Welcome to Kaifeng

It is an honor for me to present the School of Economics at Henan University to you as its Dean. We look back with pride to many achievements that we had in the past, and look forward into an exciting future. We expanded our international focus in the recent years through various activities. Among them are close cooperation's with universities in the US, Europe, Canada and Japan for student exchanges as well as research collaborations, special economics classes that are exclusively taught in English, but also the recruitment of new (often international) faculty members with an excellent educational background from the US or Europe. Our school has a young and growing team of professors with degrees from the US, Canada and Europe with a research focus on Applied Economics and Econometrics.

You will find information about our academic programs, our faculty and research activities in this brochure. We thank you for your interest in our school and hope to welcome you in Kaifeng, the ancient capital of China, soon.

Bingtao Song,
Dean of the School of Economics
Authors:

International Office of the School of Economics at Henan University
Kerstin El-Shagi / Yang Li
Kaifeng, 475004, China
November 2015

Printed by:

Henan University
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History and Recent Developments

The School of Economics at Henan University is one of the largest economics education centers worldwide. It has 147 faculty members and more than 3000 students. Its history goes back to 1927 with the first establishment of a department of economics at Henan University. This department is called School of Economics since 2002.

Since then the School of Economics was approved for several PhD and master programs. We hosted international and national conferences in Kaifeng, among them the Henan Symposium on Development and Institutional Economics and the HenU / INFER Workshop on Applied Macroeconomics.

We regularly send our young staff members and scholars abroad for academic visiting programs and we established a close cooperation for our students with Stony Brook University in the US, University of Windsor in Canada, Cardiff Business School in UK, and Nihon University in Japan.

We invite many well-known international and domestic scholars to give lectures and seminar presentations, among them were Nobel Laureates in Economics, James J. Heckman (Chicago University), Dale T. Mortensen (Northwestern University, Evanston) and Robert Mundell (Columbia University, NY).

We are welcoming international students on all levels to study in our Economic programs taught in English. Our students have on the other side the opportunity to spend a part of their studies abroad at our partner universities.
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Academic Programs

PhD
- Applied Economics
- Statistics
- Economic Theory
- Marxist Theory

Master Programs
- Statistics
- Economic Theory
- Applied Economics
- Agricultural Economics and Management
- Business Management
- Marxist Theory

Undergraduate Programs
- Economics
- International Trade
- Finance
- Insurance
- Statistics
- Public Finance
The school of economics has 147 faculty members in its departments of Economics, International Trade, Finance, Public Finance, Insurance and Statistics.

Our school is dedicated to excellence in teaching and research. Our faculty members are active researchers that regularly publish in well-known international journals such as China Economic Review, Macroeconomic Dynamics and the Journal of International Money and Finance, but also participate in leading national and provincial research projects in China.

On the following pages we will introduce a few selected faculty members and their recent research projects.
**Prof. Geng Mingzhai and the Central China Development Institute**

Professor Mingzhai Geng is the former dean of our school, where he currently holds the position of honorary dean. He is concurrently the dean of the Central China Development Institute (CCDI). In Henan province, this Institute is the think tank cofounded by the provincial government and Henan University. As the co-founder and leader of the CCDI, Professor Geng and his research group provide the government officials with independent informal perspectives and ideas through various channels. Under his leadership, the CCDI has published serious of books in recent years, including *Report on Central China Economic Zone’s Finance Development, Agriculture Development, Financial Competitiveness, Competitiveness, and Cultural Development*, etc. These publications have generated great social influences and created huge economic effects.

Professor Geng pioneered the idea of a closer integration between the capital of Henan Province - Zhengzhou and Kaifeng. This idea has been adopted and substantiated by Henan’s provincial government. Geng’s research area is China’s new-style urbanization in the background of continued industrialization. This is not only an important phase in China’s modernization process, but also harsh reality and an urgent theoretical task in traditional agricultural areas as represented in Henan.

Out of academia, he also served as a consultant to several governmental agencies and think tanks, including the Experimental Zone for Comprehensive Aviation and Economy, the coordination group to promote Henan’s new-style industrialization, new-style urbanization, and agricultural modernization, etc. Keen to have a greater influence on Henan province’s economic policy, Geng became a supporter and advisor for many provincial symposiums and hearings.

