This class reviews issues in China’s environmental and energy situation.


Lecture 23: Conclusion
Date: Thursday, April 19

This lecture offers concluding remarks.


Lecture 24, 25: Student Presentations
Date: Tuesday, April 24 and Thursday, April 26