



## *The Hebrew University of Jerusalem*

### *Syllabus*

## *The Chinese Economy - 57634*

*Last update 02-11-2014*

*HU Credits:* 4

*Degree/Cycle:* 1st degree (Bachelor)

*Responsible Department:* Economics

*Academic year:* 2

*Semester:* 1st Semester

*Teaching Languages:* English

*Campus:* Mt. Scopus

*Course/Module Coordinator:* None

*Coordinator Email:* [אין](#)

*Coordinator Office Hours:* NONE

*Teaching Staff:*

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Dr. Avraham Ebenstein

Course/Module description:

*This course provides an introduction to the main issues facing the Chinese economy. The course will cover topics including recent Chinese history and economic reforms, demography and population, the country's urban-rural divide, macroeconomic policy, banking and financial system, special economic zones, and foreign trade and investment.*

Course/Module aims:

*The course aims to expose students to an overview of the Chinese economy. A second key aim of the course is for students to engage with research questions related to China in the manner that scholars in economics think about these issues.*

Learning outcomes - On successful completion of this module, students should be able to:

*Students should be able to:*

- 1. Be familiar with the overview of the Chinese economy.*
- 2. Critically analyze research papers in economics related to China.*
- 3. Perform rudimentary regressions related to applied data in China.*

Attendance requirements(%):

100

*Teaching arrangement and method of instruction: The course will consist of in-class lectures given by me, several sessions of data exercises in a computer lab, and the course will conclude with students presentations.*

Course/Module Content:

- Topic I: Why are we here? What's the big deal about China?*

*October 27 First day of class, introduction.*

*Assignments: First problem set assigned, due Feb 11th.*

- Topic II: Putting things in Context*

*TEXT, Chapter 1-4*

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October 29th: *The Geographical Setting*

Readings: Keightley, David. "Early Civilization in China: Reflections on How It Became Chinese" in *Heritage of China: Contemporary Perspectives on Chinese Civilization*, edited by Paul S. Ropp. (c) 1990 by The Regents of the University of California. Published by University of California Press. pp. 15-54.

November 3rd: *China Pre-1949*

Assignments: Problem Set 1 DUE. Problem Set 2 Assigned, due Nov. 10th.  
Readings: "The Intensification of Agriculture: Ester Boserup." Unpublished manuscript.

November 5th: *Socialist Era, and Market Transition*

Readings: Brandt, Loren and Thomas Rawski. 2008. "China's Great Economic Transformation." Chapter 1. Cambridge University Press.

- Topic III: *Chinese Data – How reliable is it?*

November 10th: *Chinese Data*

Assignments: Problem Set 2 DUE. Problem Set 3 Assigned, due Nov. 17th.  
Readings: "The Numbers Game." *Science Magazine*, Vol. 340. May 31, 2013.  
AND "China figures prompt doubts over accuracy." *The Financial Times*. July 13, 2012.

Topic IV: *Demography and Population*

TEXT, Chapter 7

November 12th: *Demographics and Population Overview*

Readings: Klasen, Stephan and Claudia Wink. 2002. "A Turning Point in Gender Bias in Mortality? An Update on the Number of Missing Women." *Population and Development Review* 28(2):285-312. AND Sen, Amarta. 1990. "More than 100 Million Women are Missing." *The New York Review of Books*.

November 17th: *Sex Selection in China and Abroad*

Readings: Ebenstein, Avraham. 2011. "Estimating a Dynamic Model of Sex Selection in China." *Demography*, 48(2):783-811.  
Ebenstein, Avraham. 2014. "Patrilocality and Missing Women". Mimeograph.

November 19th: *Introduction to Stata and in-class lab working on Problem Set 3.*

November 24th: *Consequences of the 'Missing Girls' of China*

Assignments: Problem set 3 DUE.

Readings: Edlund, Lena, Hongbin Li, and Junjian Yi. 2013. "Sex Ratios and Crime: Evidence from China." *Review of Economics and Statistics*, forthcoming.  
Optional: Ebenstein, Avraham, Ethan Jennings. 2009. "The Consequences of the

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*'Missing Girls' of China.* World Bank Economic Review 23(3):399-425.

- *Topic VI: The Urban-Rural Divide*

*November 26th: Background, Tracking Migration, and Lewis Turning Point*  
*Readings: Xiaobo Zhang, Jin Yang, Shenglin Wang. 2011. "China has reached the Lewis turning point." China Economic Review, Volume 22, Issue 4, Pages 542-554.*  
*AND Zhao, Yaohui. 1999. "Leaving the Countryside: Rural-to-Urban Migration Decisions in China." American Economic Review.*

- *Midterm*

*December 1st: Mid-term Review. Question and Answer session.*

*December 3rd: Mid-term Examination*

- *Topic VII: China & the World Economy*

*TEXT, Chapters 16 & 17*

*December 8th: Background material on trade*  
*Assignments: Problem set 4 assigned*  
*Readings: Grossman, Gene and Esteban Rossi-Hansberg. 2008. "Trading Tasks: A Simple Theory of Offshoring." American Economic Review 98(5):1978-1997.*  
*AND Freeman, Richard. 1995. "Are your wages set in Beijing?" Journal of Economic Perspectives 9(3):15-32. AND Autor, David, David Dorn and Gordon Hanson. "The China Syndrome." American Economic Review, forthcoming.*

