

Stanford Center on
China's Economy and Institutions

ANNUAL REPORT

2021

Stanford

Center on China's Economy
and Institutions

Freeman Spogli Institute

*Stanford Institute for
Economic Policy Research*



SCCEI BY THE NUMBERS

29

Stanford Faculty Affiliates



47

Academic Publications

10

Faculty and Students
Received Research Support



\$364k

Awarded to Support
Faculty Research



90,000+

People Received Our Impact Briefs
Launched on November 15, 2021



15

Academic Seminars

7

Major Public Events



3,500+

People Attended
SCCEI Events

62

SCCEI Research and
Faculty Media Mentions

31

College and High School
Students Participated
in Our Summer
Research Internship

65

Undergraduate Students
Enrolled in the Chinese
Economy Course

TABLE OF CONTENTS

Letter from the Directors	4
Faculty Research	7
Impact	8
Events and Engagement	10
SCCEI in the News	11
Providing Opportunities for Students	12
Postdoctoral Research Scholars	14
Our Team	15

LETTER FROM THE DIRECTORS

Dear Friends:

It is with great pride (and a touch of disbelief!) that we write now to mark the close of the inaugural year for our new Stanford Center on China's Economy and Institutions (SCCEI, pronounced "sky"). It has been quite an active and busy year for our team!

In February, we formally launched as the newest Center on campus. Our virtual launch event showcased the work of SCCEI faculty affiliates across campus who are conducting groundbreaking, empirical research on China's contemporaneous economy. Whether it be our new Stanford affiliates, who hail from nearly every school on campus, our academic collaborators at top research institutions around the US and the world, or our long-time partners inside China, we are proud to be working with such focused and interesting colleagues.

At SCCEI, we aim to shed some light on what actually is happening in China, and exactly how these happenings might affect the rest of the world.

As we write this to you, we are sure you all are aware of the critical era in which we are living. There is no doubt in our minds that it is going to be a time of ups and downs for China's economy and social well-being, as well as for US-China relations and the interactions of China with the rest of the world. Regardless of your views on China, and no matter what you hope for China's short- and long-term trajectories, what happens in China is going to have profound effects not only on those in China, but also on individuals and societies across the world.

At SCCEI, we aim to shed some light on what actually is happening in China, and exactly how these happenings might affect the rest of the world. Researchers in our Education and Health Flagship Initiatives are overseeing 5 large-scale studies in rural China's schools and villages, covering topics ranging from measuring the quality of telehealth providers, to documenting high levels of stress and anxiety among schoolchildren, to conducting a long-term follow-up of how an early childhood intervention affects later learning outcomes. A team in our Demography Initiative has access to data that they are using to examine the cost of raising children in China and the root causes of fertility declines. Our faculty are also involved in projects on the nature of learning within China's university system; the impact of China's entry into the world economy on global employment rates; the role of environmental preservation efforts in shaping economic growth; changes in promotion pathways for local government officials; and much more.

Beyond the research itself, we firmly believe that impact—true measurable impact—is one of the most notable characteristics of SCCEI's work. We strive not only to detect problems and challenges faced by China and other nations in the world, we also seek to identify solutions and work with our colleagues inside and outside of China to communicate and upscale those solutions. And our efforts have been paying off: After nearly eight years of research and training on early childhood development (ECD) among children in poorer areas of China, this fall, China's State Council, the Planning Commission, and the Ministry

of Health have for the first time begun prioritizing initiatives that will work with families to promote ECD for children ages 0 to 3 years old.

Our boldest new venture in 2021 has been our intensive effort to inject high-quality data and analytics into the decision-making environment in which our policymakers and business community function. Our new impact initiative aims to pull the most policy-relevant insights from academia out of esoteric journals and put them into the hands of influencers and observers of the US-China relationship. To do so, we are curating and creating a series of briefs that distill insights from data-driven research on China. Formally launched in November, future installments of SCCEI China Briefs will be released on a bi-monthly basis. We also are in the middle of embarking on an even more intensive effort with the Center for Strategic and International Studies (CSIS) to get evidence-based policy insights directly in the hands of top policymakers in Washington DC.

