

Boston University
Dept of International Relations

CAS IR 527 – Spring 2015
Mon & Wed: 12:00-1:30 pm
Classroom: STH B22

THE POLITICAL ECONOMY OF CHINA

Professor Min Ye

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Course Description

This course will provide a comprehensive analytical and empirical discussion on China's economic reform. Three main questions are addressed: How did China implement economic reform? What were the state and society relationships during the reform era? How was Chinese political-economic development shaped by and in turn influencing the global system? All these questions are discussed in a comparative perspective by contrasting China with other major historical and present developing countries, including Japan and India.

The course first offers a background discussion of China's politics before the economic reform: the land reform, the Great Leap Forward, and the Cultural Revolution. It is followed by discussions on contemporary political economy within China. Topics included state's role in economic reform, the local governments, state-owned enterprises, private sectors, and international linkages. Then, the course discusses China's political development in the context of economic growth. The course is concluded with analyses of China's impact on the global system.

Course Reading

There are four books available for purchase at the BU bookstore. Other materials will be supplied in class or on course website. You are expected to finish the required reading before the class.

Barry Naughton. 2007. *The Chinese Economy: Transition and Growth*. Cambridge, MA: The MIT Press.

Joseph Fewsmith. 2013. *The Logic and Limitation of China's Political Reform*. New York: Cambridge University Press.

Nina Hachigian. *Debating China: The U.S-China Relationship in Ten Conversations*, Oxford University Press. 2014.

Min Ye. 2014. *Diasporas and Foreign Direct Investment in China and India*. New York: Cambridge University Press.

Course Assignments

There are four assignments that will be graded in this class. Each reflects a critical skill and knowledge that this course strives to impart. The first component is participation, which requires you not only be present physically but also intellectually. Every student is expected to read the assigned reading before class and join in the discussion and interact with your classmates and instructor.

There will be two exams: mid-term and final. The mid-term will be administered on **March 4, Wed.** No exception. The final exam will be administered on the date decided by the university. These exams consist questions that challenge you to analyze the reading materials and formulate your independent and critical arguments. More instructions will be provided later.

The last part of your assignment tests your research, oral presentation, and writing skills. On a self-selected topic, you will be asked to survey Lexus-Nexas and other online journals to find the various debates presented on that particular topic in China. You will present your findings in the last three classes. On **April 27 (Monday)**, you are expected to submit your report on that assignment. The final exam is scheduled for the university designated final exam time.

Grading

Participation: 20%

Mid-term: 25%

Final exam: 25%

News survey & Presentation & Report: 30%
(can be small group projects)

Policy on Absences

You are expected to attend all classes. Absences may be excused for medical, religious, official and personal reasons. The stated University policy reads: “Any student who has been excessively absent from a course may be required to withdraw from that course without credit.” I define “excessively absent” for this course to be five absences, excused or not.

Policy on “Incompletes”

No incomplete grades will be reported.

Policy on Plagiarism

Plagiarism is the passing off of the ideas or words of another as your own. It is taken very seriously at Boston University as at all institutions of higher learning. Those believed to have committed plagiarism must appear before the university disciplinary board a procedure that can result in a student’s suspension or expulsion. Your papers should contain appropriate citations. It is better to use too many citations than too few.

If you have any doubt about what constitute plagiarism, please talk with me. I reserve the right to use computer software for plagiarism detection.

Consult <http://www.bu.edu/cas/academics/programs/conductcode.html> for a systematic discussion of Academic Conduct Code of the College of Arts and Sciences.

Important Dates!!

