

**THE UNIVERSITY OF HONG KONG  
FACULTY OF BUSINESS AND ECONOMICS**

**ECON2273 Economic History of China**

Instructor: Dr. Chicheng Ma

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Office hour: by appointment

Pre-requisites: ECON1210 Introductory microeconomics

Course Website: HKU Moodle

**COURSE DESCRIPTION**

The course introduces economic history and its persistent impact on economic development in the context of China. Particular attention will be paid to explain the missing industrialisation and modern growth in imperial China and the historical roots of China's recent economic rise. To this end, the course will compare China to the West in terms of culture, institutions, technology, and human capital, and will employ historical data and Cliometrics to examine the fundamental determinants of economic development in the long run. In addition to broaden students' intellectual horizon in economic history, the course is aimed to cultivate sense and skills of empirical studies from a historical perspective.

**COURSE CONTENT AND TEACHING SCHEDULE**

**Lecture 1. The Needham Puzzle (1 week)**

- 1.1 The Great Divergence between China and the West
- 1.2 Deep reasons behind the Divergence
- 1.3 Overview of the topics in this course

**Lecture 2. Confucianism (2 weeks)**

- 2.1 Culture, religion, and development
- 2.2 Protestantism and the rise of Europe
- 2.3 Economics of Confucianism in China

**Lecture 3. The Imperial Examinations (2 weeks)**

- 3.1 The intellectual origin of European growth
- 3.2 The 'ladder of success' in imperial China
- 3.3 Literati and the allocation of talent

**Lecture 4. Trade and Autarky (1 week)**

- 4.1 Atlantic trade and the rise of Europe

- 4.2 The autarkic principle in late imperial China
- 4.3 Columbian Exchange and China

**Lecture 5. Modernization** (2 weeks)

- 5.1 The economic impacts of the Treaty Ports
- 5.2 Western influence: Christianity, knowledge, and institutions
- 5.3 Self-strengthening: Chinese responses to the West

**Lecture 6. The Long Shadow of History** (1 week)

- 6.1 The paradox of the long-term persistence
- 6.2 The economic legacy of Confucianism
- 6.3 Long live *Keju*: the persistence of human capital

**Student Presentations** (2 weeks)

**READING MATERIALS**

*There is no assigned textbook. Reading materials are based entirely on journal articles and book chapters. Materials marked with an asterisk (\*) are compulsory, and preferably to be read before attending class. The specific pages and chapters of the readings are clearly indicated in the syllabus. Skip the technical (econometric) details with which you are not familiar; focus on the story and economic rationale.*

**Lecture 1. The Needham Puzzle**

- [1] Brandt, Loren, Debin Ma, and Thomas G. Rawski. 2014. "From Divergence to Convergence: Reevaluating the History behind China's Economic Boom." *Journal of Economic Literature*, 52 (1). (Focus on pp. 45-52, 59-63 & 79-112).
- [2] Elvin, Mark. 1984. "Why China Failed to Create an Endogenous Industrial Capitalism: A Critique of Max Weber's Explanation." *Theory and Society*, 13(3).
- [3] Landes, David S. 2006. "Why Europe and the West? Why Not China?" *Journal of Economic Perspectives*, 20(2).
- [4] Lin, Justin Y. 2008. "The Needham Puzzle, the Weber question, and China's Miracle: Long-term Performance since the Sung Dynasty." *China Economic Journal*, 1(1).

**Lecture 2. Confucianism**

- [1] \* Becker, Sascha O., and Ludger Woessmann. 2009. "Was Weber Wrong? A Human Capital Theory of Protestant Economic History." *Quarterly Journal of Economics*, 124(2).

- [2] Chen, Zhiwu, Chicheng Ma, and Andrew Sinclair. 2022. “Banking on the Confucian Clan: Why China Developed Financial Markets So Late?” *The Economic Journal*, 132 (644).
- [3] \* Greif, Avner, and Guido Tabellini. 2017. “The Clan and the Corporation: Sustaining Cooperation in China and Europe.” *Journal of Comparative Economics*, 45.
- [4] Kung, James K-S, and Chicheng Ma. 2014. “Can Cultural Norms Reduce Conflicts? Confucianism and Peasant Rebellions in Qing China.” *Journal of Development Economics*, 111.
- [5] Liang, Ming-Yih. 2010. “Confucianism and the East Asian Miracle.” *American Economic Journal: Macroeconomics*, 2(3).
- [6] \* Weber, Max. 1922. *The Religion of China: Confucianism and Taoism*. Free Press. (Chapters 4-6).

