

## **Business 3175: Asian Business (China)**

Brooklyn College--The City University of New York

Study Abroad in China Program

### **Course Description**

The aim of the course is to provide students participating in the Study Abroad in China program a framework for understanding of 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.
6. Utilize the Web and other resources to conduct international business research

### **Text Books**

Required:

1. Justin Yifu Lin. (2012). Demystifying the Chinese Economy (1<sup>st</sup> 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 (1<sup>st</sup> ed.). Publisher: Wiley. ISBN-10: 0470821922.

Recommended:

1. Barry Naughton. (2006). The Chinese Economy: Transitions and Growth. Publisher: The MIT Press. ISBN-10: 0262640643

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>

### **Course Approach and Schedule**

Fifteen class sessions will be scheduled (in-class, online, and on site), with each session for 3 hours. This will be taught as a hybrid course, with Internet based activities mixed with 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, 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 and pencil or voice recorder 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 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	20% (online, in class & trip)
2. Group Projects	20%
3. Short papers	30%
4. 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 advised that their behavior during the program may 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 5<sup>th</sup> day after our arrival in Nanjing and the second due at 5:00 pm on the 10<sup>th</sup> day after our arrival in Nanjing. The papers are to be submitted in both hard copy and electronic version at the blackboard Safe-Assign links.
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 at the blackboard Safe-Assign links).

### Questions for Short Papers

#### Paper #1: China Economy Observation (15%)

- 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 (15%)

- 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)

### 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: The Summer Palace
    - iii. Field trip: Tiananmen Square
    - iv. Field trip: The Palace Museum
    - v. Field trip: The Forbidden City
    - vi. Venues for 2008 Olympics
    - vii. XiDan Financial Street in Beijing
    - viii. Wangfujing Shopping Area
    - ix. Duanguancun Silicon District
    - x. 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. Xijiekou Business District (downtown)
    - iii. Confucius Temple Shopping Area
    - iv. Supermarkets, Convenience stores, cafes, coffee houses, tea houses
    - v. Hunan Road Shopping area
  - d. In Shanghai
    - i. French Concession and the Bund
    - ii. Foreign influence
    - iii. International business
    - iv. World Expo
    - v. Shanghai Stock Exchange (vs. Wall Street)
    - vi. Xintiandi (New Heaven & Earth business area)
    - vii. West 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. Taosim
  - 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
- 17. Final exam