



Symposium
Research Group Publication

Study Methods of the Chinese Economy

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First I'd like to thank Professor Takahashi and the Aichi University for inviting me here today and arranging for my talk. And also I'd like to thank Professor Takahashi for mentioning all the different languages that I've studied. But because English is my best language I'll give my presentation today in English. Today I'd like to talk about my background and research methods for the different studies that I've done over my academic career. And I think this represents the way Americans do research about China. So my research is rather typical for American scholars. I should say the main projects that I've worked on have been looking at industry in China. I spent about 4 years from 1990 to 1994 working on a book about the automobile industry, and I published it in 1994. My second book project was about the telecommunications industry in China. It took me a little bit longer to do that research, from 1998 to 2007, but I also published a book about that topic. And my recent research is about social media in China. So I've been looking at the Chinese version of Twitter, called Weibo“微博”in Chinese. And also a new kind of mobile application which was mentioned before in earlier sessions a couple of times, WeChat, or “微信”. That's my recent research. So all of the projects have rather similar methods. But they've changed over the years, as I'll discuss. My PhD study and research was done at the University of California in Berkeley. When I was a student there we didn't

have the internet. We didn't have online research tools. So most of the early research that I did was through library books about Chinese industry. Now there weren't any specific books about the automobile industry in China, so I was like the pioneer, I guess, for looking at that industry. There were some smaller studies about the automobile industry. There were some chapters in some books and other books about industry in China, but nobody had really written a full book-kind of text about the automobile industry. So I started to put together a research plan. I approached some of my professors from Berkeley to give me some advice. They directed me, for example, to some people they knew in Hong Kong. Many American scholars in the 1960's and 1970's weren't allowed to go to China. The United States didn't have relations, diplomatic relations with China until the late 1970's. So many Americans would go to Hong Kong to do research. So I met some scholars in Hong Kong when I made my first research trip there in the late 1980's. Also some of my professors referred me to magazine reporters, newspaper reporters. Many of these news reporters are also good sources for information and interview connections. Also I should say, before I move to this next slide in my presentation, the University of California at Berkeley is more qualitative by nature. Many American universities these days are quantitative. They want statistical tests for almost any kind of

research you do. Berkeley tends to be more qualitative. So that's kind of my approach. I like to tell a story. I use statistics of course, but I don't do statistical tests as much as other American scholars. So getting back to this slide here, in 1989 I was working with one of my Berkeley professors. We went to Shanghai and to Beijing, and we were doing some interviews there. I was helping him with some translation work and also arranging some of the interviews. But one way he had arranged some of his interviews was going through the Chinese Academy of Social Sciences or "中国社会科学院". They had arranged a lot of the interviews for the professor. So as soon as we got to Shanghai, already we had 3 or 4 interviews set up. When we got to Beijing, the interviews were already arranged. But the problem was that the interview people, we didn't choose ourselves, and so they were already kind of prepared with their answers. And so we got the sense that it wasn't very spontaneous. They already had answers they knew were safe and correct. And so we didn't have a kind of nice conversation. There are advantages to using a Chinese research organization to arrange your interviews, but if you can arrange them yourself with people you know then you might have more fruitful results and less prepared and maybe more surprising information. Also in Berkeley, there's an organization that still exists. They do research on economic development around the world. They're called the Berkeley Roundtable on International Economy or the BRIE, which has the same name as the cheese, I guess. And I remember some of the scholars there, they were a little bit more quantitative than some of the other scholars in Berkeley. I remember when I was in a meeting with the BRIE people, one of the professors was very excited because he said, we're hiring a new

person and he's bringing his data set, so this new scholar would bring many statistics he had collected over the years. And I thought, I wasn't so interested in a data set, but for people doing quantitative research, having very intricate numbers that are collected are very valuable for scholars and also for students who do that kind of research. When I went to do my actual fieldwork in China, I had a Fulbright scholarship. I was there from late 1989 to early 1991. I was studying at the University of International Business and Economics or UIBE or in Chinese it's "对外经济贸易大学". And that university was very helpful for connections. Many of the students had worked in business before. They were studying for an MBA or maybe a PhD in business. So they could give me contacts with companies and government officials, and that was very helpful for my research on the automobile industry. Also I subscribed to specialized newspapers - even today industries in China will have specialized journals, newspapers that scholars can use. So for me I used the *China Automotive News* or "中国汽车报" in Chinese. There are also, I think this was the most useful for me, specialized yearbooks. For example for the automobile industry, there's the *China Automotive Industry Yearbook* (中国汽车工业年鉴) which I think we can still use for research about the car industry. Of course there are many other kinds of yearbooks that one can use for economic research. One of the most useful is the *China Statistical Yearbook* or "中国统计年鉴". Within China in different government levels, there are also specific yearbooks. Each province will also produce yearbooks, and also different cities will also have yearbooks. So for my research about the automobile industry in Shanghai, I could use the *Shanghai Statistical Yearbook* (上海统计年鉴). Or I also went to

