

Global Dynamics of a Rising China - Macroeconomics and International Dimensions

(A modular elective with pro-active class participation)

Course Objective:

China's breathtaking developments are assuming unprecedented international proportions as they cover a wide range of global issues such as competitiveness, (in comparison with India), science and technology, infrastructure, financial and consumer markets, resources including water, minerals and energy, environment and climate change, balanced and sustainable development, poverty relief and the evolution towards a more civil and inclusive society.

It has become much more imperative for business and political leaders, thinkers and students alike to understand in much greater depth what major trends and factors underline these developments and how they are likely to play out in the future for businesses, investments, geopolitics, international relations, and the environment.

This Elective proposes to address some of the above issues. Subject to the guidance of the Visiting Professor, participants are expected to do their own preparatory reading and research in advance and to argue in teams in the class their own findings and ideas. Their peers are encouraged to critique, comment on and interact with each class presentation.

The Elective is designed to provide participants with a deeper understanding of the many challenges and business opportunities of a Rising China and an improved ability to present and argue these and other China-related issues in board-rooms and public forums.

Course Content (Major Topics):

(1) Comparison of the dynamics of the Pearl River Delta (PRD) and the Yangtze River Delta (YRD) in attracting foreign investments

- What factors are driving the respective strengths of the two deltas
- Where are their rivalry and complementarity ?
- What role do they play in China's national development?
- Integration prospects with neighboring regions e.g. '9 + 2', Bohai area, the North East, the Central Region, and the North West,
- How is the scenario likely to develop?

(2) Prospects and challenges of building an internationally competitive car industry in China

- Why is an internationally competitive car industry important for China?
- What role does the components industry play?
- What are the latest developments, including international trading conflicts?
- What are the likely trends and their ramifications both within and outside the car industry, both nationally and internationally?
- What are the main challenges and opportunities?

(3) Understanding the luxury goods market in China

- What are the drivers for the luxury goods market in China?

- Are these very different from luxury goods markets in advanced economies?
- What are the main pitfalls and problems?
- Are foreign brands likely to dominate this market for a very long time, if so, why and how?
- What are the opportunities for home-grown luxury goods?
- What is the recommended strategy for this market both in the near term and in the long term?

(4) An international perspective of the challenges and prospects of China's agricultural development

- What are the national strategic imperatives of the agricultural sector? What underlines the so-called 'Three Agrarian Issues'? What are the sector's main challenges?
- What is the rationale for the Nation's drive to create 'A New Socialist Countryside'?
- What are the implications for the global agricultural industry?
- What are the social, political, economic, environmental, and foreign relations considerations, from both a national and an international perspective?
- What are some of the promising agricultural sectors including types of products and services, and where in China? Why?
- What are the prospects for foreign investments and home-grown enterprises?

(5) Entry strategies for small and medium sized foreign companies for the China market

- How to define 'Small and Medium Sized' in the context of the China market? Is such definition immutable?
- What are the main entry obstacles for foreign companies in this category?
- What are the main opportunities for foreign companies?

- What is the recommended strategy, both in the near term and in the long term?
- What are the strategies for Joint Ventures and Fully Foreign Owned Enterprises? How would such strategies vary according to location and products/services?

(6) The advantages and disadvantages to foreign investors of Equity Joint Ventures and Wholly Foreign Owned Enterprises or their combination

- What are the historical contexts of these forms of foreign investments?
- What are their respective advantages and disadvantages?
- What is the trend and what has led to such a trend?
- What are the common problems experienced by foreign investors in China and how may these be overcome?
- What is likely to be the future scenario?

(7) Strategies for selected national corporate champions to grow into world-class players

- Is there such a national strategy and if so why?
- Should the State pick winners?
- Is there an alternative and why?
- What are the main obstacles to world-class status?
- What is the likely scenario in future?

(8) How to meet the national and international challenges of China's energy needs

- What is the world's energy situation? What are China's main energy demand competitors? How is the situation likely to develop in future?
- How does energy impact on China's development now and what will be its impact in the future?
- What are the main national and international challenges and opportunities?
- How are these likely to play out?