The final prong of SCCEI's mission is to foster the curiosity, intercultural communication, passion, and academic achievement of a new generation of students: the China scholars and changemakers of the future. SCCEI faculty are mentoring and supporting the research of six postdoctoral scholars working on innovative topics ranging from rural China's healthcare quality, to the role of state-owned hydro-power plants. We have developed and now offer a highly popular course on the Economics of China. We also run a summer research program for elite high school students and undergraduates that offers unparalleled access for young scholars to discover the real China, allows them to learn how research happens on university campuses, and even provides opportunities to publish papers with Stanford faculty.

As this letter goes out, the long and sometimes difficult year of 2021 is coming to a close. Despite the challenges for many in our community—families kept apart by closed international borders, race-based violence and discrimination, politically-motivated reactions to research findings—we have accomplished a tremendous amount, and for this we are both proud, and extremely grateful. The launch of SCCEI and all of our new initiatives was only accomplished due to the support of our affiliated faculty, generous supporters and hard-working, dedicated and super-talented staff. We want to thank each and every one of you for your support during this exciting time—our support is absolutely essential to the work we do at SCCEI. We are looking forward to embarking on the new year together with all of you, and to facing the adventures to come as a strong and growing community.

Sincerely,



Hongbin Li
*Co-Director, Stanford
Center on China's
Economy and
Institutions*



Scott Rozelle
*Co-Director, Stanford
Center on China's
Economy and
Institutions*



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By the Numbers

29

Stanford Faculty
Affiliates

Academic
Publications

47

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Faculty Received
Research Support

Awarded to Support Faculty Research

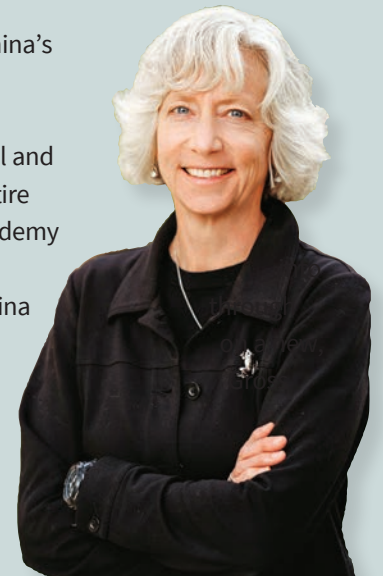
\$364K

611

People Attended
SCCEI Academic Seminar
Series Events

Spotlight on China's Environment

SCCEI is proud to be Stanford's home for a new research program focused exclusively on China's environmental preservation and ecologically-sustainable growth. Funded by a \$5 million endowment combined with generous private donor funds, the new program, led by SCCEI Faculty Affiliate Gretchen Daily, focuses strategically on advancing and accelerating deep societal and policy shifts to achieve environmental and health security, starting in China, but affecting the entire global community. The new program builds on years of close collaboration with the Chinese Academy of Sciences, and encompasses a variety of cutting-edge projects, including moving research action through policy-relevant pilot demonstrations; adapting and scaling pilot efforts across China engaged research and training; and training and educating both practitioners and policymakers UN-sanctioned metric developed by our team for understanding China's sustainable growth: the Ecosystem Product (GEP).



FLAGSHIP RESEARCH INITIATIVES



SCCEI stimulates research and fosters an environment where diverse perspectives and disciplines related to the study of China’s economy can thrive. Our network of faculty affiliates spans a full range of fields and schools across campus, from the Graduate School of Business to the School of Medicine, the School of Engineering, the Woods Institute for the Environment, and more. All are brought together by a commitment to data-driven research on issues related to China’s economy.

SCCEI’s multidisciplinary, faculty-led research initiatives comprise collaborative agendas that produce high-quality, empirical analyses, and help inform policy and design innovative solutions to enduring challenges. Our six flagship initiatives cover such critical topics as health, the environment, and political economy and governance, among others.