Guangzhou to look at a car factory there. Guangzhou city also has a statistical yearbook. So those kinds of yearbooks are also very valuable tools for finding information about all different kinds of industries. There are also specialized books about the industry. The Chinese Academy of Social Sciences that I mentioned before, they also publish specific texts on different industries. One problem though that we might find in statistical yearbooks, there might be some problem with accuracy. In English we have a saying, there's the truth, and then there are lies, and then there's statistics. Then you might say, then there's also Chinese statistics. So American scholars tend to wonder whether Chinese statistics are always so accurate. And my students will often ask me that too. How can you trust Chinese statistics, are they correct or are they made up? Usually I say that, they're usually accurate within maybe 25% or so, higher or lower. I think these days, especially in the last 15 or 20 years, the Chinese government really does want to have pretty accurate statistics. I think maybe sometimes they're a little bit wrong, but generally they're useful for research and publication purposes. Also when I visited China, I visited the American Embassy in Beijing; and the American consular section on commerce had a lot of statistics and information that were useful. The Japanese Embassy in Beijing - a little bit later I was doing some research about Japanese companies in China - also has very helpful information. For example the JETRO, the Japan External Trade Organization, has excellent information about Chinese economic development. Or for specific industries like the car industry, the Japan Automobile Manufacturing Association also has very valuable numbers. When I started doing my research about 20 years ago on the

telecommunications industry in China, then I started to have all the new electronic sources that we can use today. So for Americans and I think for other English speakers, some of the most valuable electronic databases include EBSCO, which has hundreds of all kinds of journals that one can look through electronically. JSTOR is another useful electronic database. LexisNexis is very valuable for finding newspaper articles. And now there are also many Chinese language databases that are useful and widespread, of course within China - but many universities in the United States also use them, and make them available to students. When I started teaching at the University of Hawaii in 1993, I began to work with PhD students from China. I read Chinese pretty well, but of course it's always helpful to have native speakers to give me some advice. So they give me research assistance, but it helps too that with their research I can give them suggestions on sources that they can talk to. One question that students always had is what about buying data, what about purchasing it? These days much of the industrial data in China can be very expensive. I remember I was doing some research a little more than 10 years ago, 15 years ago with some other American professors, and they did, they had some money actually. I'm from the Asian Studies department, so I don't usually have enough money to buy data; but these two professors were from the economics department of their university. They had some research money. So we were trying to get some information about the automobile industry's recent production in China, and we went to one Chinese organization that had the statistics, but they were going to sell it. So for one year of data, they were charging 1,000 dollars. And they said, we can sell you 10 years of data, and you can pay

10,000 dollars. And so the professors thought a little bit, and they said, OK, you have the years from 1990 to 2000, right? Yes, yes we do, said the organization representative. OK, said the professors, we will buy 1990, 1992, 1994, 1996, and 1998. So we'll pay you 5,000 dollars. So then they got every other year, and they could still make their chart because they had enough information. So they purchased half the data set. Also there's a question about doing survey research. I remember I was thinking of doing a survey about internet use in China, and one of my friends at Peking University, where we have an exchange program, one of my friends said, well there's a research organization at Peking University, you can ask them to do the survey. OK - so I went to their office, and I asked them. I said, well I'm a visiting scholar here, can you help me with a survey. And they said, well, do you have any money? And I said, well, not really. And they said, well, we probably can't help you if you don't have money. And I know that some research organizations will charge thousands of dollars or tens of thousands of dollars. So I've never really done much survey research because I don't have that much money. Unless you get very big grants, it's difficult to do that. But even if you do pay for the survey, there can be problems. One of my colleagues from the University of Hawaii, she did have money, and she paid for a survey to be done. And after a few months the survey wasn't finished. So she called the colleague, and she said, why isn't the survey done? And then the person doing the survey, he said, well we're trying to make it more and more perfect. And then the professor said, well just make it perfect, it doesn't have to be more and more perfect. So she was afraid that they were changing the data, that they did the survey but they actually maybe

changed it or maybe they didn't do it correctly. So even if you pay for a survey, there might be some problems. For my recent research, I've been looking at the development of Weibo, the Chinese Weibo, the kind of Chinese Twitter, and also at WeChat, the mobile application. And there are websites for both of those platforms - for Weibo, from the company Sina; and for WeChat the company Tencent or “腾讯” in Chinese. So you can get a lot of information from the companies that are very helpful. Also if you join WeChat or Weibo you can follow people on the internet, so you can collect your own statistics just by looking at the online information that's posted. For WeChat I try to connect with as many Chinese people's WeChat accounts as I can to see what kind of information they're posting. You can also look at public accounts for which you don't have to have a special connection. If you look at the public accounts on WeChat, you can also get a lot of information. So even if there's not specific information published about WeChat, you can actually find a lot by just observing users' information that they post themselves. Finally, overall I would say for American scholars today doing research in China, the environment is relatively open as long as the information is not sensitive. For people doing economic research, I think generally foreigners like me can find it pretty open on company information; company officials are willing to talk to me. I'm not writing specifically about information that's sensitive to the government or that could threaten the government's position and power. Suspicion of foreigners, as I say in this slide, is less than in earlier days. The first time I went to China in 1982 as a college student, people were afraid to talk to me. Oh, you're American, people would say, maybe I have to get permission to talk to you

from my professors or teachers. But now of course, foreigners can go to almost anywhere in China, talk with almost anybody. That makes it easier for foreigners to do their research. It might be a little bit harder than maybe in 1990 when I did my automobile research, because now there are very many foreigners going to China and are all looking for similar kinds of information. When I was there more than 20 years ago, people would say, oh you're American, come in and have a cup of tea, let's talk for a while, let's have lunch. But now it's, oh another American looking for more information, I just talked with several Americans this year, go away. So it's a little bit harder because it's so crowded. But as I said, there's a lot of information on economic developments that you can find in print and online. So I think that still research results can be very fruitful in today's environment. Thank you.