FIRST DAY OF CLASS: JANUARY 21, WEDNESDAY

FIRST MIDTERM: MARCH 4, WEDNESDAY

SPRING RECESS: MARCH 7-15

DUE DATE OF RESEARCH REPORT: APRIL 27, MONDAY

FINAL EXAM: UNIVERSITY TBA

SESSION SCHEDULE

(subject to change)

Week 1: Jan 21

Introduction of the Syllabus

Small group discussion: four groups

Week 2: Jan 26 & 28, Legacies

China's Tradition: Naughton, 1-53 (Ch 1 &2)

Socialism: Barry Naughton, 55-82 (Ch3)

Week 3: Feb 2 & 4, Openness and Economic Reforms

Barry Naughton, 85-135 (Ch 4 &5); Ch 10, Ch 12

Week 4: Feb 9 & 11, The State

Kenneth Lieberthal and David Lampton (eds.), *Bureaucracy, Politics, and Decision Making in Post-Mao China*, Chapter 1

Wang Shaoguang and Hu Angang, *The Chinese Economy in Crisis: State Capacity and Tax Reform*, Chapter 1

Dali Yang, *Remaking the Chinese Leviathan*. Chapter 1.

Victor Shih, *Elite Politics and Financial Reform in China*. Chapter 1.

Week 5: Feb 17 & 18, Local Governments

Jean Oi, "Fiscal Reform and the Economic Foundation of Local State Corporatism in China," *World Politics*, October 1992.

Barry Naughton, Rural Economy, 229-246; 272-293

Andrew Walder, "Local Governments as Industrial Firms: An Organizational Analysis of China's Transitional Economy," *American Journal of Sociology*, September 1995.

Adam Segal and Eric Thun, "Thinking Globally, Acting Locally: Local Governments,

Industrial Sectors, and Development in China,” *Politics & Society*, 29, 4,
December, 2001.
WSJ, “local debt,” 2014

Week 6: Feb 23 & 25, FDI in China

Min Ye. *Diasporas and FDI*.

Small-group assignment for class presentation and research project

Week 7: March 2 Private Sector; March 4, Mid-term Exam

Barry Naughton, 297-325; Bruce Dickson, “Cooptation” 2007

Mid-Term Exam

Week 9: Mar 16 & 18, Financial Reform

Edward Steinfeld. “Moving beyond Transition in China: Financial Reform and the
Political Economy of Declining Growth,” *Comparative Politics*.

John Dangois, “The WTO and China’s Financial System,” *The China Quarterly*, No.
167, September 2001.

Barry Naughton. 451-478

Reread, Victor Shih, Financial reform in China

Week 10: Mar 23 & 25, International Linkage

Barry Naughton, 375-422.

Nicolas Lardy, *Integrating China into the Global Economy*, chapter 3, scanned.

Fred Bergsten, Bates Gill, Nicholas Lardy, and Derek Mitchell, chapter 4, scanned.

Debating China, Naughton-Yao Yang debate

Week 11: Mar 30 & Apr 1, Labor and Democratization in the Reform Era

Mary Gallagher, “Reform and Openness: Why China’s Economic Reforms have
Delayed Democracy,” *World Politics*.

Min Ye, “FDI and Inequality in China.”

Min Ye, “Returnees and Democratization in China?”

Fewsmith, 2013, Ch 1

Week 12: April 6 & 8, Logic and Limitation of Political Reforms in China

Fewsmith, 2013

Presentation on cases, small groups

Week 13: Apr 13 & 15, Challenges to the U.S

Debating China, Lieberthal – Wang Jisi debate

Zheng Bijian, “China Peaceful Rise,” *Foreign Affairs* Sept/Oct 2005, pp. 18-24

Alastair Ian Johnston, “Is China a Status Quo Power,” *International Security*, Spring
2003, Vol 27, No. 4 & “How Assertive is China’s New Assertiveness?” 2010,
IS article.

Aaron Friedberg, “The Future of U.S-China Relations: Is Conflict Inevitable?”

International Security, Vol 30, No. 2 (Fall, 2005), pp. 7-45

Week 14: April 22, China in the World

Min Ye, "New Silk Road"

Debating China, Energy chapter

Joshua Cooper Ramo. "The Beijing Consensus." <http://fpc.org.uk/fsblob/244.pdf>

Gallagher and Ray, China's trade in Latin America.

April 27 & 29, Presentation

Report Due: April 27, Monday, beginning of the class

FINAL Exam: Due on the date of final exam as designated by the Registrar