

Business 3175: Asian Business (China)

Brooklyn College--The City University of New York
Study Abroad in China Program

Instructor: Professor Shuming Lu, Ph.D. (or to be assigned)

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Course Description

The aim of the course is to provide students participating in the Study Abroad in China program a framework for understanding the Chinese business environment and, by extension, other Asian markets, including Japan, India, Korea, Taiwan and Hong Kong. Topics include: China's path of economic growth and reform process, Asian management theory and practice, identification and evaluation of risks and opportunities in Asian markets, problems faced by international firms in doing business in Asia (particularly, China). We will explore international business issues in light of historical, economic, technological, political, and socio-cultural environments.

Course Outcomes

Upon completion of the course, students will be able to:

1. Have an adequate understanding of key issues and the business environment of the Asia-Pacific region, with a particular focus on the country we are visiting, China;
2. Learn about the origins of the emerging Chinese market economy, the distinctive characteristics of the business management in Chinese market;
3. Understand the effect of culture on business management and practice, the difficulties associated with overcoming the assumptions of one's native culture when operating in a different culture, and the skills that are required to overcome those assumptions and conduct business effectively in another culture;
4. Identify and evaluate the risks and opportunities associated with Chinese and Asian markets;
5. Describe and analyze the challenges of starting and managing a business in China, and of the evolving relationship between the Chinese business environment and other Asian markets; and
6. Utilize the Web and other resources to conduct international business research.

Text Books

Required:

1. Justin Yifu Lin. (2012). Demystifying the Chinese Economy (1st ed.). Publisher: Cambridge University Press. ISBN-10: 0521181747.
2. Juan Antonio Fernandez & Laurie Underwood. (2006) China CEO: Voices of Experience from 20 International Business Leaders (1st ed.). Publisher: Wiley. ISBN-10: 0470821922.
3. Relevant scholarly articles to be sent to the class via email.

Recommended Online Material & Websites:

1. Business Section of "Shanghai Daily"
<http://www.shanghaidaily.com/article/list.asp?id=8&type=Business>
2. Asian Wall Street Journal: <http://asia.wsj.com/home-page>
3. Far Eastern Economic Review: <http://asia.wsj.com/public/page/opinionasia.html>
4. Knowledge@Wharton: <http://knowledge.wharton.upenn.edu/> (search for info on "China" & "Asia")
5. Relevant information at: <http://web.rollins.edu/~tlairson/asiabus/syllabus.html>
6. Check recent articles from New York Times, Wall Street Journal, Financial Times., etc. that provide more updated information about China's economy.

Course Approach and Schedule

This will be taught as a hybrid course, with Internet/WeChat APP-based activities mixed with some class discussions and field trips to relevant sites in the Chinese cities. Students will be placed into small groups to facilitate discussions in class and online.

The course will be conducted in two parts. The first part will combine readings on Chinese and Asian markets, with online assignments based on those readings. This portion of the course can be regarded as a structured learning experience that should be completed, as much as possible, before we leave for China. The second portion of the course will combine close observations of businesses in China, conducting interviews with business people in appropriate settings, and classroom discussions that evaluate the emerging business climate in China.

As a lot of this course will be based on your observations while touring China, it will be a good idea to have a notebook with you all the time. Your notes will be useful when you are writing your journal, participating in class discussions, or completing the assignments.

It is in the nature of the study abroad program that it will be a little hard to anticipate the schedule of the class meetings in Nanjing. The specific schedule of visits and discussions probably won't be known until after we arrive in Nanjing and may be subject to change, sometimes at short notice. The class may meet on weekend and evenings if necessary. The instructor reserves the right to make necessary adjustments in the class schedule and evaluation criteria in response to the changing circumstances during the course of the program in China.

Written Submissions

All written submissions must be typed and documented in accordance with the APA style requirements. Written submissions will be evaluated by the instructor for responsiveness to the assignment, theoretical sophistication, rigor, coherence, and ingenuity of the position developed, organization, and correctness as well as clarity of expression. As regards evaluation of the mechanics of expressive correctness, students are advised that for every ten errors in spelling, grammar (including capitalization and punctuation), and documentation, the overall evaluation of a submission will be lowered by one grade. All submissions are due as specified in the syllabus and late submissions will be penalized with one grade lowered for each day late.

Evaluation

1. Participation	30% (class & program)
2. Short papers	40%
3. Final exam/paper	30%

Participation includes meaningful contribution to the class discussions in class and online. Students will be asked to present on certain readings from the textbook. A one-page outline is required from each speaker the day before presentation.

