Message from the Director

The Year of the Rabbit ended in a rush. Our October conference on the 10th anniversary of China’s accession to the WTO drew almost 400 participants and featured leading figures from business, government, and academia. We were particularly honored to host top Chinese trade negotiator Long Yongtu and WTO Appellate Body member Zhang Yuejiao. The conference would not have been possible without the partnership of the RCCPB and UIBE’s China Institute for WTO Studies, the excellent research and analyses of many scholars and experts, and the support of several generous sponsors.

The Year of the Dragon has come upon us like a breadth of hot fire. Participants to the center’s Initiative on China and Global Governance have been completing their research on foreign investment, climate change, intellectual property rights, foreign aid, and other topics. We’ve been issuing papers on a weekly basis, and will hold a major conference in Bloomington in late March. In the meantime, the center’s senior associates and myself have been carrying out research on a wide variety of topics related to the evolution of law, the effect of the media, business management, and Chinese industrial policy. This spring features guest lectures by Dan Rosen (Rhodium Group), Susan Blum (Notre Dame), Bruce Dickson (George Washington University), and Tim Oakes (University of Colorado). Finally, we have added 4 new interns and are delighted to announce that Kun Ma of CHV Capital has joined the center’s Advisory Board.

In early January, the center’s Beijing office moved from the west to the east gate of the campus of the UIBE. Our new facility was built to celebrate the school’s 60th anniversary. We welcome you to visit our beautiful new home.
In October, the RCCPB successfully hosted the conference “The 10th Anniversary of China’s WTO Accession: China’s Learning Curve” in Beijing. The two-day conference provided a thorough examination of China’s growing role in the World Trade Organization. During Day One of the conference, Long Yongtu, China’s chief WTO negotiator, gave a subtly worded critique of current economic policies. When China joined the WTO, it made policy changes which were domestically seen as "progress" (进步), but are now criticized as "concessions" (让步). He said he is worried that China may be getting further and further away from the spirit of the WTO. His concerns were echoed, more directly, by Christian Murck, President of the American Chamber of Commerce in China, and Dirk Moens, the Secretary-General of the EU Chamber of Industry & Commerce.

In his keynote address Robert Wang, American Deputy Chief of Mission, struck a balanced pose. He praised China for the distance it has travelled in economic development and reform the past 10 years, but he noted the concerns the US and others have about China’s recent economic policies, including currency policy. In perhaps the most memorable line of his speech, he said: "As our trade negotiators are fond of saying, no doubt to the annoyance of their Chinese colleagues – 'China is not Chad.' And the fact of China’s astounding success as an exporting power means that China carries considerably more responsibility than was the case ten years ago with regard to the liberalizing mission of the WTO."

Pictured Above: China’s chief WTO negotiator Long Yongtu speaks at RCCPB’s WTO Conference.
On March 22-24, the RCCPB will host the “Conference on China and Global Governance” on the Bloomington campus of Indiana University. The multi-day conference, co-organized by the RCCPB and the Workshop on Political Theory and Policy Analysis, will take a 360-degree view of how China is engaging the world on issues such as international investment, climate change, public health, finance, foreign aid, intellectual property rights and rule of law.

The conference will feature 7 discussion panels and a keynote address by Elinor Ostrom, winner of the 2009 Nobel Prize in Economic Sciences.

This conference is the third in a series of four conferences to be held for RCCPB’s Initiative on China and Global Governance; The first was held in Beijing in July 2010 and the second in Beijing in October 2011. The fourth and final event will be held in Geneva on September 27, 2012 and focus on how Chinese industry and government are learning and using the rules of the game of the international system.

For more information about the March conference, see: www.indiana.edu/~rccpb/globalgovernance/conference.

New Staff Members

Windy T. Wang (王庭庭) is the new Webmaster for RCCPB. Prior to joining the center, she was the instructor for an online art learning course. She received a Master’s in Immersive Mediated Environments in Telecommunications at IU. She has expertise in website design & development, 3D Animation & Image Synthesis Technology, video editing & production.

The center has also hired 3 interns who are serving as research assistant’s for the center’s Initiative on Economic Regulation and Lawmaking in China. Richard Liu Huanzhu (刘焕柱), Li Heng (李衡), and Yu Shuwen (余姝雯) are all LLM students in the Maurer School of Law. Liu Yang (刘扬) is a graduate of Williams & Mary College and works in our Beijing office.