In addition to these initiatives, SCCEI supports emerging scholars at Stanford through research grants to junior faculty members, capacity and policy engagement grants, and support for conferences and events. Grant recipients over the past year included faculty in political science, sociology, the environment, and economics. Projects covered topics such as measuring the political attitudes of young Chinese, China’s new social credit system, controlling air pollution in Chinese cities, and promotion pathways within China’s government bureaucracy.

In keeping with SCCEI’s mission to serve as a research platform for faculty on campus who work with China, SCCEI also provides in-house staffing and managerial support to its faculty and affiliates. Our network of trained research staff work closely with faculty to provide China-specific research support on an as-needed basis. This includes help with IRB protocol development for China-based projects, English language academic editing services, Chinese-English translation assistance, and advising on international project administration. Our team of academic editors and project managers are all fully bilingual and have extensive experience working with faculty in the field in China.





Impact

One of the most unique and high-profile aspects of SCCEI's work is our commitment to impact. Our research has touched the lives of millions of families and affected change in China's policies for years to come.

Despite the unique challenges posed by the global pandemic, SCCEI's work continued to break new ground in 2021. In September, representing one of our most significant breakthroughs, China's State Council issued an entirely new slate of guidelines that ministries, provinces and lower-level governments are required to consider as they begin to roll out government programs in the 2020s. Those guidelines largely mirror many of SCCEI's policy recommendations: China's government now calls for new programs to address mental health issues among rural students and encourages new investments to correct poor vision in schools. But our biggest breakthrough concerns China's youngest individuals. For the first time, policy directives from the State Council and policy directives from the National Health Commission have urged local government officials, health care workers, and educators to create programs that support parents in raising their babies, with respect to improving early childhood health, nutrition and psycho-stimulation. Our work has factored directly into the government's efforts to implement these new measures.

But our work does not stop here. Through two bold new initiatives, SCCEI seeks to rectify the absence of high-quality, data-based information on China and build a strong bridge between the academic sphere and the public realm. In embarking on these new impact initiatives, we aim to reinforce the empirical basis for wider debates about China with best-in-kind social science research.

Big Data China: Collaboration with the Center for Strategic and International Studies (CSIS)

On a bi-monthly basis, SCCEI and CSIS will produce content featuring policy-relevant findings of such scholars' works. For maximal impact, each feature will include three components:

- A public launch event in Washington, D.C., featuring the scholar(s) and his/her research.
- A dedicated website with user-friendly figures and other multimedia elements highlighting the scholar(s)' research, and its policy relevance; and
- Private briefings with key individuals from the policy community in Washington, D.C.

SCCEI China Briefs

On November 15th SCCEI released its first three briefs, reaching over 90,000 recipients worldwide. These concise briefs translate cutting-edge social science research into accessible insights designed for the doers and thinkers of U.S.-China relations. Each installation features top-quality academic research touching on timely issues involving China.

Our first briefs highlight data-driven findings central to China's economy, U.S.-China trade competition, and their implications for U.S.-China relations:

- "Did 'China Shock' Cause Widespread Job Losses in the U.S.?"
- "Invisible China: Hundreds of Millions of Rural Unemployed May Slow China's Growth"
- "Rise of Robots in China"

SCCEI is now disseminating its China Briefs on a bi-monthly basis to a growing list of domestic and global partners, including the American Chambers of Commerce in Beijing, Shanghai, and Hong Kong; the Bay Area Council, one of the largest business associations in the San Francisco Bay Area, and many others.



Events and Engagement

3,000+
Event Attendees

22
SCCEI Events

SCCEI seminars and events provide a venue for researchers, students, policymakers, and private-sector leaders from around the world to exchange ideas, leading to new research activities and policy impact. Our events are motivated by SCCEI's overarching goal to engage top scholars and policymakers working on issues related to China's economy and institutions. In our first year as a Center, over 3,000 people attended SCCEI events. SCCEI hosts a range of different event types to engage with all segments of our audience.

