A Research and Policy Dialogue Group Based at the University of Western Ontario, London, Ontario, Canada and Partnered with The Centre for International Governance Innovation (CIGI), Waterloo Ontario

Principal Participants

John Whalley UWO/CIGI (Coordinator)

Manmohan Agarwal CIGI

Jim Davies UWO

Terry Sicular UWO

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http://www.economics.uwo.ca/orf/index.asp

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1. Overview

The China Research and Policy Group at Western is a research and policy analysis/dialogue entity based at the Economic Policy Research Institute (EPRI), Department of Economics, The University of Western Ontario (UWO), London, Ontario, Canada, and partnered with the Centre for International Governance Innovation (CIGI), Waterloo, Ontario, Canada. It also has several partnering research groups in universities and research institutions in China, and other countries including the UK, Russia and India.

It engages in both project supported activities and in policy commentary and dialogue on a wide range of issues related to economic policy issues involving China. It also interacts with the business community both inside and outside of China. Its central focus is on China’s ongoing integration and involvement in the global economy. This covers China’s trade and foreign investment inflows and outflows, its involvement in international bodies (G20, WTO, IMF, World Bank), exchange rate and reserve management policies, growing Southern engagement, and regional trade and monetary policies. But in addition, the group also covers Chinese domestic issues including enterprise reforms, Chinese tax policy, China’s labour markets, China’s regional policies, social policy and inequality and other issues.

The group has four principal investigators, one of whom also serves as group coordinator. The group has five postdoctoral fellows at UWO, including visitors from China, three visiting Chinese graduate students, and one student from India. It also supports the research of other UWO faculty and graduate students.

The output from the group involves research papers (see below), conferences and workshops (also see below), monthly seminars with CIGI participation, visits by distinguished scholars, and participation in events/conferences elsewhere. Leading Chinese partners include Beihang University (BU), Beijing Normal University (BNU), Chinese Academy of Sciences (CAS), Chinese Academy of Social Sciences (CASS), Chinese Agricultural University (CAU), Development Research Centre (State Council), Fudan University, Inner Mongolia University, Peking University (PKU), Renmin University, Shanghai Academy of Social Sciences (SASS), Shanghai Jiaotong University (SJTU), Shanghai University of Finance and Economics (SUFE), Suzhou Institute, University of International Business and Economics (UIBE), Xiamen University and Zhejiang University.

Outside China, the China Research and Policy Group at Western partners with the ESRC Centre, Competitive Advantage in the Global Economy (CAGE), at the University of Warwick, UK; the Institute for Complex Strategic Studies (ICSS), Moscow; the International Development Research Centre (Western), the School for Contemporary Chinese Studies, University of Nottingham, UK; and the School for International Studies, Jawaharlal Nehru University, Delhi.
2. Current Projects and Activities

Key current and planned activities include:

A. The Ontario Research Fund project (ORF): a five year partnered project with Chinese institutions supporting a postdoctoral fellow and research program and supported by the Government of Ontario through the Ontario Research Fund (ORF), The Centre for International Governance Innovation (CIGI), Waterloo, Ontario, and the University of Western Ontario.

B. The IDRC/CIGI Young China Scholars’ program: a three year program partnered with Chinese institutions and focused on China’s Post Crisis policy regime supported by the International Development Research Centre (IDRC), Ottawa, and The Centre for International Governance Innovation (CIGI), Waterloo, Ontario.

C. Grants from the Social Science and Humanities Research Council to individual group members for work on China.

D. Work on climate change underway and supported by the Academic Development Fund (ADF) of the University of Western Ontario and under discussion with the World Bank on China’s climate policies and China’s activities in Africa.

E. Work drawing on the China Household Income Project (CHIP); a multi-year partnered project with Beijing Normal University and involving an international team of researchers. The focus is on empirical analysis of inequality and poverty based on large household surveys, and draws on funding from SSHRC, the Ford Foundation, and Chinese institutions.