- What are China's future prospects and opportunities for energy economy, nuclear power, mixed fuels, bio-energy, renewal energy including the harnessing of natural energy resources such as water, wind, and wave, photovoltaic technology, subterranean thermal resources, and agricultural waste.
- How would these developments affect world economy and geopolitics?

(9) How sustainable is China's current development model?

- Describe China's current economic development model, taking into account the imperatives of the 11th Five Year Plan 2006- 2010.
- What are China's development successes and challenges?
- How sustainable is China's development in the future and why?
- Would China's development be overtaken by India in the coming decades? If so, why and if not, why not?
- How would China's development affect climate change?
- How would China's economic development interact with its political development?
- Are there any likely developments in governance, Corporate Social Responsibility, a more inclusive and civil society, religious freedoms (including Christianity), and Democracy?
- Is there a unique development path for China in terms of economics, politics and the environment?

(10) How to manage China's foreign relations during China's 'Peaceful Rise' or 'Peaceful Development'?

- What is the rationale for China's 'Peaceful Rise' or 'Peaceful Development'?
- What are its challenges and opportunities?
- How is it perceived by the rest of the world, including the world's major powers?

- What are the world's major trends impacting upon China's continued development, including economics, politics and geopolitics, and global issues including environment and democracy?
- What are China's main foreign relations issues?
- How are they likely to play out and why?

Learning Outcomes (Major Benefits)

On completion, participants should be able to:

- gain an in-depth all-rounded understanding of China's current development challenges and opportunities;
- interpret more insightfully current national and international developments affecting China;
- spot challenges and opportunities in China's development trends;
- appreciate shifts in the international business environment;
- become more alert to geopolitical considerations affecting business decisions;
- formulate independently multi-faceted arguments for an international business strategy;
- work with colleagues as a team in addressing multi-dimensional issues;
- present and argue openly in-depth analyses of China-related issues more convincingly

Intended Audience

The Elective is intended to deepen participants' knowledge and insight of China's key development issues and to enhance their international awareness and presentational skills. It is intended for

- All persons wishing to gain an insight into the complex China story;

- MBA/EMBA/IMBA students wishing to grasp the complexities of the challenges and opportunities of China's Rise;
- Academics wishing to gain a deeper understanding of international dynamics of China's development;
- Researchers and commentators on China's development issues
- Advanced students of international studies
- Business executives and entrepreneurs wishing to sharpen their international and global vision and understanding in relation to the world's economic shift towards the East;
- Business executives and entrepreneurs wishing to identify future trends and business opportunities related to China;
- Business executives and entrepreneurs wishing to gain an insight into foreign investments in China;
- Executives and managers in contact with China businesses;
- China business executives wishing to enhance their analytical and presentational skills in board-rooms and public forums.

Suggested bibliography

- Aikman, David, 2005, *Jesus in Beijing: How Christianity Is Transforming China and Changing the Global Balance of Power*, Monarch Publications
- Angang Hu, 2006, *Economic and Social Transformation in China, Challenges and Opportunities*, Tsinghua Universtiy, Beijing, China, Routledge
- Bergsten, C. Fred, et al, 2006, *China The Balance Sheet: What the World Needs to Know Now About the Emerging Superpower*, Centre for Strategic and International Studies and Institute for International Economics
- Bernstein, Richard, & Munro, Ross. 1998, *The Coming Conflict with China*, Vintage Books

