

ECONOMICS OF CHINA  
ECONOMICS EC2128A-001  
Department of Economics  
Western University

September 2022

**Instructor:** Meghdad Rahimian

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**Delivery mode:** In-Person

**Class Times:** Tuesday 1:30 – 3:30 pm and Thursday, 2:30-3:30 pm

**Classroom:** FIMS & Nursing Bldg (FNB) rm 1240

**Office hours:** Fridays 11:00 am – 12:00 pm (1 hour - via Zoom)

Office hours will be held online using Zoom. I will post weekly invitations on OWL. You can install/login to Zoom using your university account at: <https://wts.uwo.ca/zoom/index.html>

**Course website:** <https://owl.uwo.ca/portal>

**Undergraduate inquiries:** 519-661-3507 or SSC Room 4075 or [econugrd@uwo.ca](mailto:econugrd@uwo.ca)

**Registration:**

You are responsible for ensuring you are registered in the correct courses. If you are not registered in this course, the Department will not release any of your marks until your registration is corrected. You may check your timetable by using the Login on the Student Services website at <https://student.uwo.ca>. If you notice a problem, please contact your home Faculty Academic Counsellor immediately.

**Prerequisite/Antirequisite Note:**

The **prerequisites** for this course are **Economics 1021A/B and Economics 1022A/B**, or **Economics 2001A/B**. The **anti-requisite** is **Economics 3311F/G**.

You are responsible for ensuring that you have successfully completed all course prerequisites, and that you have not taken any anti-requisite courses. Lack of prerequisites may not be used as a basis for appeal. If you are found to be ineligible for a course, you may be removed from it at any time and you will receive no adjustment to your fees. This decision cannot be appealed.

If you find that you do not have the course prerequisites, it is in your best interest to drop the course well before the end of the add/drop period. Your prompt attention to this matter will not only help protect your academic record but will ensure that spaces become available for students who require the course in question for graduation.

**Course Objectives:**

The People's Republic of China has been a rising economic power for the past 2-3 decades. Today, it has become the largest or second largest economy in the world, depending on the measure being used. In this course, we will study about China's remarkable economic

performance and place this performance in historical and comparative context. The course investigates topics related to China's economic history, transformation, structure, institutions, and public policy, in addition to current events and challenges.

### **Course Learning Outcomes:**

- Students will learn the main features of China's economy, economic performance, development, and challenges.
- Students will gain experience using economic models and methods through their application in the analysis of China's economy.
- Students will get a glimpse at the concepts of Socialism and State Capitalism.

### **Textbook and Readings:**

Readings will mainly (but not only) be chapters from the following textbook: *The Chinese Economy: Adaptation and Growth (SECOND EDITION, 2018)* by Barry Naughton. This is referred to as Naughton in the reading list below. Online (e-text) version of the textbook may be obtained from the publisher:

<https://mitpress.ubliish.com/book/the-chinese-economy>

Hard copies of the textbook may be ordered through the UWO bookstore:

[https://bookstore.uwo.ca/textbook-search?campus=UWO&term=W2022A&courses%5B0%5D=001\\_UW/ECO2128A](https://bookstore.uwo.ca/textbook-search?campus=UWO&term=W2022A&courses%5B0%5D=001_UW/ECO2128A)

Other items in the reading list may be accessed online through Western Libraries website:

<https://www.lib.uwo.ca/>

Each week, we will cover 1-2 chapters or one chapter and one paper from the required readings below. In addition, I may be posting optional readings on the topics listed below. Optional readings are recommended but not required.

### **Topics Covered and Required Readings:**

#### **A. Introduction:**

- 1) "Introduction: The Chinese Economy in Context", Ch.1 in Naughton
- 2) "The Geographic Setting", Ch.2 in Naughton

#### **B. A little bit of History:**

- 1) "The Chinese Economy Before 1949", Ch.3 in Naughton
- 2) "The Socialist Era, 1949-1978...", Ch.4 in Naughton

#### **C. Transformation:**

- 1) "Market Transition: Strategy and Process", Ch.5 in Naughton
- 2) Naughton, B. (2017). Is China Socialist?. *Journal of Economic Perspectives*, 31(1), 3-24.

