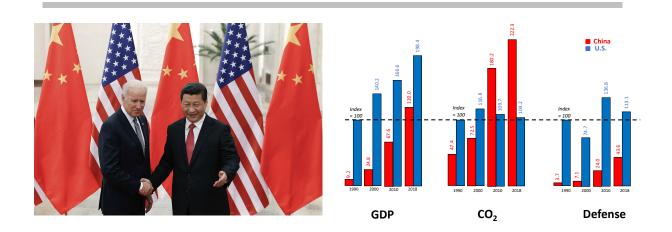
China from a US Policy Perspective USC Sol Price School of Public Policy

PPDE 662; Fall 2024, 50918R



| Professor E. J. Heikkila | Location: | 4 units Lec 50911R |
|--------------------------|-----------|--------------------------|
| e-mail: heikkila@usc.edu | RGL 215 | Tuesdays, 2:00 – 5:20 pm |
| | | |

INTRODUCTION

At no time has the US-China relationship been more important than now, nor has it been more fraught with tension at any time in the past half-century. In recent years, simmering tensions have come to a frothy boil across a full spectrum of policy spheres. This course endeavors to address these diverse perspectives with a cooler, more systematic, policy-analytic approach, and is framed accordingly with reference to three broad topical areas, each of which is itself full of complexity:

- The rise of China from a U.S. economic perspective
 - Fiscal policy and deficits
 - Trade policy
 - Employment and income
- The rise of China a U.S. sustainability perspective
 - o Climate change
 - Urban policy
 - Energy policy
- The rise of China a U.S. geopolitical perspective
 - Homeland security
 - o Defense policy
 - Foreign relations

The recent rise of China is a complex, dynamic and multifaceted phenomenon. In a remarkably short historical period, China has emerged as a leading global presence

economically, militarily, politically, environmentally, culturally and socially. The potential challenges and opportunities this situation poses for the United States are likewise diverse and interwoven. Moreover, as with any area of U.S. policy formulation, there are myriad domestic stakeholders whose core interests are impacted (whether positively or otherwise) by China's rise. For example, we may expect that domestic labor perspectives on US-China trade policy issues may be quite distinct from U.S. business perspectives, which may differ yet again from American consumer perspectives. Any overall U.S. policy stance towards China will necessarily be a negotiated outcome based on such domestic considerations and tradeoffs.

EXPECTATIONS FOR COURSE PARTICIPANTS

• Learning outcomes

Students should emerge from this course with a fulsome appreciation of the broad range of U.S. policy considerations that are impacted by China's rise, and an ability to communicate those considerations in a substantive and informed manner. Further, each student will develop a more deeply rooted knowledge of at least one of the policy arenas under review, and this relative expertise will be demonstrated and communicated through the preparation of a video documentary on that topic. By formulating policy memos, students shall learn how to engage a full range of stakeholder interests in given policy arenas.

• Course grade

The final course grade comprises several elements:

- ✓ Current event policy synopsis (30%) For each chapter, 2 through 10, you will find a recent news story pertaining to that topic, and provide a brief policy analysis.
- ✓ *Quizzes (30%)* At the end of each section economic, sustainability and geopolitical you will take an in-class quiz covering the assigned readings.
- ✓ Video documentary (25%) This is an exciting project, and I am keen to see what you all can do with it. The class will be divided into teams, and each team will produce a mini-documentary examining China's rise from a U.S. policy perspective.
- ✓ In-class and miscellaneous contributions (15%) This includes self-introductions and other miscellaneous tasks you will be assigned from time to time. Your active and constructive participation in our class sessions is essential. The relevant criterion is the degree to which your participation (in my judgment) helped others in the class to learn more.

SCHEDULE

Each of you will be working in a team to provide a video documentary. In order to align your readings and related coursework most efficiently, each group will work through the topics in a different order, as depicted here. In the end, everyone will have done the same readings.