Non-Brooklyn College students are required to keep a course portfolio of all work and assignment submissions for this course, to be evaluated by the appropriate office and committee for equivalent credits at the home institution.

As this course is part of the study abroad program, students are strongly advised that their behavior and attitude, including journal submissions via email, during the trip will affect their final grade for the course.

Written Assignments

1. There will be two short papers (3-4 pages each) on assigned questions (see below). Each will count for 15% of your final grade. The first paper is due at 5:00 pm on the 5th day after our arrival in Nanjing and the second due at 5:00 pm on the 10th day after our arrival in Nanjing. The papers

are to be submitted in both hard copy and electronic version both to the professor's email and at the blackboard Safe-Assign link.

2. At the end of the course, there will be a final exam with comprehensive questions covering the whole course. The final exam should be at least 5 pages in length and is due 10:00 pm the day before the group departs Nanjing (in both hard copy and electronic version to both the professor's email and at the blackboard Safe-Assign link).
3. Students are required to keep daily journals to document observations of phenomena related to the course topics.

Questions for Short Papers

Paper #1: China Economy Observation (20%)

- a. While traveling in China, especially in the first 3-4 cities of Beijing, Xi'an, Nanjing and Yangzhou, you will see a traditional China that is being rapidly modernized
- b. In this paper, describe and analyze what you have observed in China:
 - i. Develop a clear thesis, with focus on one specific aspect or phenomenon in Chinese economy
 - ii. Make meaningful connections to what is discussed in the textbooks (especially with adequate references to author's views in the book by Justin Yifu Lin) and to readings from recommended online materials and websites; and
 - iii. Present a unique, original, independent perspective that is yours and does not sound similar to what others might have written
- c. You should take good notes when you visiting sites and read the textbooks
- d. Prepare to give a presentation on this paper in class (10 minutes)

Paper #2: MNC Analysis (20%)

- a. During our China program, you will have many opportunities to encounter businesses of MNCs (i.e., multinational corporations) that are available in all major Chinese cities
- b. In this paper, choose one specific issue or area with a particular MNC to describe and analyze:
 - i. Discuss what it is, how it operates, how it compares with its counterparts in China and United States, how you assess it, what recommendations you have for that business (& why), and what inspirations you get from this
 - ii. Make meaningful connections to what is discussed in the textbooks (especially with references to the book of China CEO) and to readings from recommended online materials and websites; and
 - iii. Present a unique, original analysis that is yours and does not sound similar to what others might have written
- c. You are strongly advised to keep a journal of what you experience during the trip. Also, try to observe this business (esp. while in Nanjing), take notes of our observations, and talk to managers/staff there to get insiders' views
- d. Prepare to give a presentation on this paper in class (10 minutes)

Side Trip to Yangzhou

Students in this class should plan for some additional fees for the side trip to Yangzhou (check the page of Side Trips at the program website for information about this cost); we strongly encourage students in this class, if you can afford, to attend this side trip. The Yangzhou Museums are a rich resource to understand some core Chinese cultural values of Confucianism, Buddhism and Daoism, and China-West exchanges. As major rivers (e.g., the Grand Canal and Yangtze River) converged in Yangzhou and China's commerce had to rely on waterways for transportation from pre-modern to modern times, Yangzhou naturally became the important commercial center, esp. with the court's control of key commodities (e.g., salt) in Yangzhou.

Topics of Class Activities

All students must complete reading the textbooks before landing in Beijing.

