

International Conference on China: Fiscal Policies for the New Era

Organised by
East Asian Institute, National University of Singapore

11 - 13 January 2023

Over the past decade, China has unveiled an ambitious social and economic agenda for the New Era until 2050. China aims to become a “great modern socialist country that is prosperous, strong, democratic, culturally advanced, harmonious, and beautiful by the middle of the century.” In getting there, China seeks more productivity driven growth that is more equally distributed, and one that relies less on foreign demand and technology. China also aims to build an “ecological civilization” spearheaded by the net zero carbon by the 2060 pledge of President Xi Jinping.

The implications for China’s fiscal policy are huge. Since the major fiscal reforms in 1994, which led to a recovery in the tax to GDP ratio and the central government’s share in it, China’s fiscal system has not undergone any fundamental changes. At the same time, the structure of the economy, the nature of fiscal policy, the structure of spending, and the level of government at which spending takes place have changed radically since the mid-1990s. Much more change lies ahead: China’s increasingly middle-class and aging society will rapidly increase public spending on health care and pensions. The recent economic challenges triggered by COVID have also revealed the need to expand coverage of China’s social safety net, in particular for migrant workers.

The goal of achieving a more just income distribution will require more investment in public services especially in rural areas. It will also require a fundamental shift in the tax system, which is regressive because of the large share in revenues derived from Value Added Tax and the limited role played by the personal income tax. Meanwhile, the large and growing mismatch between local government expenditure responsibilities and revenue capacity is increasingly undermining the effectiveness of fiscal policies, and will require a major revamp of intergovernmental fiscal relations to resolve. Furthermore, the overreliance on land revenues for infrastructure finance has become a critical issue with the dimming prospects for property development, and sustainable alternative sources of finance will need to be developed.

Against this background, we have chosen “China: Fiscal Policies for the New Era” as the topic for the East Asian Institute’s annual conference. The conference will comprise of keynote speeches, academic sessions and policy panels, and is open to academics, PhD students and policy makers.

Programme

Updated on 3 Jan 2023

Day 1

Wednesday, 11 January 2023

9.00 am - 10.30 am (Singapore time) [Time Zone Converter](#)

Opening Session

Chair:

Bert Hofman | Director, East Asian Institute (EAI)

Welcome Remarks and introduction of the keynote speaker:

Teh Kok Peng | Chairman, East Asian Institute (EAI)

Keynote Speech:

Lou Jiwei | Former Finance Minister, People’s Republic of China

Friday, 13 January 2023

10.30 am - 12.30 pm (Singapore time) [Time Zone Converter](#)

Closing Session

Fiscal Policies for China's New Era

In this session, panellists will draw from earlier discussions, on China's expenditure needs going forward, the potential areas of revenue mobilization and tax changes, and problems of the current intergovernmental fiscal system, to identify key areas of reform needed to support the government's social and economic agenda for the New Era, the sequencing of these reforms, and their likely impact on the central-local realignment.

Chair:

Christine Wong | EAI

Panellists:

Barry Naughton | UCSD

Chong-En Bai | Tsinghua University

Victor Shih | UCSD

Albert Park | ADB

~ End of Conference ~

Registration prior to the conference is required.

Please register at

https://nus-sg.zoom.us/webinar/register/WN_VFM5K5CdQNY9LPKpBLLPDQ
to join the conference online.

For updates of the programme, please visit

<https://research.nus.edu.sg/eai/2020/12/01/international-conference-on-4/>.
Thank you.

Bio Profiles

~ in the order of appearance at the conference ~



Bert Hofman is the director of the East Asian Institute and Professor in Practice at the Lee Kuan Yew School, both at the National University of Singapore. Before joining NUS in 2019, he worked at the World Bank for 27 years, including as Country Director for China and Chief Economist for East Asia. He also worked at the Kiel Institute of World Economics, the OECD and ING Bank. He has extensive experience in advising governments on economic development issues and published widely on fiscal policy, decentralization, debt, trade, and Asian economies.



Teh Kok Peng is the Chairman of the Board of the East Asian Institute. Dr Teh retired from GIC at the end of June, 2011 and stayed on as Adviser for two years. Before his retirement, he was President of GIC Special Investments from April 1999 to June 2011. Prior to this, he was concurrently Deputy Managing Director of Monetary Authority of Singapore (MAS) and Deputy Managing Director of GIC. He began his career with the World Bank under the Young Professionals Program in Washington D.C.

In 2015, Dr Teh stepped down as Chairman of Ascendas Pte Ltd, and as board member of the China International Capital Corporation, but was appointed Senior Adviser at the latter until March 2022. He was a board member of Overseas Chinese Banking Corporation, SembCorp Industries and Taikang Life Insurance Co, Ltd. He also has served on the boards of the National University of Singapore and the S. Rajaratnam Endowment, and chaired the Advisory Board of the Asia Private Equity Institute at the Singapore Management University.

Dr Teh is Chairman of Azalea Asset Management and is a board member of Hollsys, Aviva- Singlife, Fullerton Health Corporation and Sevia Holdings. He is also a member of the International Advisory Board of CMC Corporation and the Advisory Board of Franklin Templeton Asia. He is a member of the Trilateral Commission.

