Urban China Research Seminar

Level: Graduate  
Prerequisites: None  
Course options:  
11.403 (9 units, 2-0-7, with customized research training, letter-graded)  
11.S969 (3 units, 2-0-1, lunch lectures mainly, graded P/D/F)

Instructor:  
Siqi Zheng, 9-323, sqzheng@mit.edu, http://siqizheng.mit.edu

Teaching Assistant:  
Adriano Borges Costa, 9-333, abcosta@mit.edu

Class time: Monday 12:30-2:00pm @ 9-451  
11.403: Lunch lectures (H1) + Research seminars (H2)  
11.S969: Lunch lectures (H1)  

Lunch lectures (H1): Sept. 9; Sept. 16; Sept. 23; Sept. 30; Oct. 7.  
Research seminars (H2): Oct. 21; Oct. 28; Nov. 4; Nov. 11; Nov. 18; Nov. 25; Dec. 2; Dec. 9

Office hours:  
Siqi Zheng: 2:30–4:30 on Mondays. Sign up on the DUSP office hour scheduler:  
https://cron-cronlasso-s.mit.edu/hours/p.lasso?t=1:2:0.  

Course Description and Objectives

China’s urbanization over the last three decades has been unprecedented in human history – 260 million migrants have moved to cities supporting rapid economic growth, while also creating huge opportunities for the real estate market. Over the next 30 years, an additional 300 million Chinese are likely to move to cities. This massive wave of urbanization has not only changed the lives of hundreds of millions, but significantly modified the world’s political, economic, and environmental landscapes.

This graduate research seminar is an introduction class that explores the driving forces of China’s urbanization and will focus on the fundamental mechanisms and key policy issues of urban development, real estate markets, and sustainability in China, posing three key questions:
1) With the liberalization of China’s land and real estate markets since the 1980s, how can we better understand the incentives and location choices of firms and households, the developers’ response to demand and regulation, and the aggregate consequences of such individual choices on the whole urbanization dynamics?

2) Along other key dimensions of sustainable urbanization—e.g., land and housing, transportation, energy and environment, business environment and political economy—what are the tensions, discontinuities and potential threats to sustainability? Has the government—at local, provincial, and central levels—and their policies succeeded or failed in addressing such challenges?

3) What differentiates China from other countries in their equivalent urbanizing historical periods? What may China’s experience offer for the rest of the world?

The course treats China’s urban development as the joint result of socioeconomic processes and conscious actions by governments, markets, and the public. This course is structured into three sections that examine the connections between these multiple functional domains. The course entails subjects that evolve continually to keep pace with current dynamics in China’s real estate sector and urbanization processes, engaging students to provide critical insights and produce cutting-edge academic work. In addition, the course will engage with the experiences of other rapidly urbanizing countries through an international comparative approach, in order to examine both the unique and general aspects of China’s experiences, and use these experiences to inform the ever-evolving discourse on economic development and urban theory.

The course welcomes graduate students with a research interest in Chinese urbanization issues. The goals of this course are:

1. Introduce students to a systematic body of knowledge related to China’s urbanization, urban development, and real estate sector.
2. Improve capabilities in identifying key research questions, the most relevant scholars and literature engaging China’s urban and real estate markets, and other related topics students are interested in.
3. Equip students with interdisciplinary (qualitative and quantitative methods), structured, and rigorous approaches to analyze urban topics in China, and do comparison studies between China and other countries. (mainly for the 9-unit option).
4. Provide students with the basic training for developing their master thesis and/or a journal paper on China topics (mainly for the 9-unit option).

**Course Organization and Assignments**

The class will meet once a week every Monday from 12:30pm to 2pm. The 9-unit option (11.403) is a full semester course; while the 3-unit option is a first half semester course. Lunch will be provided.

In the first half semester, students will attend lunch lectures, featuring guest speakers and/or Prof. Siqi Zheng.
In the second half semester (for 9-unit option), students will participate in an internal research seminar to learn detailed institutional knowledge of China’s urbanization, qualitative and quantitative research methods to do an independent study on China topics – a thesis or a research paper.

**H1: Lunch Lectures (both 11.403 and 11.S969)**

1. **Readings and questions before the lecture**

   Complete the assigned readings in advance of each lecture, and develop at least one question that you would like to pose to the speaker. Please post your questions in the “Forum” section (by replying to TA’s initial post) on our course’s Stellar site by **10 pm on Sunday night** before the lecture. We hope that least some of you will get to ask that question at the dialogue, and we will grapple with the other questions collectively as part of the follow-up discussion seminar.

2. **Lunch lectures**

   Lectures will be organized as a semi-structured dialogue. Programming of each lecture (and accompanying dialogue) includes:
   - Siqi opens the topic (5 min)
   - Speaker presentation (30 min)
     - Speaker gives an overview of a particular topic and speaks on how their recent research relates to the topic.
     - Speaker speaks on the significance/impact of their research, general conclusions, and some comparative reflections.
   - Dialogue (30 min): Siqi (or an invited discussant) challenges the speaker; students participate in the debate/discussion
   - Speaker reflects on the discussion (10 min)
   - Siqi concludes (5 min)

3. **Reflection memo**

   The week following each lunch lecture, write a 1 or 2-page reflection memo, including a response to the following questions:
   - What do you consider to be the key points made in the speaker’s presentation and the proceeding dialogue?
   - What do the presentation and dialogue trigger you to think about in terms of interesting research questions for you or other scholars’ future studies?

   Please upload your reflection memo by **10pm on Sunday night** after the lunch lecture, in the “Assignment” section on the course’s Stellar website.