1. Introduction to the Course
 - a. Topics & assignments
 - b. Schedules and assignments
2. China in the global economy
 - a. Beginning of the Chinese Century
 - b. Resources and capabilities
 - c. Synergies of Greater China
3. Basics of Chinese History and China's Path to Modernization
 - a. Imperial Chinese Heritage
 - i. Understanding (Pre-)Imperial China
 - ii. The Middle Empire dynasties: Qin to Tang
 - iii. The imperial bureaucracy
 - iv. China and its neighbors
 - v. The imperial imprint
 - b. Modern Era: China and the Foreign Powers
 - i. The Opium War
 - ii. Unequal Treaties
 - iii. Hong Kong
 - iv. Post-imperial China: ROC & PRC
 - v. Patterns of Chinese economic development over history
 - c. China Under Communism
 - i. Mao's early economic ambitions and (five-year) plans
 - ii. Great Leap Forward & Consequences
 - iii. Political Movements (e.g., Cultural Revolution in 1960s)
 - iv. The Reforms: Modern Transformations & Re-entering the World
 - v. Re-opening the doors
 - vi. Assessing the roles of Mao Zedong in modern Chinese history
 - vii. Re-defining revolution
 - viii. The fifth-modernization: Pro-democracy movement and its crack-down in 1989
 - ix. Taiwan and special economic zones: Shenzhen, Zhuhai, etc
 - x. Seeking truth from facts and pragmatism by Deng Xiaoping and his successors
 - d. China's modernizations
 - i. Levels of power: new structure and system
 - ii. Problems of prosperity
 - iii. Democracy's chorus
 - iv. Tibet, Taiwan, Hong Kong, Macau
 - v. Rebuilding the law
 - vi. Lofty Aspirations: Political and Economic
 - vii. National Symbols and Great China Dream (of National Revival)
4. Field Trips:
Observe & analyze impact of history, modernization and globalization on China's economic rise
 - a. in Beijing
 - i. Field trip: the Great Wall
 - ii. Field trip: Tiananmen Square
 - iii. Field trip: The Palace Museum
 - iv. Field trip: The Forbidden City
 - v. Venues for 2008 Olympics
 - vi. Wangfujing Shopping Area
 - vii. Hotels, shopping malls, markets, restaurants, airport terminals, banks in Beijing

- b. in Xi'an
 - i. Kaiyuan Shopping Mall
 - ii. Jade Factory and Shop
 - iii. McDonald's & Starbucks
 - iv. Muslim Bazaar in Xi'an
- c. in Nanjing
 - i. Pizza Hut; Papa Johns; Häagen-Dazs, Walmart
 - ii. Xinjiekou Business District (downtown)
 - iii. Confucius Temple Shopping Area
 - iv. International hotels (e.g., St. Regis, Westin, Intercontinental)
 - v. Supermarkets, Convenience stores, cafes, coffee houses, tea houses
 - vi. Hunan Road Shopping area
- d. In Shanghai
 - i. French Concession and the Bund
 - ii. Pudong Financial District
 - iii. International business
 - iv. Shanghai Stock Exchange (vs. Wall Street)
 - v. Xintiandi (New Heaven & Earth business area)
 - vi. Nanjing Road business area
- e. In Shenzhen and Hong Kong (for those on side trips)
 - i. British heritage
 - ii. Capitalism with Chinese characteristics/style
- 5. Chinese politics and laws: how they work and affect businesses
 - a. Role of government for business
 - b. Laws and regulations
 - c. National Development and Reform Commission (NDRC; FaGaiWei in Chinese)
- 6. Globalization and Business in China
 - a. Internet
 - b. Cell phone
 - c. Transportation & infrastructure (airplanes, high-speed trains, highways, etc)
 - d. Banking & e-banking
 - e. E-business
 - f. Stock Market
 - g. English language teaching & training
 - h. Foreign influences and Chinese tradition
- 7. China Enterprises: ownerships and governance
 - a. State-Owned Enterprises (SOEs)
 - i. Government planning
 - ii. Benefits and issues/problems
 - b. Township & Village Enterprises (TVEs)
 - i. Jiangsu Province (Nanjing, Suzhou, Wuxi)
 - ii. Zhejiang Province (Wenzhou, Hangzhou, Ningbo)
 - c. Private Business
 - i. Transformation of ownership system
 - ii. New investment policies for private businesses
 - d. Trans-national Corporations (TNCs)
 - i. Haier - compact refrigerators, wine coolers - low end niche markets as a spring board
 - ii. Huawei - routers - competes with Cisco
 - iii. Lenovo - PCs - competes with Dell
- 8. Sustainable development and issues
 - a. Industrial park; Science and High-tech parks
 - b. Regional gaps
 - i. East Coast & West