| | | ECON group | SUST group | GEOP group |
|-----------|---------|--------------------------------------|--------------------------------------|--------------------------------------|
| 25-Aug-21 | Week 1 | Chapter 1 - Introduction | Chapter 1 - Introduction | Chapter 1 - Introduction |
| 1-Sep-21 | Week 2 | Chapter 2 - Fiscal policy & deficits | Chapter 5 - Climate change | Chapter 8 - Homeland security |
| 8-Sep-21 | Week 3 | Chapter 3 - Trade policy | Chapter 6 - Urban policy | Chapter 9 - Defense policy |
| 15-Sep-21 | Week 4 | Chapter 4 - Employment & income | Chapter 7 - Energy policy | Chapter 10 - Foreign relations |
| 22-Sep-21 | Week 5 | Quiz 1 - Economic policies | Quiz 1 - Sustainability policies | Quiz 1 - Geopolitical policies |
| 29-Sep-21 | Week 6 | Chapter 5 - Climate change | Chapter 8 - Homeland security | Chapter 2 - Fiscal policy & deficits |
| 6-Oct-21 | Week 7 | Chapter 6 - Urban policy | Chapter 9 - Defense policy | Chapter 3 - Trade policy |
| 13-Oct-21 | Week 8 | Chapter 7 - Energy policy | Chapter 10 - Foreign relations | Chapter 4 - Employment & income |
| 20-Oct-21 | Week 9 | Quiz 2 - Sustainability policies | Quiz 2 - Geopolitical policies | Quiz 2 - Economic policies |
| 27-Oct-21 | Week 10 | Chapter 8 - Homeland security | Chapter 2 - Fiscal policy & deficits | Chapter 5 - Climate change |
| 3-Nov-21 | Week 11 | Chapter 9 - Defense policy | Chapter 3 - Trade policy | Chapter 6 - Urban policy |
| 10-Nov-21 | Week 12 | Chapter 10 - Foreign relations | Chapter 4 - Employment & income | Chapter 7 - Energy policy |
| 17-Nov-21 | Week 13 | Quiz 3 - Geopolitical policies | Quiz 3 - Economic policies | Quiz 3 - Sustainability policies |
| 24-Nov-21 | Week 14 | Thanksgiving break | Thanksgiving break | Thanksgiving break |
| 1-Dec-21 | Week 15 | Video documentary festival | Video documentary festival | Video documentary festival |

READINGS

The core reading for the course is my book, *China from a U.S. Policy Perspective*, Routledge 2020. This book was actually written in conjunction with this class, so the course and the book dovetail perfectly. In the early stages, it was the course that helped frame my thinking for the book. Now, the completed manuscript is your textbook. Each course module comprises the corresponding chapter from the book plus several additional readings that you are responsible for. In the list below, the **core** reading for each module is indicated in **bold blue font**, additional **required** readings are presented in **bold black font**, and readings that are recommended but not required are in regular font. Readings within each of those three categories are grouped together in the list below.



BOILING

INTRODUCTION

(1) Introduction

Heikkila, Eric J. (2020), "Introduction", chapter 1 in *China from a U.S. Policy Perspective*, Routledge.

Lawrence, Susan and Karen Sutter (2023), <u>"China Primer: U.S.-China Relations</u>", *In Focus*, IF10119, Congressional Research Service, Washington, D.C.

USCC (2023), "Introduction" and "Executive Summary", 2023 Report to Congress of the US-China Economic and Security Review Commission.

Lawrence, Susan (2019), "U.S.-China Relations", *CRS Report* R45898, Congressional Research Service, Washington, D.C.

Pew Research Center (2023), "Americans are critical of China's global role – as well as its relationship with Russia".

CHINA FROM A U.S. ECONOMIC PERSPECTIVE

(2) Fiscal policy and deficits

Heikkila, Eric J. (2020), "Fiscal policy and deficits", chapter 2 in *China from a U.S. Policy Perspective*, Routledge.

Driessen, Grant and Donald Marples (2022), "Debt and Deficits: Spending, Revenue, and Economic Growth", *In Focus*, IF11037, Congressional Research Service, Washington, D.C.

Driessen, Grant (2022), "Deficits, Debt, and the Economy", *CRS Report* R44383, Congressional Research Service, Washington, D.C.

CBO (2024), The long-term budget outlook: 2024 to 2054, Congressional Budget Office.

(3) Trade policy

Heikkila, Eric J. (2020), "Trade policy", chapter 3 in *China from a U.S. Policy Perspective*, Routledge.

Akhtar, Shayerah, Cathleen Cimino-Isaacs, and Karen Sutter (2024), "US trade policy: Background and current issues", *In Focus*, IF10156, Congressional Research Service, Washington, D.C.

Sutter, Karen (2024), "US-China trade relations", *In Focus*, IF11284, Congressional Research Service, Washington, D.C.

Cutler, Wendy and Clete Willems (2022), "Reimagining the TPP: Revisions that could facilitate US reentry", *ASPI Report*, Asia Society Policy Institute.

Morrison, Wayne M. (2018), "China-U.S. Trade Issues", *CRS Report* RL33536, Congressional Research Service, Washington, D.C.

(4) Employment and income

Heikkila, Eric J. (2020), "Employment and income", chapter 4 in China from a U.S. Policy Perspective, Routledge.

Schwarzenberg, Andres (2024), "US trade policy: future direction and key economic debates", *In Focus*, IF12327, Congressional Research Service, Washington, D.C.

Trachtenberg, Danielle, Andres Schwarzenberg and Angeles Villarreal (2024), "International trade and jobs", *In Focus*, IF10161, Congressional Research Service, Washington, D.C.

Donovan, Sarah, Marc Labonte, Joseph Dalaker and Paul Romero (2021), "The US income distribution: trends and issues", *CRS Report* R44705, Congressional Research Service, Washington, D.C.

Schwarzenberg, Andres (2019), "US trade debates: the ccase for and against trade restrictions", *In Focus*, IF11110, Congressional Research Service, Washington, D.C.