F. Participation in a project on growth experience comparisons between China, India, Russia and Brazil supported by the Centre for International Governance Innovation (CIGI), Waterloo, Ontario, and Competitive Advantage in the Global Economy (CAGE), University of Warwick, UK.
3. **Current Personnel**

A. **Principal Participants**

- John Whalley, University of Western Ontario (UWO) and The Centre for International Governance Innovation (CIGI) (Coordinator)
- Manmohan Agarwal (Centre for International Governance Innovation, CIGI)
- Jim Davies, University of Western Ontario (UWO)
- Terry Sicular, University of Western Ontario (UWO)

B. **Project Support and Administrative Staff**

- Kun Peng, The Centre for International Governance Innovation (CIGI) and University of Western Ontario (UWO)
- Sean Walsh, The Centre for International Governance Innovation (CIGI)
- Leslie Kostal, University of Western Ontario (UWO)

C. **Postdoctoral Fellows (Current and Previous)**

- CAI Yuezhou, Chinese Academy of Social Sciences
- CHEN Hejing, Xiamen University
- DONG Yan, Chinese Academy of Social Sciences
- LI Chunding, Chinese Academy of Social Sciences
- LU Jing, Zhejing University
- MAO Risheng, Chinese Academy of Social Sciences
- SHI Xiaojun, Beihang University
- WANG Jing, Chinese Academy of Social Sciences
- WANG Li, Chinese Academy of Social Sciences
- WANG Jing, Chinese Academy of Social Sciences
- WANG Yuanying, Shanghai Normal University
- XING Chunbing, Beijing Normal University
- ZHAO Xiliang, Xiamen University

D. **Project Affiliates**

- FAN Maoqing, Tsinghua University
- HUANG Wei, Chinese Academy of Social Sciences
- LI Xiaoying, Sun Yat-Sen University
- LI Yao, Hong Kong University of Science and Technology
- LU Ming, Jiaotong University
- TIAN Huifang, Chinese Academy of Social Sciences
- XIN Xian, Chinese Agricultural University
- YUE Ximing, Renmin University
- ZHANG Ying, Chinese Academy of Social Sciences
- ZHANG Yuan, Fudan University
- ZHAO Kai, University of Western Ontario
- ZHONG Ninghua, Hong Kong University of Science and Technology
E. **Graduate and Undergraduate Students**

- Dana Medianu, University of Western Ontario
- DING Kang, Renmin University
- DONG Xue, University of Western Ontario
- SHEN Zirong, Sichuan University
- TANG Kexin, Sichuan University
- ZHONG Ningshua, Hong Kong University of Science and Technology

F. **Collaborating Researchers from the following Chinese Universities and Research Institutes**

- Beihang University
- Beijing Normal University
- Chinese Academy of Sciences
- Chinese Academy of Social Sciences
- Chinese Agricultural University
- Development Research Centre (State Council)
- Fudan University
- Inner Mongolia University
- Peking University
- Renmin University
- Shanghai Academy of Social Sciences
- Shanghai Jiaotong University
- Shanghai University of Finance and Economics
- Suzhou Institute
- University of International Business and Economics
- Xiamen University Zhejiang University

G. **Outside China, the China Group Partners with:**

- Competitive Advantage in the Global Economy (CAGE) of the University of Warwick, UK
- Institute for Complex Strategic Studies (ICSS), Moscow
- International Development Research Centre (Western)
- School for Contemporary Chinese Studies, University of Nottingham, UK
- School for International Studies Jawaharlal Nehru University, Delhi
4. **The Ontario Research Fund (ORF) Project**

This is a five year project which the China Research and Policy Group at Western is currently executing which seeks to produce policy relevant original research, achieve policy impact primarily in China and cover China’s interactions with other larger developing countries. It focuses on five themes.