**D. Data and Performance:**

- 1) Holz, C. A. (2014). The quality of China's GDP statistics. *China Economic Review*, 30, 309-338.
- 2) "Growth and Structural Change", Ch.7 in Naughton

**E. State Capitalism and the “East Asian Development Model”:**

- 1) "State Capitalism and the Chinese Economic Miracle", pages 1 to 21 in Naughton, B., & Tsai, K. S. (Eds.). (2015). *State capitalism, institutional adaptation, and the Chinese miracle*. Cambridge University Press.
- 2) "Did China Follow the East Asian Development Model?", pages 240 to 262 in Naughton, B., & Tsai, K. S. (Eds.). (2015). *State capitalism, institutional adaptation, and the Chinese miracle*. Cambridge University Press

**F. Technology:**

- 1) "Technology and Industrial Policy", Ch.15 in Naughton

**G. International Aspects:**

- 1) "International Trade", Ch.16 in Naughton
- 2) "Foreign Investment and the Capital Account", Ch.17 in Naughton

**H. Macroeconomic and Financial Aspects:**

- 1) "Macroeconomic Policy...", Ch.18 in Naughton
- 2) "Financial System", Ch.19 in Naughton

**I. Inequality and Poverty:**

- 1) "Living Standards: Incomes, Inequality, and Poverty", Ch.10 in Naughton
- 2) Piketty, T., Yang, L., & Zucman, G. (2019). Capital accumulation, private property, and rising inequality in China, 1978–2015. *American Economic Review*, 109(7), 2469-96.
- 3) Francisco Ferreira, "In Defense of the Gini Coefficient," World Bank Blog Let's Talk Development, Feb. 19, 2020.  
<https://blogs.worldbank.org/developmenttalk/defense-gini-coefficient>

**J. Urban-Rural Divide:**

- 1) "The Urban-Rural Divide and Chinese-style Urbanization", Ch.6 in Naughton

**K. Population:**

- 1) "Population...", Ch.8 in Naughton

**L. A Peek into the Future:**

- 1) "Environmental Quality and the Sustainability of Growth", Ch. 21 in Naughton
- 2) Lau, L. J. (2019). The sky is not falling!. *Economic and Political Studies*, 7(2), 122-147.

## **Assessments and Grading:**

The course grade will be based on (see the **tentative dates** and more details below):

- **two quizzes (10% each)**
- **a midterm exam (30%)**
- **final exam (50%)**

### **Quiz 1:**

- The quiz will be on **Thursday September 29.**
- **Quiz 1 covers topics A, B, C from the list of “Topics Covered and Required Readings” above.**

### **Midterm Exam:**

- Midterm Exam will be on **Tuesday October 18.**
- **Midterm Exam covers topics A to F from the list of “Topics Covered and Required Readings” above.**

### **Quiz 2:**

- The quiz will be on **Thursday November 17.**
- **Quiz 2 covers topics G, H, I from the list of “Topics Covered and Required Readings” above.**

### **Final Exam:**

- Final Exam’s date and time will be determined by the Registrar’s Office and announced later in the semester.
- **Final Exam will be comprehensive.**

## **Notes on Assessment and Grading:**

- All exam dates are tentative and subjected to changes.
- Depending on future changes in university policies, we may return to online classes, quizzes and exams.
- The quizzes may include true/false, multiple choice, and fill in the blanks. The midterm and final exam questions may include the same in addition to short answer and/or essay questions.
- I will announce the format, and time and date of the final exam later during the semester.
- During exams students are forbidden to communicate with any person other than an examination proctor or the instructor. Also, students are not allowed to use any books and notes, or other aids.
- Missed quizzes and exams without approved illness or documented official accommodation will be given a mark of zero.
- If there has been an approved illness or documented official accommodation, the weight of a missed quiz or midterm test will be transferred to final exam. In the case of missed final exam the make-up test time and date will be given.
- **Please read the “Policy Regarding Makeup Tests and Final Examinations” on pages 7 and 8.**

## Communication and Tips on How to Be Successful in this Class:

- I strongly recommend attending the classes.
- Ask questions and participate the discussions in the class.
- It is advisable to **set regular times each week to review your textbook, lecture notes, and study the material.**
- Connect with others.
- **Please ask questions:**
  - Office hours are for you! If you have any questions or concerns, these hours are the best way to reach me.
  - Emails will be monitored regularly; students will receive a response in 0-72 hours (usually).

