

Peking University – Beijing, China
Fall semester 2016-2017

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Nihao!

In the fall semester of 2016-2017 I went on exchange to Peking University in Beijing, China. Peking University is also known as PKU, or Beida in Chinese (北大, short for 北京大学). The academic calendar of PKU is slightly different as their winter break is scheduled around Chinese New Year, which is around the end of January or the beginning of February. For me the registration day was on September 3, 2016 and my last exam was on January 4, 2017 (officially the semester ended mid-January).

Preparation

Soon after the exchange destinations were announced, we received an email from the exchange coordinator of PKU, School of Economics. We were given clear instructions on what we had to do to officially apply for an exchange at PKU. The application deadline was mid-April and we were asked to fill in an application form through their online application system and send in an application package including our high school diploma, transcripts from EUR and two letters of recommendation. Personally, I had not expected the latter requirement but luckily I found teachers from Erasmus School of Economics who were gladly willing to help me out. Tip: start on time with the preparation of the application package, as it takes several weeks for the package to arrive in Beijing! I sent in my package quite late and it ended up arriving a day after the deadline, which fortunately did not cause any trouble.

About a month after the application deadline we received an email from PKU. Our offer letters were expected to be delivered around the end of June or the beginning of July. Only with this offer letter we could apply for a student visa. Applying for a Chinese visa is not too complicated, but they do ask for several documents. There is a Chinese Visa Application Service Center in The Hague (the only one in the Netherlands) where you can go either with or without an appointment. I went without an appointment in July and it took less than half an hour before I left the centre again. If all your documents are complete, you will receive a form with which your visa can be picked up only a few days later. Make sure to double check everything in advance, there is a 'Step by Step Guidance' available on the website of the centre (<http://visaforchina.org>). For a semester exchange we needed an X1 visa, and for clarification, a health check is not required.

Housing

PKU offers accommodation to exchange students, but it is very limited. I stayed in Global Village, separated from the university campus only by a big road. The dormitories in Global Village are quite new and many international students stay there. There is another dormitory further from the campus called Wanliu, which offers cheaper rooms. However, only a few

exchange students choose to live there as the location is not ideal and the rooms are smaller and only shared. Rooms for Global Village and Wanliu could be booked through the same online application system, but only on two specific moments (for us). The first moment was in July, at 2:00 am for the Netherlands, and all the rooms were booked so quickly that I was too late. The second moment was in August, again at 2:00 am, but this time I did manage to book a room. There were different types of rooms to choose from: I had my own bedroom and I shared a bathroom with a girl from Cambodia.

Most exchange students who either did not manage to or did not want to get a dormitory room chose to live in Wudaokou, an area close to the university. It was about 10-20 minutes away from the campus, but a lot of activities and parties took place in this area. As most of the landlords either do not speak English, or only want to have rooms/apartments rented for a longer period, the easiest (but also slightly pricier) way to find a room is via housing agencies designed to help exchange students. It is quite common to book a hostel for the first few days and find a room upon arrival in Beijing.

Arrival

The first thing to keep in mind before heading to Beijing is that if you cannot speak Chinese, it is quite difficult to communicate with the local people. Make sure to have the address of your first destination written in Chinese, or to figure out how to get there in advance. Public transport in Beijing is quite convenient, and from the airport there are several ways to get to the city centre. There are busses to locations throughout the city, and the metro is also very convenient. There is an overview on this website which I used for about every single trip I made during my exchange: <https://www.travelchinaguide.com/cityguides/beijing.htm>.

The registration day I mentioned earlier was the first official day. Before this day, I could move into my room in Global Village already, but besides that there was nothing university-related to do yet. The registration day started early, and it was basically a lot of waiting as some official procedures had to be gone through. I spent my day trying to figure out the credit conversion (as PKU was a new partner university) and luckily, meeting lots of other students. There were also campus tours organised and the weather was good, so it was a nice start of the exchange semester. Tip: buy your sim card on this day. Cheap sim cards are sold on campus with enough data and it prevents you from being scammed by 'fake shops' (which happened to me and several other people who were new to China).

The International Students Division (ISD) of PKU had arranged a few orientation activities for which you had to buy (cheap) tickets on the registration day. There was an Ikea trip and a Great Wall trip, but the latter was sold out very soon, unfortunately. The ISD also organised a few other trips throughout the semester, and it turned out to be possible to show up without a ticket and see if there were spots left on the bus!