1. China’s trade and foreign investment
2. China’s exchange rates, reserve management, and monetary polices
3. China and climate change
4. China’s tax policies
5. China and the South

The coordinator is John Whalley (UWO/CIGI), with Manmohan Agarwal (CIGI), Jim Davies (UWO) and Terry Sicular (UWO) as project principal participants. The aim is to work with young postdoctoral fellows, mainly from China, to produce new policy relevant research, achieve policy impact and produce information flows. The project has a series of sub programs and activities; Postdoctoral Fellows; Affiliates; Mini Conference/Seminars; Working Papers; Policy Briefs; Outreach Activities.

**Postdoctoral Fellows**

The project has the resources to make five postdoctoral fellow appointments each year. These are typically younger completed PhDs, often with university or research institute appointments. Scholars produce research papers relevant to the project themes. They also engage in policy dialogue via presentations and panel membership sessions. The project has the flexibility to make shorter duration appointments in some cases.

**Research Affiliates**

The project appoints scholars in China and elsewhere as research affiliates. These appointments may be prior to postdoctoral fellow appointments in later years. Such appointments give affiliates the chance to post papers on the project web site or be invited to project events.

**Mini Conferences/Seminars**

The project typically holds two mini conferences a year, one in China and one in Canada at CIGI. The first of these were on China and Climate and Inequality in China and held in spring 2010 at the Chinese Academy of Social Sciences and at Beijing Normal University. There is a monthly workshop series at UWO, as well as a distinguished visitor program, and a weekly informal project lunch seminar.

**Working Papers**

The project has a working paper series providing full-length scholarly research reports by Postdoctoral Fellows and project researchers, intended for later publication in academic journals or other scholarly outlets. The papers are made available on the project website. Papers by Research Associates are also downloadable from this site.
Policy Briefs

The project, in collaboration with CIGI, produces commentary on current issues relevant to the project. These are distributed electronically.

Outreach Activity

To achieve outreach for project work, the project encourages policy dialogue through participation in outside events, media interviews, and newspaper commentary. This occurs both inside and outside China.

5. IDRC/CIGI Young China Scholars Project

This project works with a growing young scholars’ network in China to produce ongoing policy relevant research and to achieve policy impact through dialogue. At present, the project is funded for three years (2010 onwards) as an extension to the earlier Phase 1 funding between 2005 and 2008 of the IDRC/CIGI Young China Scholars Research and Policy Engagement Network. Its main focus is debate in China concerning the global economic crisis and what form the post crisis policy regime in China should take. Discussions of appropriate policy responses have been ongoing in several key policy areas such as trade, finance, banking regulation, exchange rates, tax policy rural development, poverty alleviation, and social policy. There is activity in the research community in China on these issues, but it is scattered and tends not to involve younger scholars to any significant degree. The Phase 1 Network, which focused on poverty research, developed the network infrastructure on which to build new research activity in this area by further involving young scholars.

The approach in Phase 2 is to use targeted network strengthening activities in subareas, develop young researchers and commission papers from more established scholars. From 2010 onwards, Phase 2 will involve subarea activity on China’s key post crisis policy areas involving trade and investment, macro polices and financial structure, social policies and poverty, rural development and China’s tax policies. Research work from these groups, plus briefings/commentary from senior policy figures, will be brought together in a thematically focused Annual Forum of Crisis Research and Policy Dialogue. Principal Chinese partners in the project are the Chinese Academy of Social Sciences (CASS), and Beijing Normal University (BNU). The project is jointly coordinated by Professors Li Shi (BNU), Tongsan Wang (CASS), Terry Sicular (UWO and CIGI) and John Whalley (UWO and CIGI).