- Brodsgaard, K.E., & Heurlin, B (Ed.), 2002, Danish Institute for International Affairs S, *China's Place in Global Geopolitics: Domestic, Regional and International Challenges*, RoutledgeCurzon
- Buckley, Richard (Ed.), 2005, *China 2005: A New Economic Superpower*, Understanding Global Issues Publishing
- Chan, John L, 2004, *China Streetsmart: What You Must Know to Be Effective and Profitable in China*, Prentice Hall Regents/ESL
- Chen, Jian & Yao, Shujie, 2006, *Globalization, Competition and Growth in China*, Routledge
- Chen, Ming-je, 2001, *Inside Chinese Business – A Guide for Managers Worldwide*, Harvard Business School Press
- Clissold, Tim, 2004, *Mr China*, Constable and Robinson
- Cole, D Bernard, 2004, *Oil for the Lamps of China: Beijing's 21st Century Search for Energy*, University Press of the Pacific
- Council for Foreign Affairs Staff, 1999, *The Rise of China*, W.W, Norton & Co Ltd
- Croll, Elizabeth, 2006, *China's New Consumers*, School of Oriental and African Studies
- Das, Dilip k, 2006, *China and India, A Tale of Two Economies*, Routledge
- Dorian, James P, 1998, *Energy in China: Poised for the 21st Century*, Financial Times Energy

- Enright, Michael J, Scott, Edith E, and Ka-mun Chang, 2005, *The Greater Pearl River Delta and the Rise of China*, John Wiley & Sons(Asia) Pte Ltd
- Fishman, Ted, 2005 *China Inc.*, Simon & Schuster UK Ltd
- Flannery, Tim, 2006, *The Weather Makers: The History and Future Impact of Climate Change*, Allen Lane
- Friedman, Thomas, 2005, *The World Is Flat: A Brief History of the Twenty-First Century*, Allen Lane
- Gale, Fred. 2005, *China's Food and Agriculture: Issues for the 21st Century*, University Press of the Pacific
- Garner, J.F., 2005, *The Rise of the Chinese Consumer: Theory and Evidence*, John Wiley & Sons Ltd
- Gittings, John, 2005, *The Changing Face of China: From Mao to Market*, Oxford University Press
- Gries, Peter Hays and Rosen, Stanley (Ed.), 2004, *State and Society in 21st Century China: Crisis, Contention and Legitimisation*, Routledge Cruzon
- Guo, Yuantao, 2006, *Global Big Business and the Chinese Brewing Industry*, Routledge
- *Harvard Business Review on Doing Business in China*, 2004, Harvard Business School Press
- Hutton, Will, 2007, *The Writing on the Wall*, Little, Brown Book Group
- Ito, Takatoshi, 2006, *A Basket Currency for Asia*, Routledge

- Joshua Cooper Ramo, 2004, *The Beijing Consensus*, The Foreign Policy Centre
- Kynges, James, 2006, *China Shakes the World: The Rise of a Hungry Nation*, Weidenfeld & Nicholson
- Lovelock, James, 2006, *The Revenge of Gaia: Why the Earth Is Fighting Back - and How We Can Still Save Humanity*, Allen Lane
- Maxton, Graham P & Wormald, John, 2004, *Time for a Model Change: Re-engineering the Global Automotive Industry*
- McGregor, James, 2005, *One Billion Customers: Lessons from the Front Lines of Doing Business in China*, Nicholas Brealey Publishing
- McLeish, Ewan, & Mason, Anthony, 2005, *China: The New Superpower?*, Franklin Watts Ltd
- Mulvenon, James, et al, 2005, *Chinese Responses to US Military Transformation and Implications for the Department of Defense*
- Nathan, Andrew J, & Gilley, Bruce, 2003, *China's New Rulers: The Secret Files*, New York Review Books
- Nolan, Peter, 2003, *China at the Crossroads*, Polity Press
- Nolan, Peter, 2004, *Transforming China: Globalization, Transition and Development*, Anthem Press