Professor Andrew Kipnis of The Australian National University spoke at Indiana University at an event hosted by the RCCPB along with the Pan-Asia Institute, East Asian Studies Center, and the National Committee on US-China Relations on November 11, 2011. The talk’s title, “Chinese nation-building as, instead of, and before globalization,” accurately conveyed the paradox at the heart of his talk: the processes of globalization widely blamed for eroding national borders and local cultures throughout the world have elicited nation-building responses in China. At the same time, and more surprisingly, in some ways Chinese nation building has proceeded through globalization.

In accounting for this puzzle, Kipnis invoked the work of anthropologist Thomas Hylland Eriksen, who identified key features of globalization: disembedding, acceleration, standardization, interconnectedness, and mixing. Drawing on his extensive fieldwork in China, Kipnis showed how each of these facets of globalization has had a nation-strengthening Chinese counterpart. Kipnis showed the very transformations critics of globalization have blamed for the loss of local particularities and the homogenization of the world have, in China, either been met with – or egged on – the enhancement of Chinese “national” culture and identity.
Recent RCCPB Working Papers


Quan Li and Guoyong Liang, “Political Relations and Chinese Outbound Direct Investment: Evidence from Firm- and Dyadic-Level Tests,” February 2012.

Tim Bartley and Zhang Lu, "Opening the 'Black Box': Transnational Private Certification of Labor Standards in China," February 2012.


Dan Li, Marjorie Lyles, and Haiqen Yan, "Effects of Past Experience, Learning Capabilities and Overall Motivation on the Performance of Chinese Outward FDI and the Mediating Role of Learning," January 2012.

Dan Rosen gave a talk on the IU-Bloomington campus in January on the prospects and challenges of increased Chinese foreign direct investment in the United States. Rosen, who is an adjunct professor at Columbia University, principle of the Rhodium Group, and a fellow with the Peterson Institute for International Economics, shared the results of a multi-year study into the growth of Chinese foreign direct investment in the United States, which reached more than $6 billion in 2010. These capital inflows are widely underestimated by official data, which mistakenly attributes to other countries much of the investment flowing into the United States from China.

Chinese investment is directed to a variety of sectors and is geographically dispersed, thus benefiting Americans across all regions of the country. Rosen cautioned the audience that while the

Dan Rosen Analyzes Chinese Outward Investment

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CCPB Director Scott Kennedy spoke at Caixin Media’s annual summit, one of the top business conferences held in China. Kennedy spoke on the panel on “Green Modernization – the Next 10 Years,” together with representatives from Rio Tinto, Citibank, and a local private equity company. Kennedy stressed that going green will require going beyond government-mandated standards. Green certification programs for products and construction, well developed in the United States, are just in their infancy in China, but hold a great deal of promise in reducing energy usage and increasing efficiency, all the while contributing to economic growth. Kennedy also suggested that Chinese consumers use their market power to push domestic and foreign product suppliers to raise the environmental protection standards of their goods. A “China effect” could be just as positive in promoting green modernization as the well-known “California effect.”

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enneward was also interviewed by Michelle Lai of the Blue Ocean Network (BON) about China’s effort to be recognized as a market economy on the heels of its 10th anniversary as a member of the World Trade Organization. The story was broadcast in early December on satellite programming available in the United States and Asia-Pacific region.
potential for future Chinese investment may be large, attracting investment depends on sustaining Americans' commitment to economic openness, free trade, and educational excellence.

Rosen also noted that there was yet little evidence to suggest that Chinese foreign investment was being diverted to the European Union or other advanced economies because of American trade protectionism or limits on Chinese investment. In fact, Rosen showed that American authorities have imposed relatively more restrictions on investment from such long-standing American allies as the United Kingdom, Israel, and Australia than on China.

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 colloquia 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.

Support the RCCPB

We invite tax-deductible 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.

O n November 29, 2011 Professor Kodama Kanako of Chiba University gave a talk on “ecological migration” in Inner Mongolia at a colloquium co-organized by the RCCPB. Professor Kodama conducted multiple research trips to Ejine Banner in western Inner Mongolia between 2003 and 2010, and is an expert on the history and ecology of Mongol pastoralism.

The Chinese policy of “ecological migration” originated with concerns about periodic dust storms sweeping through Beijing. The dust storms are caused by desertification in western Inner Mongolia, more than a thousand kilometers from Beijing. Policymakers attributed the desertification to overgrazing by Mongol pastoralists, and chose “ecological migration” - shifting pastoralists away from the region and into other sources of livelihood - as the policy to address land degradation. Yet resettlement did not solve the problem of desertification or reduce dust storms. As Kodama pointed out, this was because excessive agricultural water use, and not overgrazing, has been the principal cause of land degradation.