Courses

The exchange coordinator from PKU, School of Economics initially told us we were only allowed to choose courses from School of Economics, as we were faculty level exchange students (most other exchange students you will meet are university level exchange students).

The number of English courses offered by the School of Economics at PKU is very limited. To be exact, we had five courses to choose from, of which two courses had lectures at the exact same time. As attendance is mandatory to a certain extent, from these two courses we could only pick one. We had to sign up for courses about a week after the registration day, and in the first two weeks after that it was still possible to add or drop courses (so technically we had plenty of time to choose between those two conflicting courses). Later we heard that it was also possible to take courses from among others Guanghai School of Management, upon request, but by that time the courses were full already.

With the current credit conversion, the following four courses were enough to obtain 27 ECTS and I will use them to incorporate them into my elective space:

Applied Econometrics

- Number of credits: 2 (6 ECTS)
- Online description: This course provides you with a general understanding of the econometric modeling tools that are frequently used in the empirical economic studies. The topics covered include linear regressions and the selection of functional forms, heteroskedasticity and serial correlation, basic and more advanced time series techniques, pooled cross-sectional and panel data models, models for binary choice and limited dependent variables, endogeneity and instrumental variable estimation, simultaneous equation models, etc. The computer programming techniques that are needed to implement the above models will also be taught using SAS software. In addition, you will get a taste of empirical research using the real-world data by conducting an independent research project.

This course was taught by a teacher who was doing research in the field of health economics, and who was also passionate about econometrics. As an econometrics student, the theory taught in this course was not necessarily new to me, but I did hear from other international students that it was hard to follow sometimes as the teacher went through the theory quite quickly. The nice thing was that the class was small and the lectures were interactive. Every week, a student would give a SAS demonstration on the econometrics topic that was introduced in that week. It was on a voluntary basis, but the teacher easily managed to find a student for every week. I also gave a demonstration and it was quite useful as the teacher asked questions in a way that he made sure that I and the other students understood the theory. For this course, we had to do research on a topic of own choice using Econometrics and write a paper, individually. Halfway the semester we had to hand in the research proposal and at the end of the semester the final paper.

Labor economics

- Number of credits: 2 (6 ECTS)
- Online description: This course helps students using economic theory to understand and analysis phenomenon in labor markets. It includes classic analysis on demand, supply, and equilibrium, as well as specific topics such as unemployment and discrimination. The course will let students be familiar with labor market conditions,

learn economic concepts, use economic theory to analyze activities in reality, and use data and econometric tools to exam social problems and programs.

This course was taught by a teacher who had done her PhD in the U.S., also in the field of health economics. She was very passionate about this topic, and consequently, the course name might as well have been health economics! She told us a lot about her research, and about other research in this field. The final grade consisted of two main parts: halfway the semester we had to present a research paper on health economics in groups and at the end of the semester we had to write and present a research proposal, though the teacher did highly prefer to see results and a conclusion too. Especially if you are interested in health economics this course can be quite interesting. The teacher was super excited and tried to keep the lectures interactive. Another nice thing was that the teacher encouraged international students and Chinese students to work together.

Corporate Finance

- Number of credits: 3 (9 ECTS)
- Online description: This is a first class in Corporate Finance. This class involves the answers to three questions. First is the capital budgeting decision, which is about what long term investments should the firm take on. Second is the financing decision, which is about how can cash be raised for the required investment. Lastly, it examines short term finance and concern net working capital and discusses the way the firm manage its day-to-day cash and financial affairs. At the end of this course, students should be able to think analytically about portfolio selection, corporate decision making and asset pricing. These skills can also be used as personal financial decisions.

The first part of this course was quite like Finance 1 at Erasmus School of Economics, but the way it was taught did differ. The teacher used many examples (mainly from the U.S.) to illustrate the theory and we were given several homework assignments and case study assignments that had to be done in groups. For the case studies, the teacher randomly pointed out a few groups that had to present their approach. The final grade was based on the grades for these assignments, and at the end of the semester we had an exam with open questions. One thing about this course is that the exchange students were by far a minority and the teacher tended to make announcements in Chinese. She was very friendly and did provide a translation, but we often had to ask for it.

The Introduction of Behavioral Finance

- Number of credits: 2 (6 ECTS)
- Online description: Traditional finance seeks to understand financial markets assuming that investors are “rational”. Rationality means that investors can access to and have the ability to process information correctly and that competition between investors ensures that securities are correctly priced to reflect all available information. That is, the market is efficient. However, recent studies suggest that markets are not efficient and that investors are not fully rational. At the most general level, behavioral finance is the study of human fallibility in competitive markets; it is the application of psychology to financial behavior. Empirically, behavioral finance

both explains the evidence that appears anomalous from the efficient markets perspective, and generates new predictions that have been confirmed in the data. In this course we will cover both the psychological insights and their applications to finance. We will improve our understanding of financial markets and the relation between human behavior and asset prices, as well as our own decision--making processes.