*Provincial Governor Gengmao Guo attended the opening ceremony of the CCDI (10/2009)*
Meet some of our faculty members

Education
Graduated from Tianjin University of Finance and Economics, 1985

Research Areas
Economic statistical theory and methods, statistical analysis of the Chinese economy

Positions and Awards
Vice president of the Statistics Association of China, Vice-President of the National Statistics Education Association; Committee Member for projects funded by the Chinese National Social Science Foundation, Member of the Chinese National Economics Teaching Board of the Ministry of Education

Education
Ph.D. in Economics (2003) and Postdoctoral Degree (2008) from University of Mannheim, Germany

Research Areas
Monetary Macroeconomics, International Macroeconomics, esp. regulation of financial markets, Econometrics, esp. computational econometrics and time series econometrics

Recent Publications

- Have Minutes Helped Markets to Predict the MPC’s Monetary Policy Decisions?, (with Alexander Jung), in European Journal of Political Economy (forthcoming)
Education
Ph.D in Economics from Concordia University, Montréal, Canada, 2004

Research Areas
Economic History, Theory of Industrial Organization, Game Theory and applications, Environmental Economics

Recent Publications

Education
Associate Degree from Ph.D. program in Economics, CCER. Peking University

Research Areas
Economic History, Evolution of the economics and the market system

Recent Publications
• A research on China’s long-term rice prices (1644–2000) (with Feng Lu), in Frontiers of Economics in China, Volume 1, Number 4, December, 2006
**Dean Bingtao Song**

**Education**
PhD from Henan University, School of Environment and Planning, Kaifeng, 2007

**Research Areas**
Theoretical basis and process research for the success of the British industrial revolution, comparison of the public finance between eastern and western civilizations, economic development of underdeveloped regions

**Recent Publications**
- Institution and Change of the Public Economy: A New Interpretation of Early Modern Civilization Evolution, in *Social Sciences in China*, 2015 (01)

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**Baomin Li**

**Education**
PhD in Economics from Beijing Normal University

**Research Areas**
Labor market and Employment, Marxist Economics

**Recent Publications**
Education
Ph.D. in Economics from North Carolina State University at Raleigh, US, 2013

Research Areas
Household Finance, Growth, Applied Microeconomics

Recent Publications
- Fertility and Crime: Evidence from Spatial Analysis of Taiwan (with Huang Jr and Jin-Nan Pan), in *Journal of Economic and Family Issues* (SSCI), September 2015, Volume 36, Issue 3, pp 319-327

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Education
Ph.D. in Economics from Washington State University Pullman, US, 2013

Research Areas
International Trade, Financial Economics, Econometrics

Recent Publications
- Exporters in Cross Section: Direct vs. Intermediated Trade (with Mark J. Gibson), Revise and Resubmit from *Review of International Economics*
Zuogong Wang

Education
PhD from Beijing Jiaotong University, 2012

Research Areas
Capital Market, Risk Management, Financial policies

Recent Publications
- A Comparative Study on the GEM’s IPO between China and America, in Finance Theory & Practice, 2014 (01) (in Chinese)

Heng Li

Education
PhD in Economics from Huazhong University of Science and Technology, 2006

Research Areas
Industrial Economics, Regional Economics

Recent Publications
- Coordinated Regional Economic Development under the Effects of Foreign Investment and Industrial Cluster (in Chinese)
Shiqiang Sun

Education
PhD from Jilin University

Research Areas
Social Security, Public Finance, Law of Tax

Recent Publications

Maishou Li

Education
PhD in Economics from Hitotsubashi University, Tokyo, Japan

Research Areas
Labor Economics, Employment and Income Distribution

Recent Publication
China’s Economic Reform, the Reform of State-Owned Enterprises and the Ensuing Employment Problem, Monograph, October 2009 (in Japanese)
Original Title: 中国的経済改革と国有企業改革および雇用問題
**Education**
PhD from Xi’an Jiaotong University, Department of Applied Economics

**Research Areas**
Applied Econometrics, Rural Land Economics, Quantitative Economics

**Recent Publications**

**Education**
PhD in Economics, Fudan University, Shanghai

**Research Areas**
Regional Economic Corporation, Regional Economic Integration, Economic Development in Asia Pacific

**Recent Publications**
Jianguo Sun

**Education**
PhD in History from Shanghai Normal University, 2005

**Research Areas**
Finance, Regional Economics

**Recent Publications**

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Tao Zhu

**Education**
PhD from Xi`an Jiaotong University

**Research Areas**
Industrial Development and Corporate Growth

**Recent Publications**
Fengjuan Yang

Education
PhD in Economic Statistics from Shanghai University of Finance and Economics