### **Lecture 3. The Imperial Examination**

- [1] \* Bai, Ying. 2019. “Farewell to Confucianism: The Modernizing Effect of Dismantling China’s Imperial Examination System.” *Journal of Development Economics*, 141.
- [2] \* Baumol, William J., 1990. “Entrepreneurship: Productive, Unproductive, and Destructive.” *Journal of Political Economy*, 98.
- [3] Lin, Justin Y. 1995. “The Needham Puzzle: Why the Industrial Revolution Did Not Originate in China.” *Economic Development and Cultural Change*, 43(2).
- [4] Ma, Chicheng. 2021. “Knowledge Diffusion and Intellectual Change: When Chinese Literati Met European Jesuits.” *Journal of Economic History*, 81 (4).
- [5] \* Mokyr, Joel. 2005. “The Intellectual Origins of Modern Economic Growth.” *Journal of Economic History*, 65(2).
- [6] Squicciarini, Mara P., and Nico Voigtländer. 2015. “Human Capital and Industrialization: Evidence from the Age of Enlightenment.” *Quarterly Journal of Economics*, 130(4).
- [7] Yuchtman, Noam. 2017. “Teaching to the Tests: An Economic Analysis of Traditional and Modern Education in Late Imperial and Republican China.” *Explorations in Economic History*, 63.

### **Lecture 4. Trade and Autarky**

- [1] \* Acemoglu, Daron, Simon Johnson, and James A. Robinson. 2005. “The Rise of Europe: Atlantic Trade, Institutional Change, and Economic Growth.”

*American Economic Review*, 95(2).

- [2] Chen, Shuo, and James K. Kung. 2016. “Of Maize and Men: The Effect of a New World Crop on Population and Economic Growth in China.” *Journal of Economic Growth*, 21(1).
- [3] Findlay, Ronald, and Kevin H. O’Rourke. 2007. *Power and Plenty: Trade, War, and the World Economy in the Second Millennium*. Princeton University Press. (Chapter 4).
- [4] Kung, James K., and Chicheng Ma. 2014. “Autarky and the Rise of Piracy in Ming China.” *Journal of Economic History*, 74(2).
- [5] \* Nunn, Nathan, and Nancy Qian. 2010. “The Columbian Exchange: A History of Disease, Food, and Ideas.” *Journal of Economic Perspectives*, 24(2).

## **Lecture 5. Modernization**

- [1] \* Bai, Ying, and James K. Kung. 2015. “Diffusing Knowledge while Spreading God’s Message: Protestantism and Economic Prosperity in China, 1840-1920.” *Journal of the European Economic Association*, 13(4).
- [2] \* Jia, Ruixue. 2014. “The Legacies of Forced Freedom: China’s Treaty Ports.” *Review of Economics and Statistics*, 96(4).
- [3] La Porta, Rafael, Florencio Lopez-de-Silanes, and Andrei Shleifer. 2008. “The Economic Consequences of Legal Origins.” *Journal of Economic Literature*. 46 (2).
- [4] Lin, Chen, Chicheng Ma, Yuchen Sun and Yuchen Xu. 2021. “The Telegraph and Modern Banking Development, 1881-1936.” *Journal of Financial Economics*, 141 (2).
- [5] Spence, Jonathan. 1990. *The Search for Modern China*. WW Norton & Company. (Chapters 7, 9, and 11).

## **Lecture 6. The Long Shadow of History**

- [1] Becker, Sascha O., Katrin Boeckh, Christa Hainz, and Ludger Woessmann. 2011. “The Empire is Dead, Long Live the Empire! Long-Run Persistence of Trust and Corruption in the Bureaucracy.” *The Economic Journal*, 126(590).
- [2] \* Chen, Ting, James Kung, and Chicheng Ma. 2020. “Long Live *Keju*! The Persistent Effects of China’s Imperial Examination System.” *The Economic Journal*, 130 (631).
- [3] \* Nunn, Nathan. 2009. “The Importance of History for Economic Development.” *Annual Review of Economics*, 1(1).
- [4] \* Nunn, Nathan, and Leonard Wantchekon. 2011. “The Slave Trade and the

Origins of Mistrust in Africa.” *American Economic Review*, 101(7).

[5] Spolaore, Enrico, and Romain Wacziarg. 2013. “How Deep Are the Roots of Economic Development?” *Journal of Economic Literature*, 51(2).

