The RCCPB has had an extremely productive Summer and Fall. We spent June and July in Beijing kicking off the Initiative on China and Global Governance. We had our first Chinese Industry-American Government Roundtable, and I was honored to be able to moderate a discussion on innovation and intellectual property rights with a group that included Ambassador Jon Huntsman, other senior embassy staff, and eight executives from leading Chinese companies. A week later we held a workshop on global governance at Peking University (Beida) with more than 40 scholars, officials, and business executives from the US, Asia, and Europe. We discussed China’s growing involvement in a range of global arenas, from finance to climate change, and brainstormed about the best ways to proceed with future research.

On that foundation, this Fall we circulated a Call for Research Proposals to scholars around the globe, hoping to attract the best minds to join the project. Review of proposals has just begun, and we hope to make decisions on support at the turn of the new year.

In late November we hosted the second Roundtable, this time on the question of economic rebalancing. The topic spurred a lively conversation between the US embassy staff and leading Chinese private and state-owned companies.

During the Fall semester, the center also hosted six lectures, beginning with Hongying Wang from Syracuse and concluding with Ed Steinfield of MIT. We are grateful for their time and contribution to our community.

This level of activity would not have been possible without support from many corners. I am grateful to Beida’s School of Government, its Executive Deputy Dean Zhu Tianbiao, and the leadership of their Center for Civil Society Studies for supporting our presence at Beida this summer. And I am indebted to the tireless efforts of our center’s staff, particularly Wang Qun and Edwin Way, who have poured the hearts into the center the past few months.

To the RCCPB’s friends, I wish you a healthy and happy holiday season.

www.indiana.edu/~rccpb
Global Governance Initiative Takes Off

In July 2010, the RCCPB organized a conference at Peking University that brought together more than 40 scholars, government officials and industry representatives to discuss China’s growing participation in global governance. The diverse group of conference participants had a wide range of expertise and came from the Chinese mainland, Taiwan, Canada, Japan, South Korea, Switzerland, and the United States. The conference covered a number of contentious and important issue areas, including the WTO, trade remedies, currency and financial market regulation, technology standards, global energy markets, climate change and the relationship between bilateral relationships and multilateral forums.

The discussion revealed that the rules and structure of governance varies dramatically across issue areas, from a highly structured system regulating international trade to private governance mechanisms in the energy and commodities sectors. Chinese participation appears to be affected by both these international contexts as well as by China’s domestic political and economic environment. The first day’s luncheon featured an inside look at the World Trade Organization by Wang Xiaodong, Cabinet Member and Advisor Pascal Lamy, Director-General of the WTO. That evening She Duanzhi of IBM-China provided fascinating insights into trends in China from the perspective of industry. The workshop discussion was summarized in an October 2010 Conference Proceedings paper written by Edwin Way and Scott Kennedy.

On this foundation, in mid-October the RCCPB issued a Call for Research Proposals (研究课题征稿启事) with the hope of attracting the world’s leading minds to cooperate on better understanding the factors which shape Chinese effectiveness in setting and using the international rules of the game and the chances for international cooperation across the many areas of global governance. The center aims to support research that is empirically grounded, recognizes China is not a unitary actor, and considers the international and domestic factors shaping Chinese behavior. Support will be given at varying levels depending on the needs of the researchers; in addition, the RCCPB will host several visiting scholars involved in the project. Four conferences will be held during the coming three years in Beijing, Bloomington, Tokyo, and Geneva.

The RCCPB is grateful for the generous financial support of the Henry Luce Foundation and Indiana University. In addition, it is proud to recognize three organizations as strategic partners in this initiative: the China Institute for WTO Studies at the University of International Business and Economics (对外经贸大学) in Beijing, the Institute of Social Science at the University of Tokyo, and the International Centre for Trade and Sustainable Development in Geneva.

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• **Wang Explains Civil Service Reform**

In mid-September Dr. Hongying Wang of Syracuse University shared her cutting-edge research into the Chinese central government's use and adaptation of a variety of Western institutions in its ongoing civil service reform. Using a comparative approach, Professor Wang documented that China’s civil service reforms varyingly adopted features from Western systems, from full adoption to partial adoption to outright rejection. She suggested that the process has been affected by interest group politics, the perceptions of reforms’ impact on regime stability, and the prevalence of certain practices across advanced Western countries.