Academic Seminars

Each quarter we invite faculty from Stanford and around the world to present their empirical research on China's economy to our academic community in an intimate, collaborative workshop setting. The main criteria for choosing them is that they are among the top in their subfields, they are working on current contemporary China issues and their analysis is based on high-quality data.

This year we hosted 15 academic seminars covering topics from talent and firm creation in China, to controlling the media's narrative. Here's a selection of topics covered over the year:

- **Jennifer Pan**, Stanford University, shared her research on Confucius Institute (CI) teachers around the world and how the Chinese government imposes control over CI teachers and its consequences.
- **David Yang**, Harvard University, shared his research on "The Political Economy of Policy Experimentations in China."
- **Ruixue Jia**, UC San Diego, gave a talk on her research with co-author Hongbin Li titled, "Entrepreneurial Reluctance: Talent and Firm Creation in China."
- **Joseph Piotroski**, Stanford University, spoke on "Controlling the Media Narrative: The Coordination & Disciplining Role of the People's Daily in China."

Spotlight Speakers

We organized two large-scale public lectures that brought China experts and academic thought leaders together with our SCCEI community to share their work, research, and experience.

- **Steven Chu**, the former U.S. Secretary of Energy and a Nobel Laureate in Physics, addressed an audience of over 600 virtual attendees, speaking on "China and U.S. Collaboration on Climate Change".

- **Barry Naughton**, considered by many to be the top authority on China's economy, and faculty at School of Global Policy and Strategy at UC San Diego, shared his thoughts on "The Summer of 2021: Consolidation of the New Chinese Economic Model."

China Chats with Stanford Faculty

We partnered with the Stanford Alumni Association to host three events featuring Stanford faculty presenting their research on China to Stanford alumni in China and worldwide.

- Most recently, **Michael McFaul**, Director of Stanford's Freeman Spogli Institute for International Studies and former U.S. Ambassador to Russia, presented "USA vs China: A New Cold War? Great Power Relations and Competition in the 21st Century", drawing an audience of 836 attendees.

Stanford China Economic Forum

SCCEI partners with Stanford Graduate School of Business and the Stanford Institute for Economic Policy Research to host the annual Stanford China Economic Forum bringing together scholars, business leaders, and other change-makers to promote dialogue, an open exchange of ideas, and collaboration. Nearly 600 people tuned in to this year's forum to hear from several distinguished scholars and business leaders including:

- **Marc Tessier-Lavigne**, President of Stanford University;
- **Fuqiang Yang**, Senior Advisor of Climate Change and Energy Transition Program of Institute of Energy, Peking University;
- **Fan Bao**, Chairman and CEO of China Renaissance;
- **Yi Cui**, Director of Precourt Institute for Energy, Stanford University.

IN THE NEWS

SCCEI faculty have produced an astounding amount of research that has caught the eye of journalists and media outlets publishing around the world. Media mentions are another way our scholars amplify their research findings and impact change-makers in the political sphere, academic community, and beyond. Our scholars have been highlighted in over 60 articles, podcasts, and news features in 2021.

Here are examples of media mentions from the past year:

- **Scott Rozelle's** new book, *Invisible China: How the Urban-Rural Divide Threatens China's Rise* has generated global media attention. Outlets such as *The Economist*, *Taipei Times*, *VoxChina*, *Forbes*, and many more have written book reviews or have directly referenced findings from Rozelle's book. Throughout the year, Rozelle has been asked to share the findings of his new book through more than 50 invited talks and podcasts.
- **Gretchen Daily** was honored by the British Ecological Society (BES) and was awarded an honorary membership, the highest honor given by BES, recognizing exceptional contribution at an international level to the generation, communication and promotion of ecological knowledge and solutions.
- **Hongbin Li** received significant coverage for his National Bureau of Economic Research (NBER) working paper "Just Above the Exam Cutoff Score: Elite College Admission and Wages in China". *The Economist* produced a Daily Chart on this work showing how high scorers in the gaokao (China's college entrance exam) go to better universities and earn higher wages.
- **Prashant Loyalka's** research published in *Nature Human Behavior* "Skill Level Gains in University STEM Education in China, India, Russia, and the United States" also made headlines and was covered by several media outlets.
- **Yiqing Xu** and **Jennifer Pan's** research on "How Discrimination Increases Chinese Overseas Students' Support for Authoritarian Rule" was covered by *Newsweek*, *Politico*, *Monkey Cage*, *South China Morning Post*, and *The Economist*.