- Organisation for Economic Co-operation and Development (OECD), 2004, *China in the 21st Century - Long Term Global Implication*, Diane Publishing Co
- Overholt, William, 1998, *China: The Next Economic Superpower?*, Weidenfeld & Nicholson
- Panitchpakdi, Supachai, & Clifford, Mark, 2002, *China & the WTO: Changing China, Changing World Trade*, Wiley Eastern Pvt. Ltd, New Dehli
- Prestowitz, Clyde, 2005, *Three Billion New Capitalists: The Great Shift of Wealth and Power to the East*, Basic Books
- Richter, Frank-Jurgen, 2000, *The Dragon Millennium: China Business in the Coming World Economy*, Greenwood Press
- Roche, Julian, 2007, *Private Equity in Asia*, Routledge
- Saich, Tony and Wright, Vincent, *Governance and Politics of China (Comparative Government & Politics)*, Palgrave
- Shambaugh, David (Ed.) 1995, *Greater China: The Next Superpower*, Oxford University Press
- Shenkar, Oded, 2005, *The Chinese Century: The Rising Chinese Economy and Its Impact on the Global Economy, the Balance of Power, and Your Job*, Wharton School Publishing
- Sheshabalaya, Ashutosh, 2004, *Rising Elephant: The Growing Clash with India Over White-Collar Jobs and Its Meaning for America and the World*, Common Courage

Press

- Stark, Rodney, 2006, *The Victory of Reason: How Christianity Led to Freedom, Capitalism, and Western Success*, Random House
- Story, Jonathan, 2003 *China the Race to Market*, FT Prentice Hall, Pearson Education Limited
- Studwell, Joe, 2003, *China Dream: The Elusive Quest for the Greatest Untapped Market On Earth*, Profile Business
- Sull, Donald N, 2005, *Made in China: What Western Managers Can Learn from Trailblazing Chinese Entrepreneurs*, Harvard Business School Press
- Tubilewicz, Czeslaw, 2006, *Critical Issues in Contemporary China*, Open University in Hong Kong
- Wang, Henry H, 1999, *China's Oil Industry and Market: Global Energy Policy & Economics*, Elsevier Publishing
- Weber, Maria, 2004, *Welfare, Environment and Changing US-China Relations: 21st Century Challenges in China*
- Westley, Michael, 2006, *Energy Security in Asia*, Asia Institute, Griffith University, Australia, Routledge
- Worldwatch Institute, 2005, *China, India and the Future of the World*, W.W.Norton & Company Ltd
- Xing, Otto Tien-pok, 2004, *Friendly Advice for the Future of China: Suggestions for Political, Educational, and Economic Reforms to Survive the 21st Century*, Hermit Kingdom P

Suggested websites

- Accenture: Mastering China's Growth Dynamics

[pca_taming_dragonaccenturenote.pdf](#)

- Carnegie Endowment for International Peace: China's Peaceful Rise

<http://www.carnegieendowment.org/events/index.cfm?fa=eventDetail&id=714&&prog=zch>

- Cato Institute

<http://www.cato.org>

- Centre for Strategic and International Studies

<http://www.csis.org>

- Foreign Policy

<http://www.foreignpolicy.com/>

- The Heritage Foundation

<http://www.heritage.org>

- Andrew Leung: Concise commentaries on current issues

www.andrewleunginternationalconsultants.com

Visiting Professor 客座教授

Andrew K.P. Leung, SBS, FRSA 梁建邦

International and Independent China Specialist

国际中国顾问, 伦敦梁建邦国际顾问公司主席, 香港银紫荆勋衔, 英国皇家人文工商学院荣授院士

Positions

Chairman and CEO, Andrew Leung International Consultants Limited, London
Expert, Reuters Insight, Community of Experts
Member, Brain Trust, The Evian Group (global think-tank), Lausanne, Switzerland
Distinguished Contributor, Asymmetric Threats Contingency Alliance (ATCA) (global think-tank)
Chairman, China Group, Institute of Directors City Branch, London, United Kingdom
Leader of China Group, Elected Fellow on Executive Committee of Royal Society for the Encouragement of Arts, Manufacture and Commerce (RSA), London Region
Elected Member, Royal Society for Asian Affairs
Member, Executive Committee, 48 Group Club, United Kingdom
Senior Consultant, MEC International
Member, Governing Council, King's College London, United Kingdom
Member, Advisory Board, China Policy Institute, Nottingham University, United Kingdom
Visiting Professor (2006), TiasNIMBAS Graduate School of Management, Utrecht, Holland
Visiting Professor (2005-6), Business School, Lingnan University, China
Visiting Professor (2005-now), Business School, Sun Yat-sen University, China