Dr Teh obtained First Class Honours in Economics at La Trobe University, Melbourne, and a Doctorate in Economics at Nuffield College, Oxford University, England. He attended the Advanced Management Program at the Harvard Business School in the fall of 1989.



Lou Jiwei was Minister and Party Secretary of the Ministry of Finance from March 2013 to November 2016. From November 2016 to March 2019 he was Chairman of the National Council for Social Security Fund. Previously he had held the posts of Chairman, Party Secretary and CEO of the China Investment Corporation, Deputy Secretary-General of the State Council, Vice Minister and Deputy Party Secretary of the Ministry of Finance, and Vice Governor of Guizhou Province. He is currently Chairman of the Committee of Foreign Affairs, the 13th Chinese People's Political Consultative Conference (CPPCC) and a member of its Standing Committee. He is also Chairman of the Society of Public Finance of China, and Vice-Chairman of the China Economic and Social Council.



Christine Wong is Visiting Research Professor at the East Asian Institute and Honorary Professorial Fellow at the Asia Institute, University of Melbourne. She has previously taught at the Schwarzman College at Tsinghua University, the University of Melbourne, Oxford, University of Washington, University of California at Santa Cruz and Berkeley, and at Mount Holyoke College. She has also held senior positions at the World Bank and the Asian Development Bank. Her research focuses on China's public finance and public sector reform, especially the impact of fiscal decentralization on policy implementation in macroeconomic management, education, health, social welfare, environmental protection, and urbanization.



Barry Naughton is the So Kwanlok Professor at the School of Global Policy and Strategy, University of California, San Diego. Naughton's work on the Chinese economy focuses on market transition; industry and technology; foreign trade; and political economy. His most recent book is *The Rise of China's Industrial Policy, 1978-2020*. His first book, *Growing Out of the Plan*, won the Ohira Prize in 1996, and a new edition of his popular survey and textbook, *The Chinese Economy: Adaptation and Growth*, appeared in 2018. Naughton did his dissertation research in China in 1982, and received his Ph.D. in Economics from Yale University in 1986. He is currently coordinator of GPS's new MCEPA Program (Master's in Chinese Economic and Political Affairs).



Chong-En Bai is Mansfield Freeman Chair Professor, Dean of the School of Economics and Management of Tsinghua University. He earned his Ph.D. degree in Economics from Harvard University. His research areas include Institutional Economics, Economic Growth and Development, Public Economics, Finance, Corporate Governance and Chinese Economy. Professor Bai is Vice-Chairman of the 13th All-China Federation of Industry and Commerce. He is a member of the National Committee of the Chinese People's Political Consultative Conference, the "14th Five-Year Plan" National Development Planning Expert Committee, the Chinese Economists 50 Forum, the China Finance 40 Forum, and Chinainfo 100. He is also Chairman of Academic Committee of China Wealth Management 50 Forum. He was a member of the monetary policy committee of the People's Bank of China from 2015 to 2018. He served as Adjunct Vice-President of Beijing State-Owned Assets Management Co., Ltd. from August 2011 to December 2012. He was a non-resident Senior Fellow of the Brookings Institution from 2006 to 2007.



Victor C. Shih is Ho Miu Lam Chair Associate Professor in China and Pacific Relations at the School of Global Policy and Strategy at the University of California, San Diego specializing in China. He is the author of a book published by the Cambridge University Press entitled *Factions and Finance in China: Elite Conflict and Inflation* and of a forthcoming book *Coalitions of the Weak: Elite Politics in China from Mao's Stratagem to the Rise of Xi*. He is also editor of *Economic Shocks and Authoritarian Stability: Duration, Institutions and Financial Conditions*, published by the University of Michigan Press. This book uses comparative cases to explore how authoritarian regimes respond to economic crises. He is further the author of numerous articles appearing in academic and business journals, including *The American Political Science Review*, *Comparative Political Studies*, *Journal of Politics*, and *The Wall Street Journal*. Shih served as principal in The Carlyle Group's global market strategy group and continues to advise the financial community on China related issues. He is currently working on several papers using quantitative data to analyze the Chinese political elite and China's defense industry.



Albert Park is Chief Economist of the Asian Development Bank (ADB) and Director General of its Economic Research and Regional Cooperation Department. He is chief spokesperson on economic and development trends and leads the production of ADB's flagship knowledge products and support for regional cooperation fora. Mr Park has more than 2 decades of experience as a development economist. A well-known expert on the economy of the People's Republic of China, he has directed a number of large-scale research projects in the country. He has also served as an international consultant for the World Bank. Mr Park has worked on a broad range of development issues including poverty

and inequality, intergenerational mobility, microfinance, migration and labor markets, the future of work, and foreign investment. Mr Park is Chair Professor of Economics at Hong Kong University of Science and Technology (on leave). Previously, he was the founding Director of HKUST's Institute for Emerging Market Studies and its Center for Economic Policy, professor at the University of Oxford, and associate professor at the University of Michigan. He has held editorial positions at a number of leading economics journals. He received his bachelor's degree in economics from Harvard University and his doctorate in applied economics from Stanford University.