Research Areas
Macroeconomics, Econometrics, Corporate Finance

Recent Publications
• An Empirical Study of the Tertiary Industry’s Development and Competitiveness in Henan Province, in *Journal of Henan University* (Social Science), 2014 (09) (in Chinese)

Suqin Li

Education
Graduated from Fudan University

Research Areas
Financial Crisis, Economic Development in Third Area Countries, Inequality in Global Economy, International Economics

Recent Publications
Real Effective Exchange Rate Misalignment in the Euro Area: A Counterfactual Analysis

In: Review of International Economics (forthcoming)

Makram El-Shagi¹, Axel Lindner², Gregor von Schweinitz²

The European debt crisis has revealed severe imbalances within the Euro area, sparking a debate about the magnitude of those imbalances, in particular concerning real effective exchange rate misalignments. Makram El-Shagi, Axel Lindner and Gregor von Schweinitz use synthetic matching to construct a counterfactual economy for each member state in order to identify the degree of these misalignments. The authors find that crisis countries are best described as a combination of advanced and emerging economies.

Comparing the actual real effective exchange rate with those of the counterfactuals gives evidence of misalignments before the outbreak of the crisis: all peripheral countries appear strongly and significantly overvalued.

¹ Henan University, School of Economics, Kaifeng, China
² Halle Institute for Economic Research, Halle, Germany
This paper looks at the role of textile exports in Japan and China’s economic development in the period of 1868–1930 as a major explanation for the “Little Divergence” between the two countries in the context of the “Great Divergence” between Europe and Asia. Because of textiles’ large weighting in protoindustrialization Gross domestic product (GDP), Baomin Dong, Kaixiang Peng, Jiang Gong and Zhongxiu Zhao postulate that China’s initial 20-year lag in textiles vis-à-vis Japan turns out to be fatal for its industry and that it eventually ordains totally different development patterns for the textile industry in the two countries, which ultimately led to different growth patterns for the overall economy. Although both countries saw rapid growth of textile exports, the nature of those exports and the entailed position of each country in the industry value chain of trade were quite different.

We then use Granger causality tests to show that in one case (Japan) it is in support of the export-led growth hypothesis (ELG) while in another (China) it is not. Our study then also explains why Japan’s industrial revolution took place much earlier than China’s.

1 Henan University, School of Economics, Kaifeng, China
2 University of International Business and Economics, Department of Economics, Beijing, China
Despite the early success in mobilizing the people after seizing power in 1949, the Chinese Communist Party (CCP) soon faced difficult bottlenecks. After the disastrous Great Leap Forward, compounded by the Three Bitter Years of natural calamities, reformists instituted a series of changes moving towards more market-oriented rewards. This was short-lived as Mao Zedong mobilized the Little Reds Guards to launch the Cultural Revolution and regain power. China’s economy stagnated till the death of Mao. When Deng Xiaoping reemerged as the leader, he reinstituted the reforms he had initiated a decade and a half ago. There is, however, a difference. The first time was a tacit move, but the Comprehensive Economic Reform (CER) started in 1978 represented a change in paradigm and a shift in ideology. True to the historical and cultural traits of China, the early stages of the reform were experimental, limited, and somewhat timid. It started in the rural agricultural production with the Household Responsibility System. With its success, the reform was extended to urban industrial sectors, but the Tianmen student demonstration in 1989 brought the momentum to a halt. It was not until Deng’s Southern Tour in 1992 did the CER formally become the fundamental directive that “cannot be altered for a hundred years”. The CER is true to its name, comprehensive. The reform encompassed many aspects, with few exceptions (e.g., the insistence of the CCP one-party rule). Jack Hou discusses the reform actions in four facets: property rights, factor income, macro controls, and global integration. China’s economic success is evident, as it has sustained an average of more than 8% growth for more than three decades, but what is the prognosis for the future? Bumpy, but promising.
Exporters in Cross Section: Direct vs. Intermediated Trade

Revise and Resubmit from Review of International Economics

Mark J. Gibson\textsuperscript{1}, Qianqian Wang\textsuperscript{2}

How do producers that export their goods directly differ from those that export through trade intermediaries? Mark J. Gibson and Qianqian Wang take a standard model of trade with heterogeneous firms and add heterogeneity in quality to the usual heterogeneity in productivity. Modeling trade intermediaries as increasing marginal costs but decreasing fixed costs of exporting, the authors find that only firms with the highest quality-adjusted productivity levels choose to export directly. Under certain parameter restrictions, the model shows that direct exporters tend to be larger and charge higher prices for their goods. In contrast to the literature, we confirm, using Chinese customs data, that direct exporters do charge higher prices for their goods.