## Technical Requirements:

You will need to have access to at least one of the following: a laptop, a tablet, a smartphone, or a computer. In addition, an internet connection is needed so that you can access lectures and other course materials on owl, communicate with the instructor. For technical support, see the OWL Help page or contact Western Technology Services Helpdesk (<https://wts.uwo.ca/about-wts/contact.html>). Google Chrome or Mozilla Firefox are the preferred browsers for OWL; update your browser frequently.

## Professionalism, Privacy, and Copyright:

- Students are expected to follow the [Student Code of Conduct](#).
- All lectures and course materials, including slides, presentations, outlines, and similar materials, are protected by **copyright**. Students may take notes and make copies of course materials for their own educational purposes only.
- Students may not record lectures, reproduce (or allow others to reproduce), post or distribute lecture notes, assessments, or any other course materials publicly and/or for commercial purposes without written consent of the instructor.
- Recordings (audio or video) are not permitted without explicit, written permission of the instructor. Permitted recordings may not be distributed or shared.
- Students will be expected to take an academic integrity pledge before some assessments.

**Please Note**  
**Department & University Policies for Fall 2022**

The University expects all students to take responsibility for their own Academic Programs. Students should also check their registration to ensure they are enrolled in the correct courses.

1. **Guidelines, policies, and your academic rights and responsibilities** are posted online in the current Western Academic Calendar at: <http://westerncalendar.uwo.ca>. Claiming that “you didn’t know what to do” is not an acceptable excuse for not following the stated policies and procedures.
2. Students must familiarize themselves with the “**Rules of Conduct for Examinations**” [http://www.uwo.ca/univsec/pdf/academic\\_policies/exam/administration.pdf](http://www.uwo.ca/univsec/pdf/academic_policies/exam/administration.pdf).
3. **Cheating as an academic offence:** Students are responsible for understanding what it means to “cheat.” The Department of Economics treats cheating incidents very seriously and will investigate any suspect behavior. Students found guilty will incur penalties that could include a failing grade or being barred from future registration in other Economics courses or programs. The University may impose further penalties such as suspension or expulsion.
4. **Plagiarism:** Students must write their essays and assignments in their own words. When taking an idea/passage from another author, it must be acknowledged with quotation marks where appropriate and referenced with footnotes or citations. Plagiarism is an academic offence (see Scholastic Discipline for Undergraduate Students in the Western Calendar at [http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page\\_20](http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_20)).

Western University uses software to check for plagiarism and students may be required to electronically submit their work. Those found guilty will be penalized as noted in point 3.

5. It is a Department of Economics policy that **NO** assignments be dated, stamped or accepted by staff. Students must submit assignments to the instructor.
6. **Appeals:** University policies and procedures for appealing a mark can be found in the Student Academic Appeals section in the current Western Academic Calendar at: [http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page\\_14](http://westerncalendar.uwo.ca/PolicyPages.cfm?Command=showCategory&PolicyCategoryID=1&SelectedCalendar=Live&ArchiveID=#Page_14). **Please note the relevant deadlines.**

Department of Economics procedures for appealing a mark can be found here: [https://economics.uwo.ca/undergraduate/program\\_counselling/responsibilities\\_policies.html#appeals](https://economics.uwo.ca/undergraduate/program_counselling/responsibilities_policies.html#appeals). The Department will not consider an appeal unless an attempt has been made to settle the matter with the instructor first. Students who remain dissatisfied with the outcome may proceed to submit an appeal to [econugrd@uwo.ca](mailto:econugrd@uwo.ca). Please follow the instructions and use the appeal form shown in the above link.