CHINA FROM A U.S. SUSTAINABILITY PERSPECTIVE

(5) Climate change

Heikkila, Eric J. (2020), "Climate change", chapter 5 in China from a U.S. Policy Perspective, Routledge.

Gallagher, Kelly Sims. (2024). "Climate policy is working: double down on what's succeeding instead of despairing over what's not". *Foreign Affairs*, 103(3), 153-166.

IPCC (2023), "Summary for policymakers", in *Climate Change 2023: Synthesis Report*. Contribution of Working Groups I, II and III to the Sixth Assessment Report of the Intergovernmental Panel on Climate Change.

Hughes, Heather (2024), *The IPCC and the politics off writing climate change*, Cambridge University Press.

Maslin, Mark, John Lang and Fiona Harvey (2023), "A short history of the successes and failures of the international climate change negotiations". *UCL Open Environment*, v. 5.

(6) Urban policy

Heikkila, Eric J. (2020), "Urban policy", chapter 6 in China from a U.S. Policy Perspective, Routledge.

IPCC (2024), Outline for forthcoming: *Special report on climate change and cities*. Intergovernmental Panel on Climate Change.

City of Los Angeles (2024), City Council motion regarding Oceanwide Plaza.

Farr, Isabella (2024), "Bankrupt Oceanwide Plaza slated for auction block in September", *The Real Deal*, June 18th. https://therealdeal.com/la/2024/06/18/auction-scheduled-for-bankrupt-oceanwide-plaza-in-september/

Landis, John, David Hsu and Erick Guerra (2019), "Intersecting Residential and Transportation CO₂ Emissions: Metropolitan Climate Change Programs in the Age of Trump", *Journal of Planning Education and Research*, vol. 39(2), 206-226.

Li, Z., Shen, L. S., & Zhang, C. (2024). Local effects of global capital flows: a China shock in the US housing market. *The Review of Financial Studies*, *37*(3), 761-801.

(7) Energy policy

Heikkila, Eric J. (2020), "Energy policy", chapter 7 in China from a U.S. Policy Perspective, Routledge.

Yacobucci, Brent et al (2024), "US energy supply and use: background and policy primer", *CRS Report* R47980, Congressional Research Service, Washington, D.C.

EIU (2024), Energy outlook 2024, Economist Intelligence Unit.

Greenley, Heather (2019), "The World Oil Market and U.S. Policy: Background and Select Issues for Congress", *CRS Report* R45493, Congressional Research Service, Washington, D.C.

CHINA FROM A U.S. GEOPOLITICAL PERSPECTIVE

(8) Homeland security

Heikkila, Eric J. (2020), "Homeland security", chapter 8 in China from a U.S. Policy Perspective, Routledge.

Humphreys, Brian (2024), "The 2024 National Security Memorandum on Critical Infrastructure Security and Resilience", *CRS Report* IF12716, Congressional Research Service, Washington, D.C.

Rolf, S., & Schindler, S. (2023). The US–China rivalry and the emergence of state platform capitalism. *Environment and Planning A: Economy and Space*, 55(5), 1255-1280.

Humphreys, Brian (2019), "Critical Infrastructure: Emerging Trends and Policy Considerations for Congress", CRS Report R45809, Congressional Research Service, Washington, D.C. Painter, William L. (2019), "Selected Homeland Security Issues in the 116th Congress", CRS Report R42985, Congressional Research Service, Washington, D.C.

Sekar, Kavya and Hassan Sheikh (2024), "Pandemic and All-Hazards Preparedness Act: An Overview", CRS Report IF12683, Congressional Research Service, Washington, D.C.

(9) Defence policy

Heikkila, Eric J. (2020), "Defense policy", chapter 9 in China from a U.S. Policy Perspective, Routledge.

DOD (2023a), *Military and security developmenets involving the People's Republic of China, 2023*; Annual Report to Congress, U.S. Department of Defense

DOD (2023b), 2023 Cyber strategy, U.S. Department of Defense.

Wallace-Wells, Benjamin (2021), "Will the next American war be with China?", *New Yorker*, August 19th.

(10) Foreign relations

Heikkila, Eric J. (2020), "Foreign relations", chapter 10 in China from a U.S. Policy Perspective, Routledge.

Campbell, Caitlin, Susan Lawrence and Karen Sutter (2022), "China and the World: Issues for Congress", *In Focus*, IF12271, Congressional Research Service, Washington, D.C.

Economy, Elizabeth (2024) "China's alternative order: and what America should learn from it", *Foreign Affairs*, 103(3), 8-24.

Task Force on U.S.-China Policy (2021), *China's new direction: Challenges and opportunities for U.S. policy*, Asia Society Center on U.S.-China Relations and 21st Century China Center, UC San Diego.

SYNTHESIS AND CONCLUSIONS

(11) Synthesis and conclusions

Heikkila, Eric J. (2020), "Synthesis and conclusions", chapter 11 in China from a U.S. Policy Perspective, Routledge.