\textsuperscript{1} Washington State University, Pullman, US  
\textsuperscript{2} Henan University, School of Economics, Kaifeng, China
On March 18th and 19th 2015 the School of Economics at Henan University (HenU) and the International Network for Economic Research (INFER) organized their first joint workshop on applied macroeconomics at the Kaifeng Zhongzhou International Hotel. The organizers welcomed more than 30 participants from China and the US, Germany, Spain, Serbia, Belgium, Switzerland, Japan, UK and Finland. Prof. William A. Barnett (Oswald Distinguished Professor of Macroeconomics, University of Kansas and Director of the Center for Financial Stability, New York City) gave the Keynote speech about “Advances in Monetary and Financial Measurement”.

Keynote Speaker
Prof. William A. Barnett
In 2015, our school hosted for the second time the Henan Symposium on Development and Institutional Economics.

More than 50 participants presented their recent research results in the areas of economic development broadly defined to include international trade and finance, economic history, and institutional economics etc.

The Symposium gathered a group of scholars who are very active in their research frontiers, such as Kenneth Chan, Biung-Ghi Ju, Kwan Choi, Daniel Berkowitz, Wesley Wilson, Peter Egger, Chi Chur Chao, Hong Hwang, Wuyang Hu, Guenter Heiduk, and Lex Zhao.
8th Annual Conference of CAPE

On October 25th and 26th 2014, the 8th Annual Conference of the Chinese Association of Political Economy (CAPE) was held in Kaifeng hosted by Henan University. More than 70 participants presented their research results in Chinese and English.

Co-Host of the CES North America Conference

Henan University co-hosted the CES North America Conference 2014 and 2015 together with the local hosts. The Chinese Economic Society (CES) holds every year one of their conferences in a North American venue to promote exchanges of academic ideas related to the Chinese economy.

In 2014, the CES North America Conference was held at Purdue University in West Lafayette, Indiana with the theme “China’s Further Economic Reform and Its Implications for the World Economy”. Professor Edward Prescott (2004 Nobel Laureate) presented the keynote speech.

The local host in 2015 was the University of Michigan, the Center for Chinese Studies and the Department of Economics.
Seminars

Our biweekly seminar series provides valuable information to graduate and PhD students as well as faculty members about recent research results covering a wide range of topics in macroeconomics, microeconomics, and economic history. We welcomed more than 50 scholars from China, US, Germany, Korea, Switzerland and many other countries.

Additionally, our faculty members present their recent research results in our biweekly Brownbag seminar series to their colleagues and interested students.

Prof. Giacomo Corneo, Free University of Berlin, during his seminar presentation: “Income Inequality from a lifetime perspective”

Dr. Heiner Mikosch, ETH Zurich, Switzerland during his seminar: “Forecasting Chinese GDP Growth with Mixed Frequency Data”
Student’s Life

Graduation Ceremony in front of the library

New Campus of Henan University

Group work in the library (see left) and outside on new campus (right)
Our students also participate in various activities and programs organized by the university or the student’s union.

A few impressions...
Junior Faculty and Students Opinions

“One of the nicest thing about our school is internationalization. We strongly encourage our faculties to collaborate with leading global scholars, and our students to experience high quality education abroad. We support this through hiring excellent foreign faculties (full-time and part-time) and establishing joint academic programs with cutting-edge research institutions abroad.”

Prof. Kuk Mo Jung
Research Interests: Monetary Economics, International Macro-Finance, Search Theory

“I joined the School of Economics at Henan University in fall 2014. I am glad to be a member of our faculty, not only because Kaifeng is my hometown. More importantly, Henan University provides me a very open and dynamic research environment which gives me perfect chances to get in touch with the economic research frontiers.”

Prof. Lin Zhang
Research Interests: Housing Market, Financial Market, and Monetary Policy

“Though located in inland China and surrounded by thousands of years cultural heritage, the school of economics at Henan University has never lost its track of modern trends. We are, with global visions, providing excellent high education and conducting frontier economics research. I am so proud to be part of such a great team.”

Prof. Lunan Jiang
Research Interests: Macroeconomics, Fiscal and Monetary Policy, Corporate Finance and Wealth and Income Inequality
“I really enjoy to study at my school. Our tutors and professors are very kind and always helpful with my studies but also with questions regarding my scholarship. Many scholars from all over the world give regularly presentations to share their knowledge and I am very glad to get the opportunity to learn from them.”