6. The ADF Climate Change Project

This is a project supported by the Academic Development Fund at UWO for two years for initial work on an innovative approach to modeling global carbon limitation initiatives. China is a key focus of analysis in this work. The research questions involve the appropriate size of global carbon emission reductions and their distribution by country, taking into account the benefits of slowed global warming. The methodology involves the development and use of bargaining structures in which country emission reduction levels are endogenously determined in contrast to currently available models which treat emission reduction proposals as exogenous, and in which the benefits of emission reductions are not present. This work will thus contrast sharply with current modeling structures used by the Intergovernmental Panel on Climate Change (IPCC) and national government agencies. A series of research papers has been produced which is available at the China Research and Policy Group at Western website.
7. **Wider Dialogue and Interactions**

Following the mandate of ORF grant, the China Research and Policy Group at Western also seeks to interact with companies and other entities outside China seeking information on China, and Chinese companies and other entities seeking information on conditions outside of China. The China Research and Policy Group at Western also seeks policy dialogue with policy makers and other groups inside China, as well as outside China. The China Research and Policy Group at Western also interacts with NGO groups and media.

8. **China Research and Policy Group at Western Papers and Books**

**Books**


**Published Papers**


Li, Chunding and Xiangshuo Yin. 2010. The ‘Productivity Paradox’ of Chinese Export Firms: Review and Assessment. China Economist, 5(2)

Li, Chunding and Meiyin Zhao. 2010. Whether Export Improve Chinese Firm Productivity? Journal of Finance and Economics, 36(4) [In Chinese]


Shi, Xiaojun, Shunming Zhang and Jie Li. 2010. Is the Offsetting Effect of Trade Credit Channel on Bank Credit Channel Counter-Cyclic? Evidence from China. *China Economy Quarterly (Jin Ji Xue Ji Kan)*, 213-236 [In Chinese]


Wang, Jing. 2008. The Management Model of China’s Foreign Trade Risk. *Inquiry into Economic Issues*, Vol (2) [In Chinese]


**Working Papers**


Wang, Jing and John Whalley. 2010. Developing Countries and the Use of Accompanying Funds in Copenhagen and Beyond. CESifo working paper

Wang, Jing and John Whalley. 2010. China's Trade and Investment with the South Pre and Post the Crisis. Paper prepared at World Bank Conference on Trade and the Impacts of the Financial Crisis on Asia, May 10

Wang, Jing and John Whalley. 2010. The Trade Performance of Asian Economies During and Following the 2008 Financial Crisis. NBER working paper 16142


## Seminar Series 2010

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<th>Date</th>
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<th>Topic</th>
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<td>December 10</td>
<td>JOHN WHALLEY (University of Western Ontario)</td>
<td>“China and Copenhagen”</td>
<td>ORF/EPRI</td>
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<td>January 7</td>
<td>JOHN WHALLEY and YAN DONG (UWO &amp; CASS)</td>
<td>“How Large are the Impacts of Carbon Motivated Border Tax Adjustments?”</td>
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<td>February 24</td>
<td>G20 and China Presentations in CAGE/CIGI G20 Discussion Group</td>
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<td>Warwick University</td>
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<td>March 17</td>
<td>JOHN WHALLEY (University of Western Ontario)</td>
<td>“G20, Keynes and Fisher”</td>
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<td>April 16</td>
<td>JOHN KNIGHT (University of Oxford)</td>
<td>“Does Economic Growth Raise Happiness in China?”</td>
<td>ORF/EPRI Luncheon Seminar</td>
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<td>April 29</td>
<td>SHI XIAOJUN (UWO and Beihang University)</td>
<td>“Carbon Pricing and Global Redistribution”</td>
<td>ORF/CIGI Seminar Presentations/Mini Conference</td>
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<td>JING WANG (UWO and CASS)</td>
<td>“China’s Growing Southern Engagement”</td>
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<td>CHUNDING LI (UWO and CASS)</td>
<td>“China’s Response to Anti-Dumping Actions”</td>
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<td>June 2</td>
<td>SHI XIAOJUN (UWO and Beihang University)</td>
<td>“Carbon Taxes and Global Redistribution”</td>
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<td></td>
<td>MANMOHAN AGARWAL (CIGI)</td>
<td>“Global Imbalances and the Financial Crisis”</td>
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<td>June 11</td>
<td>CHUNBING XING (BNU)</td>
<td>“Regional Distribution of Skill Premium in Urban China, 1995-2007”</td>
<td>Labour Group at UWO</td>
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<tr>
<td>June 29</td>
<td>WEI HUANG (CASS)</td>
<td>“A study of De Facto Exchange Rate Regime Classification and Discriminate Criterion”</td>
<td>ORF Seminar</td>
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FRIDAY  
July 9  
CHUNDING LI (CASS)  
“Chinese Industrial Reaction to Antidumping”  
Seminar Presentations at UWO