- ii. South and North
 - iii. Urban and rural areas
 - c. Urbanization & Issues
 - d. Social unrest
 - e. Environmental demands
 - f. Energy and resources
 - g. Innovation & education
 - h. Talent from overseas
 - i. Inspection tours abroad
 - j. Financial reforms
- 9. Chinese philosophies and business
 - a. Confucianism
 - b. Taoism
 - c. Buddhism
- 10. Chinese & American cultural values and business
 - a. Collectivism versus individualism
 - b. High-context versus low-context
 - c. Polychronic vs. Monochronic (time)
 - d. High-power distance vs. low-power distance
 - e. Masculine vs. feminine
 - f. High-uncertainty avoidance vs. low-uncertainty avoidance
- 11. Chinese business etiquette
 - a. Saying and doing the right things
 - b. Importance of face
 - c. Business manners: dress; banquets
 - d. Appreciation and gift-giving
- 12. Building business relationships
 - a. The art of Guanxi in China
 - b. How to reach out
 - c. How to build connections
 - d. Trust and business in China
- 13. MNCs Plan success in China
 - a. Set the stage
 - b. Business negotiations
 - c. Set up the shop
 - d. Work with the government and get approvals
 - e. Avoid legal problems
 - f. Manage employees and clients/customers
 - g. Managing all types of risks
- 14. China and international trade: China and the World
 - a. Import and export
 - b. Currency issues: foreign currency and exchange rates
 - c. Piracy & intellectual property rights (IPR)
- 15. China and the Asian neighbors
 - a. Japan
 - b. Korea
 - c. Singapore
 - d. Hong Kong
 - e. Taiwan
 - f. India
- 16. Summary and review
 - a. How do we see China now?
 - b. Washington Consensus Vs. China Model
 - c. Understanding the new rising China and its role in the current world context

- d. Field trip: Suzhou Jinji Lake Fortune 500 Industrial Park

Assignment of Keeping Journals

An important goal of the program is to enable each student to explore and experience China in his or her own individual ways, such that you can obtain maximum academic benefits from this China trip. Keeping a journal during the trip will help serve that purpose well.

You will be keeping a journal during the trip and submit the journal entries as part of the trip and course participation to their course instructor (with a copy to Prof. Lu, the program director); see the instructors' email addresses below. Here are some guidelines:

How to Write a Journal Entry

1. Describe a **specific, very meaningful, phenomenon or incident that** you observe or experience during the 2-3 days in a city, something that caught your attention and has an impact on you personally, culturally or intellectually, or something that has touched you deeply. Do not just list what you have done during the days (which will give you no credit). Tell us the story, with descriptive details, of a meaningful **intercultural encounter/instance**. This should be the 1st paragraph.
2. Then, in the 2nd paragraph, analyze or reflect upon that. Write down your reflections and thoughts on that experience or observation from a cross-cultural or intercultural perspective. If you are in one of those non-language classes, try to tie that to what you have read in the textbook(s) or what we are discussing in class.
3. In the 3rd paragraph, summarize or conclude this journal entry by making connections to a larger picture of what you have read, heard and studied previously in other classes, or even what you have experienced back in America and/or other contexts.
4. Each entry should be about 3 paragraphs in length. However, you are free to organize your ideas in what you believe to be creative ways; it is not a good idea to write one journal entry in only one paragraph.

How and When to Submit

1. Write an entry about every 3 days; a total of 5 (FIVE) journals are expected of you during the trip:
 - a. ONE entry for visit to Beijing
-- To be submitted on the day when you arrive in 2nd city of Xi'an
 - b. ONE for visit to Xi'an
-- To be submitted on the day when you arrive in Nanjing
 - c. TWO entries during stay in Nanjing (including side trips if any)
-- To be submitted every 6 days
 - d. ONE final entry for visit to Suzhou and Shanghai
-- To be submitted no later than 10 pm on the eve of departure from Shanghai
-- This final journal entry should be a bit longer than the previous ones. You need have 2 additional paragraphs in which to reflect on the overall trip experience: your gains from the trip, the impact of the trip on you, your recommendations for the trip, etc.
2. Submit your journals via email to the instructor via email:
 - a. Email each entry to: ChinaJournals@yahoo.com
 - b. And, if you are taking a class with another professor, also copy that professor.
3. At the beginning of each journal, please clearly indicate:

- a. the course #(s),
 - b. course title(s), &
 - c. the professor(s) of the course(s), if you are taking more than one course
4. Name each journal entry clearly, by making the subject of the message as Journal #1 (#2, #3, #4, etc.) from XXXX (your full name).
 5. In one email message, only send one journal entry by way of **copy & paste** (Do not send it as attachment, please). Send each journal entry separately; Do NOT attempt to include more than one journal entry in one message.

Grade and Reward

1. The professor will read your journals and respond if needed. If your journals are well written, professors may use them to replace some assignment(s) of the course, at the professors' discretion.
2. If you are taking more than one course, you still only write a total of FIVE journal entries; be sure you email each entry to both instructors if you are taking two courses from two professors.
3. The journals are part of the trip and course participation grade.

If you have been doing an exceptionally good job with the journals, the professors will give you extra credit (as much as 10% of the grade) for the course(s), at the professors' discretion.