**H2: Internal Research Seminars (only 11.403)**
1. Internal lectures and discussions

First, Siqi will give lectures on three ingredients needed to do a good China research project:

- Institutional context: land and housing; transportation; energy and the environment.
- Research design and implementation strategies.
- Data and quantitative methods: economic reasoning skills, basic statistics, causal inference techniques.

Then, Siqi and the students will have an internal seminar-style discussion or internal presentation.

2. Term project: a master thesis proposal or an independent study proposal

Each student will do a term project of writing up a research proposal: either a master thesis proposal, or an independent study proposal. Each student will choose one of the candidate topics (provided by Siqi later in the course), or if you would like to propose a different topic (which is equally encouraged), please talk to Siqi for comments and advice.

There will be three steps to conduct this term project:

- 1st round proposal: each student will need to write a 2-5 page proposal draft - Due by 5 pm on Friday, November 22nd (upload to this course’s Stellar system).
- Discussion: In the classes on November 25th and December 2nd, we will spend 20~30 minutes per student to discuss each proposal, especially the research design and implementation strategy. Siqi and other students will comment on the presentations.
- Final presentation: in the final class on December 9th, each student will have 15~20 min to present their proposal. Siqi and other students will give comments. Students will then revise the proposal based on the comments.
- The final version of the proposal (up to 18 pages, with 2-line spacing, 12 pt fonts, based on APA Style) is due by 5 pm on Friday, December 20th (upload to Stellar).

A clear, concise research proposal with the background, potential data source, selected empirical economic method, expected results, etc. Students need to identify the key components of a research proposal. The proposal will be evaluated on student’s demonstrated scientific originality, logical consistency, methods, and writing skills.
Class participation requirements and grading

The course grants two options for student participation in order to allow different levels of student commitment. See the following details for class registration details and requirements:

<table>
<thead>
<tr>
<th>Options for class registration</th>
<th>9 units</th>
<th>3 units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Course number</td>
<td>11.403</td>
<td>11.S969</td>
</tr>
<tr>
<td>Grading</td>
<td>Letter</td>
<td>P/D/F</td>
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</tbody>
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H1

| (1) Readings, questions submitted before lecture | 10% | Required |
| (2) Attendance at lunch lectures and participation in Q&A/dialogue | 10% | Required |
| (3) Reflection memo after lecture | 10% | Required |

H2

| (1) Attendance at internal seminars and participation in the discussion | 15% | N/A |
| (2) Term project | 55% | N/A |
| Office hours | Offered | Upon special request |

Satisfactory performance includes consistent class attendance and engagement; satisfactory completion of assignments, and a high-quality term paper submission. Enthusiasm and improvement will be taken into consideration in the evaluation of a student’s performance.

If you must miss a class, you should notify the TA and instructor in advance by email. Students who consistently do not attend classes or are always late for class will obtain lower participation grades at the instructor’s discretion.
Course schedule and readings

H1: Lunch Lectures

Class 1: 09/09
• Topic: China’s Urbanization: Growth Engine and Misallocation Problems
• Speaker: Siqi Zheng
• Pre-class readings

Required:


Recommended:


Building the dreams
By 2030 Chinese cities will be home to about 1 billion people. Getting urban China to work properly is vital to the country’s economic and political future, says James Miles

Meet the five urban Chinas
Sifan Liu and Joseph Parilla | Brookings: The Avenue | Wednesday, June 20, 2018
https://www.brookings.edu/blog/the-avenue/2018/06/19/meet-the-five-urban-chinas

Class 2: 09/16
• Topic: Capitalism with Chinese Characteristics
• Speaker: Yasheng Huang (MIT Sloan)
• Pre-class readings

Required:

Recommended: TBD

Class 3: 09/23
• Topic: Energy Impacts of China’s Urbanization and Interactions with Policy Choices
• Speaker: Valerie Karplus (MIT Sloan)
• Pre-class readings

**Required:**


**Recommended:**


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Class 4: 09/30

- **Topic:** Social Consequences of Air Pollution in China
- **Speaker:** **Siqi Zheng**
- **Pre-class readings**

**Required:**


**Recommended:**


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Class 5: 09/23

- **Topic:** Information control: curriculum, propaganda, and media censorship
- **Speaker:** **David Yang** (Harvard Economics)
• Pre-class readings

Required:


Recommended:


H2: Internal Research Seminars (Siqi Zheng)

Class 6: 10/21
• Institutions (I): Land and Housing Markets in Urban China
  o Institutional background
  o Key policies and outcomes
  o How to form a research question on this topic

Class 7: 10/28
• Institutions (II): Transportation Network and Urban Vibrancy in China
  o Institutional background
  o Key policies and outcomes
  o How to form a research question on this topic

Class 8: 11/04
• Data and Methods (I): Statistics and Regression
  o Skills: OLS and fixed effects model
  o Applying those skills to study China urbanization topics.

Class 9: 11/11
• Data and Methods (II): Causal Inference Techniques
  o Skills: experimental design (RCT) and quasi-experimental design (PSM, DID, RD and IV).
  o Applying those skills to study China urbanization topics.

Class 10: 11/18
• Data and Methods (III): Spatial Econometric Analysis
  o Skills: spatial econometric analytical tools
Applying those skills to study China urbanization topics.

Class 11: 11/25
- Research Design and Implementation (I)
  - In-depth discussion of students’ thesis/independent study proposals

Class 12: 12/2
- Research Design and Implementation (II)
  - In-depth discussion of students’ thesis/independent study proposal

Class 13: 12/9
- Student final presentation of thesis/independent study proposal