This course was taught by the same teacher as for Corporate Finance. The theory was interesting, and many examples were given in the lectures. We also had in-class experiments, but we were not actively encouraged to use the theory. The final grade consisted of a midterm essay and another essay at the end of the semester. For the midterm essay we were given a topic and for the final essay we could write about anything related to behavioural finance. The teacher was quite unclear about the specific requirements and we had to ask several times before she would give us more instructions.

Finances

The rent in Beijing was higher than the rent I pay in Rotterdam, but apart from that, costs of living are relatively low! I tried to save my money for traveling, but food is so cheap in China compared to in the Netherlands that it was not difficult. I did not have cooking equipment in Global Village, but even so I would spend less money on food on a regular day than I would spend just for one home-cooked meal in the Netherlands! Especially if you are interested in trying out the different canteens on campus you can save quite some money on food. Tip: when I was in Beijing, there was a man selling Asian pancakes (called 煎饼) every morning until about 9:30 am right outside Global Village. Try one if he still sells them there, it is delicious!

Traveling around China is cheap relative to traveling around Europe or anywhere else. With the X1 visa you only get one entry, but it is possible to apply for multiple entries through the university. The prices are 268 RMB (about 37 euros) for one additional entry and 352 RMB (about 48 euros) for two. I chose not to spend this money and instead, I stayed in China during my exchange and travelled to Taiwan and Japan only when I did not have to enter China again! I spent about 1550 euros on travelling around China and sightseeing in and around Beijing. This includes three trips to different sections of the Great Wall, a trip to Inner Mongolia (northern province of China), a trip to Pingyao and a big trip to Luoyang, Xian, Guilin, Yangshuo, Shanghai and Hangzhou. With your PKU student card you can get 50% off entrance tickets almost everywhere, so do not forget to take it with you if you go travelling!

One thing that is super convenient in China is WeChat. Everyone uses WeChat and with the student sim card you even get separate WeChat data. If you choose to open a Chinese bank account, which should be for free, you can even use your WeChat Wallet. You can pay with it almost everywhere, or use it to transfer money to friends.

My average costs of living indicated below are based on a full month in Beijing. The exchange rate fluctuated a bit during my stay in China, but it was about 1 euro = 7.3-7.4 RMB.

Visa	127 euros
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Flight (return ticket AMS – TPE – PEK)	776 euros
Rent (per day)	100 RMB
Sim card (valid for a year)	200 RMB
Insurance for one semester (mandatory)	300 RMB
Sports card (3 months)	468 RMB
Food and drinks (per month)	±1300 RMB
Other activities or parties (per month)	±400 RMB
Public transport + taxi (per month)	±250 RMB
Other stuff + unforeseen (per month)	±600 RMB
Travel and sightseeing	1550 euros

Daily life

What I would like to advise anyone going on exchange to Beijing: read about the city, the country and the culture, and perhaps learn a bit of Chinese. It was my first time in China and it was quite overwhelming at first how little English the local people could and especially would speak. I grew up speaking Mandarin Chinese with my parents, and as soon as I was in Beijing alone I was so happy for that, for being able to communicate.

Furthermore, the weather in September is the best: warm, sunny and a clear sky. It is therefore the best time to go sightseeing in and around Beijing, there is a lot to see and it takes time as different destinations within Beijing can already be an hour traveling apart. By the end of September, the pollution started to become more noticeable and in October it also got a lot colder. Most international students could bear with the pollution, but I had to wear a mask to prevent myself from feeling unwell after a day outside. What surprised me was that even when the air quality was extremely bad in December, most Chinese people still did not wear a mask. When I asked my Chinese classmates, they would say they just did not feel like wearing one, they were used to the pollution.

Finally, quite soon after the classes start, in the first week of October, there is a national holiday week. It is advisable to start planning a trip soon if you want to go anywhere as everyone in China will be traveling. That is, either flights, trains or hostels are fully booked before you know it. It is also good to know that train tickets in China are assigned passport names, you can read about this online on the website I mentioned earlier.

There is so much more that I can tell you about studying in Beijing, but part of the fun is also to find out about things yourself! Feel free to contact me if you have any questions!