Providing Opportunities for Students

Student engagement and education together form one of SCCEI's main strategic pillars: we prepare the next generation of China experts by providing curricular and experiential opportunities that deepen their understanding of issues, opportunities, and possible solutions to the challenges of China's economic development.

Annual Summer Internship

Working around strict travel restrictions due to the global pandemic, our team developed an innovative virtual research bootcamp for elite high school students and top undergraduates. In total, we matched 22 student interns with seven different SCCEI research projects, where they worked together with SCCEI faculty to co-author a half dozen academic papers. Along the way, they built up their China chops by taking part in virtual roundtables with China experts, and attending a series of college-level skill building workshops, all preparing them to conduct data-driven field research.

Beyond our research bootcamp, we also connected 9 bright high school students from across the globe with SCCEI partners in China for a hands-on field experience in Western China. After working with our research partners, the students were then virtually mentored by SCCEI faculty and researchers who taught them how to analyze their data and articulate their findings through co-authored publications.



Graduate Student Research Funding

SCCEI also supports innovative graduate student research. This year SCCEI supported two doctoral-level PhD students studying under Stanford faculty affiliates. Their research looks at China's new social credit system and the promotion of pathways within China's government bureaucracy.

Teaching

With an ever-connected and globalized world, it is important that the next generation is prepared to work with and understand the rising economic global players. SCCEI encourages more teaching on China, particularly through an economic lens. Our faculty and faculty affiliates all have strong teaching experiences and a proven record of offering high quality courses on issues related to the economics of China. In Spring 2020, SCCEI co-directors Hongbin Li and Scott Rozelle launched a new undergraduate course entitled The Chinese Economy. They continue to offer the course this academic year due to strong student interest and high demand.

Visiting Student Researchers

Each year we invite a select group of students and scholars from key affiliate universities and think tanks to visit and study at SCCEI, typically for a full academic year. This partnership fosters cross-organizational communication, and forms connections and trust across international lines. As travel restrictions were lifted this fall, we were thrilled to be able to welcome our latest group of visiting student researchers, who had been patiently and eagerly waiting to join our team.

Upon their arrival, each student is paired with a SCCEI researcher and faculty member who act as mentors to the students as they conduct research and write papers using SCCEI data.

Postdoctoral Research Scholars

SCCEI recruits and funds postdoctoral scholars in fields related to the study of China's economy. Our postdoctoral scholars work directly with faculty to further their research investigations and are offered opportunities to audit courses, strengthen their quantitative and regional expertise, build connections with Stanford faculty, and take advantage of the rich and multitudinous resources offered both by SCCEI and by Stanford University.

Through generous donations, this year we are working with six postdoctoral research scholars:

Dorien Emmers | Researching early childhood development and measurement tool assessment through big data.

Hao Xue | Researching health care, educational technology, and policy evaluation.

Tong Liu | Research environmental sustainability and development.

Wei Yan | Researching the effects of positive psychology and education on school children.

Yiwei Qian, Lazear-Liang Postdoctoral Scholar | Researching early childhood development and demography.

Zhaowei Ding | Researching environmental sustainability and sustainable development.



Our Team

Directors

Hongbin Li
Scott Rozelle

Faculty

Prashant Loyalka

Research Scholars

Yue Ma
Huan Wang

Postdoctoral Scholars

Dorien Emmers
Tong Liu
Yiwei Qian
Hao Xue
Wei Yan

Core Staff

Matthew Boswell
Jennifer Choo
Ronda Fenton
Alexis Medina
Heather Rahimi
Tina Shi

Research Staff

Cody Abbey
Claire Cousineau
Sarah-Eve Dill
Yian Guo
Lucy Pappas

Design: Alexander Atkins Design, Inc.

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