## **TEACHING ACTIVITIES**

Course Teaching and Learning Activities	Expected hours	Study Load (% of study)
1. Lecture with class discussion	36	36%
2. Pre-class reading and self-study	26	26%
3. Assignments, term paper and presentation	26	26%
4. Consultation	12	12%
Total	100	100%

## **ASSESSMENT**

Assessment Methods	Brief Description (Optional)	Weight	Aligned CLO
1. Assignments	- Submission of three study notes	30%	CLO 1/2/3/4
2. Term project	- Group research project; submission of an essay	30%	CLO 1/2/3/4/5
3. Presentation	- Group work. Present your term project in class	10%	CLO 1/2/3/4/5
4. Final examination	- Open-book examination	30%	CLO 1/2/3/4
	Total	100%	

## **STANDARDS FOR ASSESSMENT**

### Course Grade Descriptors

- A+, A, A- - Excellent. Strong evidence of superb ability to fulfill the intended learning outcomes of the course at all levels of learning: describe, apply, evaluate, and synthesis.
- B+, B, B- - Good. Strong evidence of the ability to fulfill the intended learning outcomes of the course at all levels of learning: describe, apply, evaluate, and synthesis.
- C+, C, C- - Pass. Evidence of adequate ability to fulfill the intended learning outcomes of the course at low levels of learning such as describe and apply but not at high levels of learning such as evaluate and synthesis
- D+, D - Poorly Pass. Evidence of basic familiarity with the subject.
- F - Fail. Little evidence of basic familiarity with the subject.

### Assessment Rubrics for Each Assessment

1. Assignments: 1) pertinence, clarity, and reasoning, 2) the depth of analysis, 3) originality/novelty of your own comments/critiques/extension (for review work), and 4) writing and layout. See the instruction of each assignment for details.
2. Term paper: 1) the originality, pertinence, and clarity of the topic, 2) the clarity of framework and reasoning, 3) the suitability/reliability of data/materials and research methods, 4) the depth of analysis, and 5) writing and layout. See the instruction of term paper for details.
3. Presentation: all rubrics of term paper apply to the presentation. In addition, the grading of presentation is based on 1) the performance in the lecture and Q&A, and 2) the quality/layout of the PPT slides. See the instruction of presentation for details.

### **MEANS FOR STUDENT FEEDBACK ON COURSE**

Conducting SETL around the end of the semester  
Online response via Moodle site  
Others: email communications

### **FACULTY GOALS**

FLG1: Acquisition and internalization of knowledge of the programme discipline  
FLG2: Application and integration of knowledge  
FLG3: Inculcating professionalism  
FLG4: Developing global outlook  
FLG5: Mastering communication skills  
FLG6: Cultivating leadership

### **COURSE LEARNING OUTCOMES**

Course Learning Outcomes (CLO)	Aligned Faculty Goals
CLO1 Knowledge of China's economic history in a comparative perspective	FLG 1/2/4
CLO2 Application of economic approach to understand the important issues in China's long-term development	FLG 1/2/3
CLO3 Developing historical and global outlook in understanding China	FLG 1/2/4
CLO4 Sense and skills for studying academic issues in a coherent fashion	FLG 1/2/3
CLO5 Communication and presentation skills	FLG 4/5/6

## **COURSE POLICY**

The University Regulations on academic dishonesty will be strictly enforced! Please check the University Statement on plagiarism on the web:

<http://www.hku.hk/plagiarism/>

Academic dishonesty is behavior in which a deliberately fraudulent misrepresentation is employed in an attempt to gain undeserved intellectual credit, either for oneself or for another. It includes, but is not necessarily limited to, the following type of case:

Plagiarism - The representation of someone else's ideas as if they are one's own. Where the arguments, data, designs, etc., of someone else are being used in a paper, report, oral presentation, or similar academic project, this fact must be made explicitly clear by citing the appropriate references. The references must fully indicate the extent to which any parts of the project are not one's own work. Paraphrasing of someone else's ideas is still using someone else's ideas, and must be acknowledged.

Unauthorized Collaboration on Out-of-Class Projects - The representation of work as solely one's own when in fact it is the result of a joint effort. Where a candidate for a degree or other award uses the work of another person or persons without due acknowledgement:

- The relevant Board of Examiners may impose a penalty in relation to the seriousness of the offence;
- The relevant Board of Examiners may report the candidate to the Senate, where there is prima facie evidence of an intention to deceive and where sanctions beyond those in (1) might be invoked.