Yue Wang Graduate Student, Major: Applied Economics

“I am a junior student from the department of economics. I joined our English class in my second year at Henan University. Our teachers are the best professors from our school. They are all very knowledgeable, kind and brilliant. We can study the most advanced ideas and theories about economics though it is challenging. However, a man can be destroyed but not defeated. So all of my classmates and I work harder than before. We all love economics.”

Haonan Zhang
Junior Student from our English Program (All economic courses are taught in English)

“I love Henan University. It is a place to find friendship and joy. I had the luck to find highly valued mentors at the school of economics that encouraged me to continue my postgraduate studies at universities abroad. I hope that my new university will be as welcoming as Henan I learned precious values during my studies. I am really proud to be part of this school.”

Yibei Guo, Graduate Student, Major: Economic History
The City of Kaifeng

Kaifeng is located in the east-central part of Henan province in China. It has today a population of 1 million in the city center and about 5 million in the metropolitan area (Kaifeng County).

The city was one of the seven ancient capitals of China during the Northern Song Dynasty (960 – 1127) with a population of 600,000 – 700,000. During that time, Kaifeng was the most prosperous and busy city in China and the world.

Unfortunately, vicissitudes of war and floods destroyed many of the ancient buildings. The Iron Pagoda (1049) is the oldest landmark in the city measuring 54.7 meters (179 ft.) in height. However, many of the historic buildings were rebuild accurately in the last 40 years.
Today, Kaifeng is a vivid city which features many modern shopping malls, restaurants, and cinemas next to several night markets offering traditional Kaifeng dishes.

Chrysanthemum is the flower of Kaifeng. The city holds every year in October the Kaifeng Chrysanthemum Festival with different chrysanthemum flowers in all scenic spots but also at major intersections and buildings in the city.
Useful Tips for Foreign Visitors

Useful Apps

**Pleco – Dictionary**

Pleco is a very convenient and free English-Chinese dictionary, it offers the translation in Pinyin and Chinese characters.

**Baidu Translate – Dictionary**

Baidu Translate works like Google translate. It has an English interface and can translate whole sentences. Baidu Translate only shows the translation in Chinese characters.

**Baidu maps**

Baidu maps is the Chinese alternative to Google maps. It has the same functions, but it only comes with a Chinese interface. However, it can still be helpful to know your location and find your way together with a printed map, or to look up bus routes or to find restaurants, gas stations etc. with the use of icons.

**Wechat Social media**

WeChat is another free messaging & calling app that allows texting, voice & video calls, moments (similar to facebook), photo sharing, and games. Wechat and QQ are run by the same company, so you can log in your wechat account on a computer using QQ.
Chinese SIM Card

Even for a short visit in Kaifeng, it might be worth to buy a SIM-Card, which provides enough data to use for example dictionary apps while exploring the city.

China has two main mobile phone providers – China Unicom or China Mobile with many stores around the city of Kaifeng. 100 RMB are usually enough for a new SIM card with enough data, text message and free minutes for calling for two to four weeks, depending on one´s use.

Restaurants

Sui Sui Yang 岁岁羊

Sui Sui Yang is a Hot Pot restaurant chain specialized on mutton and lamb meat. The restaurant is located in the Northern Huanghe Street close to new campus.

Pizza Hut 必胜客 – KFC -肯德基- McDonalds 麦當勞

You can find Western fast food chains in Kaifeng as well. Pizza Hut has two locations in the city, one is located on the first floor of New Mart the other one at the first floor of the New Century Shopping Mall. Pizza Hut is a little bit different from the US version, it does offer Pizza, but also steak, pasta, milk shakes and other western food.

KFC is the biggest foreign fast food chain in Kaifeng, it has several locations. However, KFC is accustomed to Chinese taste, they also offer Chinese fast food in addition.

Kaifeng has also McDonald´s which tastes exactly like in Western countries.
The School of Economics has two office buildings, the main building on new campus of Henan University in the northwest part of Kaifeng and a smaller building in the beautiful old campus in the northeast part of the city.

**New Campus – Address:**

1 Jinming Road  
Kaifeng, 475004  
Henan, China

Instructions in Chinese for a cab driver:  
河南大学新校区  
(Hénánàxué xīn xiào qū)
Old Campus – Dongliuzhai-Building:

Minglun Street
Kaifeng, 475001
Henan, China

Instructions in Chinese for a cab driver
河南大学老校区南门
(Hénán dàxué lǎo xiàoqū nán mén)