TANMAYA SHELKAR (INDIAN INSTITUTE OF MANAGEMENT)  
“The Deepening China–India Relationship”

NGOC HA DAO (UNIVERSITY OF MONTREAL)  
“Informal Labour Markets in Vietnam and China and Search Models”

TUESDAY  
July 13  
SARAH DONG (UWO)  
“Identifying Borrowing Constraints for Education In Rural China”  
ORF Seminar

TUESDAY  
July 20  
CLARK LEITH (UWO)  
“China and Africa”  
ORF Seminar

10. Recent Conferences/Workshops

Conferences Held

Conference on China’s Poverty and Policy Responses, Institute of Quantitative Economics/Chinese Academy of Social Sciences, March 24, 2010

Seminar on Climate and Post-Copenhagen Climate Change Regime, Institute for Environment and Economic Sustainability/Chinese Academy of Social Sciences, April 6, 2010

Workshop on China’s Income Inequality, Beijing Normal University, May 21-22, 2010

Forthcoming

International Trade and Chinese Regulatory Policy, University of International Business and Economics, Beijing, Fall 2010

Chinese Ancient Economic Thought and Contemporary Chinese Policy, Reimin University, Beijing, Fall 2010

Annual Forum on Chinese Policy under the IDRC/CIGI Young Chinese Scholar Project, University of International Business and Economics, Beijing, Spring 2010
11. **ORF Organizing Committee**

John Whalley  
Chair of Organizing Committee, Professor of Economics, University of Western Ontario

Manmohan Agarwal  
Senior Visiting Fellow, CIGI

Paul Beamish  
Donald L. Triggs Professor of International Business, Ivey School of Business, University of Western Ontario  
Canada Research Chair in International Management

Amit Chakma  
President of the University of Western Ontario

Gregory Chin  
Senior Fellow CIGI, Assistant Professor in the Department of Political Science and Faculty of Graduate Studies at York University (Canada)

David Conklin  
James D. Fleck Professor in International Business, Ivey School of Business, University of Western Ontario

Andy Cooper  
Distinguished Fellow, CIGI; Professor of Political Science, University of Waterloo (Canada)

Nicholas Crafts  
Director of ESRC Research Centre on Competitive Advantage in the Global Economy (CAGE)

Robert E. Crow  
Vice President  
Industry, Government & University Relations  
Research In Motion

Jim Davies  
Professor of Economics, University of Western Ontario

Mario B. Lamberte  
Asian Development Bank Institute

Li Shi  
Professor of Economics, Beijing Normal University

Mary Lovely  
Syracuse University

Qin Xiangdong  
Professor of Economics, Jiao Tong University, Shanghai

Gregory Shea  
Vice President for Government Affairs, Asia Pacific Region, Research in Motion

Terry Sicul  
Professor of Economics, University of Western Ontario

Wang Tongsan  
Director of the Institute of Quantitative and Technical Economics of the Chinese Academy of Social Sciences
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<th>Name</th>
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<tr>
<td>Yao Shujie</td>
<td>Head of School and Professor of Economics and Chinese Sustainable</td>
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<td>Development School of Contemporary Chinese Studies, Faculty of Social</td>
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<td>Sciences, The University of Nottingham</td>
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<td>Zhang Yuyan</td>
<td>Director of the Institute of World Economics and Politics within the</td>
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<td>Chinese Academy of Social Sciences</td>
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<tr>
<td>Zhao Zhongxiu</td>
<td>Dean of Tax School of International Economics, University of International</td>
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<td>Business and Economics, Beijing</td>
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