• **Michelson: The (Relatively) Happy Countryside**

In late September RCCPB senior associate and IU associate professor Ethan Michelson discussed his survey research on rural conflict and local government in five rural Chinese counties. His findings, based on surveys conducted in 2002 and 2010, challenge received notions of rising discontent in the Chinese countryside. Instead, he found growing levels of confidence and trust in local government, and attributed these improvements in state-society relations to central government policies that transformed the role of local governments from being extractors of resources into being the providers of social benefits. Survey respondents widely perceived these policies to have improved the welfare of their communities, and Michelson identified a concomitant decline in almost all forms of state-society conflict as well as social conflict more generally. During the 2009-10 and 2010-11 academic years, Michelson has been a visiting scholar at Renmin University in Beijing.

• **Steinfeld: China is “Playing Our Game”**

In mid-November the RCCPB hosted Edward Steinfeld, who discussed his new book, Playing Our Game: Why China’s Rise Doesn’t Threaten the West. Steinfeld explained how China has gradually but fundamentally changed its economic and political institutions in order to be able to successfully link the country to the global economy. These reforms have moved Chinese to participate in global capitalism according to rules set by the West, not China. By examining the development of the power supply for Apple products, whose research, design, manufacturing, assembly, and sales are spread across multiple companies in several countries, he showed how we need to shift from seeing China and other countries as having distinct economies and instead viewing how they are intimately interlinked in every stage of production.

• **RCCPB Senior Associate Ho-fung Hung’s paper, “Global Crisis, China, and the Strange Death of the East Asian Developmental Model,” was presented at the conference, “The Global Economic Crisis: Perceptions and Impacts,” organized by the World Society Foundation, Zurich, Switzerland. The paper won the first prize (USD $10,000) of the Foundation’s Research Paper Award 2010.**

In July the RCCPB published a working paper on by Jialu Liu, Virginia Harper Ho, and Lu Zhang entitled, "Chinese Workers: Under Threat or a Threat to American Workers?” An extension of a symposium they participated in March 2010, the paper examines the conditions of China’s labor force from economic, legal, and sociological perspectives. They conclude by considering how the lives of Chinese and American workers are intertwined.

In July RCCPB senior associate Marc J. Dollinger published an article, “Extending the Resource-based View to the Mega-event: Entrepreneurial Rents and Innovation,” in Management and Organization Review. This article extends the Dyer-
Singh-Lavie synthesis by considering the special circumstances arising from the relationships, alliances, and networks of a mega-event, using the Beijing Olympics as a case for analysis.

In July RCCPB Director Scott Kennedy published an article, “The Myth of the Beijing Consensus,” in the Journal of Contemporary China, challenging the notion that China’s development model is somehow distinctive and coherent enough to deserve this label.

In August the RCCPB issued a working paper by former center postdoctoral fellow Lu Zhang on the evolution of labor-management relations in China’s auto sector. “From Detroit to Shanghai? Globalization, Market Reform, and Dynamics of Labor Unrest in the Chinese Automobile Industry” shows how the dynamics of the shop floor, national Chinese labor policies, and the globalization of production all shape the lives of Chinese factory workers and the business climate for multinationals operating there.

**Upcoming Events**

- January 2011. The RCCPB will announce the first round of funding for participants in the Initiative on China and Global Governance.
- February 3-4, 2011. John Pomfret, Diplomatic correspondent for Asia for the Washington Post, will be speaking in Bloomington and Indianapolis on US-China Relations.
- May 1, 2011. The RCCPB formally opens its Beijing office.

**The Season for Giving**

We invite tax-deductable contributions in support of the center’s vision and programs. We accept personal and corporate donations, individual or matching, for the center in general and for each of the center’s three research initiatives: China and Global Governance, US-China Business Cooperation, and Economic Regulation and Lawmaking in China. You can donate online by simply clicking one of the links below or mail a check to the RCCPB’s offices. For more information on how to tailor support to fit your interests and the center’s needs, please contact center director Scott Kennedy at kennedys@indiana.edu.

**About the RCCPB**

The IU Research Center for Chinese Politics and Business (RCCPB) was founded in February 2007. Together with our partners and affiliated faculty, we seek to understand how China’s regulatory environment and political system shape the behavior of and chances for success of Chinese and foreign businesses; how economic conditions and corporate behavior shape Chinese regulatory framework and political institutions; and how China’s international economic engagement affects China itself, her trading partners, and international institutions like the WTO. The Center breaks down traditional boundaries by bringing together scholars from multiple disciplines and by building bridges between universities, stakeholders, and policymakers in the United States, China, and elsewhere.

**Keep in Touch with the RCCPB**

The RCCPB regularly holds colloquiums on Indiana University’s Bloomington campus and group meetings attended by guest scholars and the center’s senior associates. We also provide training programs such as media workshops. We are planning conferences to be held in the next three years. We publish conference papers and our senior associates’ manuscripts through the working paper series. To keep informed about center events and publications, send us an email: rccpb@indiana.edu.