职位

梁建邦国际顾问公司(伦敦注册) 主席
路透社集团 投资 咨询机构国际专家团专家
瑞士洛桑环球智库 Evian Group 智囊团成员
环球智库 ATCA 特邀成员
英国董事商会伦敦金融中心分会中国组主席
英国皇家人文工商学院伦敦区中国组召集人
英国皇家亚洲学会当选会员
中东国际顾问公司(MEC) 高级顾问

英国 48 家集团会董事
英国伦敦英皇大学董事
英国诺丁咸大学中国政策研究中心董事
荷兰 NIMAS 大学管理学院客座教授 (2006)
中国岭南大学管理学院客座教授 (2005-6)
中国中山大学管理学院客座教授 (2005-现在)

In Brief

Andrew has graduate qualifications from the University of London, postgraduate qualifications from Cambridge University, PMD from the Harvard Business School, and Solicitors' qualifying examination certificate from the Law Society, London. He speaks Cantonese and Mandarin, writes Chinese calligraphy, and paints classical Chinese paintings. His other hobbies include tennis, swimming, jogging, traveling, singing, and reading.

Andrew has amassed 40 years of China-related knowledge and experience, including a previous career in many senior government positions in Hong Kong, spanning commerce and industry, banking and finance, transport, social welfare, and overseas representation. His last was Hong Kong's chief representative for the United Kingdom, all the new EU Member States and applicant states, as well as Russia, Switzerland and Norway. He has since founded Andrew Leung International Consultants Limited based in London.

During a mid-career sabbatical, Andrew helped set up Standard Chartered Asia Ltd, a merchant banking subsidiary in Hong Kong. He was twice sponsored by the U.S. Government for month-long visits across the US, including a visit to brief multinational Chairmen and CEOs on China in the wake of Tiananmen Square.

Andrew has contributed extensively on strategic China issues at local and international forums as well as at live TV interviews

with CNBC, Bloomberg, Sky, CNN, NBC, Aljazeera (English Language Channel) and BBC (including Breakfast With Frost). His speaking forums included The Economist; Chatham House; the Institute of Economic Affairs; the Royal Society for Asian Affairs; Wilton Park; Asia House; the Chairman's Club; the D-Group; the East Asia Institute, Peterhouse College, Cambridge University; the Asian Studies Centre, St Anthony's College, Oxford University; Oxford Analytica; London School of Economics; the School of Oriental and African Studies; Warwick University; Reading University; Lancaster University; University College Dublin; Open University; Fudan University; Baring Asset Management; Cazenove; F & C; Merrill Lynch; Royal Bank of Scotland; and HSBC. His speaking profile can be found on City Speakers International http://www.cityspeakersinternational.co.uk/speakers/speaker_andrew_leung.php Many of his internationally published articles can be accessed on his website www.andrewleunginternationalconsultants.com

Andrew provided advisory consultancy to McCreight and Company Inc, USA, a leading international corporate strategy implementation firm, on a project for Lenovo on its cultural integration with IBM Computers. As a Senior Consultant with MEC International, he was the Editor-at-large for a substantial international consultancy on China's Energies, including geopolitical, economic, security, financial and climate change implications. He made a presentation on the same topic at a Windsor Energy Group international conference at St George's House, Windsor Castle, to an audience of leading energy experts including senior corporate executives, academics, and the Executive Director of the International Energy Agency. He has been appointed a Global Commercial Agent for Changsha, China, since 2006. He is a registered Reuters Insight expert for services worldwide.

Andrew has been included in UK's Who's Who since 2002. He was awarded the Silver Bauhinia Star (SBS) in the July 2005 Hong Kong Honours List.

Website: www.andrewleunginternationalconsultants.com

Email: andrewkpleung@hotmail.com