7. **Systematic adjustments of a class grade distribution** (either up or down) can occur in Economics courses. The fact that grades have been adjusted is **not** grounds for an appeal.
8. Note the following **add and drop deadlines**:
  - Deadline to add a first term half course: **Friday, September 16, 2022**
  - Deadline to drop a first term half course: **Saturday, November 12, 2022**

### **Policy Regarding Makeup Tests and Final Examinations**

Faculty of Social Science policy states that oversleeping or misreading an exam schedule is NOT grounds for a makeup. This rule applies to midterm and final exams in the Department of Economics.

### **Policies Regarding Academic Accommodation**

- Academic accommodation will not be granted automatically on request. Students must demonstrate by documentation that there are compelling medical or compassionate grounds before academic accommodation will be considered. The Faculty of Social Science's policies on academic accommodation are found at [https://counselling.ssc.uwo.ca/procedures/academic\\_consideration.html](https://counselling.ssc.uwo.ca/procedures/academic_consideration.html)
- **Accommodation for Students with Disabilities:** Students with disabilities or accessibility challenges should work with Accessible Education (formerly SSD, see [http://academicsupport.uwo.ca/accessible\\_education/index.html](http://academicsupport.uwo.ca/accessible_education/index.html)), which provides recommendations for accommodation based on medical documentation or psychological and cognitive testing. The accommodation policy can be found here: [Academic Accommodation for Students with Disabilities](#).
- **Rewriting Exams and Retroactive Reweighting are NOT Permitted:** Students who proceed to write a test or examination must be prepared to accept the mark. Rewriting tests or examinations, or retroactive reweighting of marks, is **not** permitted. Students must also book travel arrangements AFTER final exam dates have been posted as they must not conflict with test or final exams.
- Unless medically incapable of doing so, students must notify their instructor prior to the test date or at least within **24 hours** when requesting a makeup exam. Failure to follow this procedure may result in denial of academic accommodation and a grade of zero. Students should also set up an appointment as soon as possible to meet with their instructor. If the instructor is not available, send an email message to the instructor, copying the Undergraduate Coordinator at [econugrd@uwo.ca](mailto:econugrd@uwo.ca). **Notifying instructors of a missed exam does not automatically entitle students to a makeup.**

- For medical illnesses, students may consult Student Health Services and request a Student Medical Certificate from the physician. If assessed by an off-campus doctor, students must obtain a certificate from his/her office at the time of the visit/assessment. Student Medical Certificate (SMC) is available here:  
[https://www.uwo.ca/univsec/pdf/academic\\_policies/appeals/medicalform.pdf](https://www.uwo.ca/univsec/pdf/academic_policies/appeals/medicalform.pdf)
- **Documentation for Accommodation:** Individual instructors are not permitted to receive documentation directly from a student, whether in support of an application for consideration on medical grounds or for other reasons.
- **Western University policy on Consideration for Student Absence** is available here:  
[https://counselling.ssc.uwo.ca/procedures/probation\\_rtw/appeals.html](https://counselling.ssc.uwo.ca/procedures/probation_rtw/appeals.html)
- **Religious Accommodation:** Students should consult the University's list of recognized religious holidays and should give reasonable notice in writing, prior to the holiday, to the Instructor and an Academic Counsellor if their course requirements will be affected by a religious observance. Additional information is given in the [Western Multicultural Calendar](#).

**Policy Regarding Class Attendance and Engagement:** If the instructor deems a student's attendance or engagement in the class to be unsatisfactory, that student may be prohibited from writing the final examination. Examples of unsatisfactory class engagement include frequent absences from an in-person or synchronous online class, lack of assignment submissions, and inadequate use of online course materials. Instructors who intend to make use of this policy will notify the student in advance.

**Statement on Mental Health and Support Services:** Students under emotional/mental distress should visit [http://uwo.ca/health/mental\\_wellbeing/](http://uwo.ca/health/mental_wellbeing/) for more information and a complete list of resources on how to obtain help.

**Statement on Remote Proctoring:** While Western intends to hold most classes, mid-terms and finals in-person, the London-Middlesex Health unity may require western to teach in a remote format. If this occurs, all assessments will be done remotely and may involve the use of remote proctoring software (i.e., Proctorio, ProctorTrack). Instructors will provide information on the details should the need arise.