*December 10th: FDI and SEZs*

*Readings: Ebenstein, Avraham. 2012. "The Winners and Losers of Multinational Firm Entry into Developing Countries: Evidence from China's Special Economic Zones." Asian Development Review 29(1):29-56.*

*December 15th: Theoretical Models of Trade in Goods and Tasks, Empirical evidence of wage-impacts on US workers*

*Assignments: Fourth problem set DUE.*

*Readings: Ebenstein, Avraham, Ann Harrison, Margaret McMillan, and Shannon Phillips. "Estimating the Impact of Trade and Offshoring on American Workers Using the Current Population Surveys." Review of Economics and Statistics, forthcoming.*

- *Topic VIII: Macroeconomics and Finance*

*TEXT, Chapters 18 & 19*

*December 17th: China's Financial System, Part I*

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December 22nd: *China's Financial System, Part II*

- *Topic IX: Environment*

*TEXT, Chapter 20*

December 24th: *The Environment*

*Assignments: Problem set 5 assigned, due January 4th*

*Readings: Grossman, Gene and Alan Krueger. 1995. "Economic Growth and the Environment." Quarterly Journal of Economics 110(2): 353-377.*

December 29th : *The Environment*

*Readings: Chen, Yuyu, Avraham Ebenstein, Michael Greenstone, and Hongbin Li. 2013. "Evidence on the Impact of Sustained Exposure to Air Pollution from China's Huai River Policy." Proceedings of the National Academy of Sciences USA August 6th; 12936-41.*

*December 31st In-class lab working on Problem Set 5.*

*January 4th: NO CLASS*

*Assignments: Problem set 5 DUE*

- *Student Presentations*

*January 6th: Student Presentations*

*January 11th: Student Presentations*

*January 13th: Student Presentations*

*January 18th: Student Presentations*

*January 20th: Review for Final Exam / Mock Exam Distributed*

*January 25th: Office Hours*

*January 27th: Office Hours*

- *Final Exam Period Begins January 31st*

*Required Reading:*

*Text*

*The course follows Barry Naughton's *The Chinese Economy: Transitions and Growth.**

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Articles (in order of when they are covered in the course)

1. Keightley, David. "Early Civilization in China: Reflections on How It Became Chinese" in *Heritage of China: Contemporary Perspectives on Chinese Civilization*, edited by Paul S. Ropp. (c) 1990 by The Regents of the University of California. Published by University of California Press. pp. 15-54.
2. "The Intensification of Agriculture: Ester Boserup." Unpublished manuscript.
3. Brandt, Loren and Thomas Rawski. 2008. "China's Great Economic Transformation."
4. "The Numbers Game." *Science Magazine*, Vol. 340. May 31, 2013.
5. "China figures prompt doubts over accuracy." *The Financial Times*. July 13, 2012.
6. "A Turning Point in Gender Bias in Mortality? An Update on the Number of Missing Women." *Population and Development Review* 28(2):285-312.
7. Sen, Amarta. 1990. "More than 100 Million Women are Missing." *The New York Review of Books*.
8. Ebenstein, Avraham. 2011. "Estimating a Dynamic Model of Sex Selection in China." *Demography*, 48(2):783-811.
9. Ebenstein, Avraham. 2014. "Patrilocality and Missing Women". Mimeograph.
10. Edlund, Lena, Hongbin Li, and Junjian Yi. 2013. "Sex Ratios and Crime: Evidence from China." *Review of Economics and Statistics*, forthcoming.
11. Ebenstein, Avraham, Ethan Jennings. 2009. "The Consequences of the 'Missing Girls' of China." *World Bank Economic Review* 23(3):399-425.
12. Xiaobo Zhang, Jin Yang, Shenglin Wang. 2011. "China has reached the Lewis turning point." *China Economic Review*, Volume 22, Issue 4, Pages 542-554.
13. Zhao, Yaohui. 1999. "Leaving the Countryside: Rural-to-Urban Migration Decisions in China." *American Economic Review*.
14. Grossman, Gene and Esteban Rossi-Hansberg. 2008. "Trading Tasks: A Simple Theory of Offshoring." *American Economic Review* 98(5):1978-1997.
15. Freeman, Richard. 1995. "Are your wages set in Beijing?" *Journal of Economic Perspectives* 9(3):15-32.
16. Autor, David, David Dorn and Gordon Hanson. "The China Syndrome." *American Economic Review*, forthcoming.
17. Ebenstein, Avraham. 2012. "The Winners and Losers of Multinational Firm Entry into Developing Countries: Evidence from China's Special Economic Zones." *Asian Development Review* 29(1):29-56.
18. Ebenstein, Avraham, Ann Harrison, Margaret McMillan, and Shannon Phillips. "Estimating the Impact of Trade and Offshoring on American Workers Using the Current Population Surveys." *Review of Economics and Statistics*, forthcoming.
19. Grossman, Gene and Alan Krueger. 1995. "Economic Growth and the Environment." *Quarterly Journal of Economics* 110(2): 353-377.
20. Chen, Yuyu, Avraham Ebenstein, Michael Greenstone, and Hongbin Li. 2013. "Evidence on the Impact of Sustained Exposure to Air Pollution from China's Huai River Policy." *Proceedings of the National Academy of Sciences USA* August 6th; 12936-41.

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Additional Reading Material:

None

Course/Module evaluation:

End of year written/oral examination 45 %

Presentation 10 %

Participation in Tutorials 5 %

Project work 0 %

Assignments 20 %

Reports 0 %

Research project 0 %

Quizzes 20 %

Other 0 %

Additional information:

None