



PHBS UK

Peking University
HSBC Business School

NEWSLETTER

ISSUE 2



Discovering the UK with PHBS

Our international student in Management, Tatiana Kurbanova shares her thoughts about her journey from Russia to the UK, and how dreams come true

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PHBS and Graduate Employability

By the end of 6th June 2020, amongst the 280 Chinese master graduates, 273 graduates are successfully employed (95.4% employment rate).

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Impact of Covid-19 on Banking and Finance

Will the extreme monetarist economic policy implemented by the US in response to Covid-19 have any impact on banking and global financial markets, especially China?

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Message from the Editor

Dear Readers,

As the editor of the PHBS-UK newsletter, I am very delighted to introduce our second issue.

The central theme of this second issue is our students. Students are our future and in this issue we celebrate their achievements and recognize the strength of their spirit and character.

The past term was a unique one where we saw our traditional way of classroom teaching move to an online platform. Lecturers and students alike had to adapt to a new normal. It was from this rather abrupt change that I bore witness to my students' versatility and adaptability.

Many of my students arrived from China after undergoing a strict lockdown only to go through another one here in the UK. I was humbled and amazed by how they took it all in their stride; they showed no fear, they had no complaints, they just did what had to be done.

I remember the time just before we moved to online teaching, I gave my last in-person lecture wearing a surgical mask. It

was my first time wearing a mask, and I struggled. Many a times I struggled to breathe. My students were kind and encouraging. They told me to slow down and catch my breath; I would get used to it eventually. They were the teacher that day.

As educators, we must always remember that our students are not only intellectual, they are also social and emotional beings. As we all adapt to a new norm, we must also bear in mind that these variable dimensions interact and impact their learning, performance and emotional well-being. This is something that we at PHBS-UK are keenly aware of, especially during these trying times.

As our students move on to the next phase in their academic life, we at PHBS-UK wish them all the very best in their future endeavours. We hope that they take with them not just the lessons from the classroom, but the lessons out of it. We hope that they, with their strength and versatility would emerge as the leaders of our future.

Dr Carryn Yong
Editor



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PHBS Ranks One of the Highest for Graduate Employability

Yuting Hang & Carryn Yong

The world is currently experiencing the worst economic contraction because of the Covid-19 pandemic and globally, the graduate employment has decreased significantly due to the operational challenges faced by most businesses. As a result, 2020 is considered to be the most difficult year for graduate employment.



Despite this unprecedented circumstance, the data from Peking University HSBC Business School (PHBS) Graduate Employability still exhibited an outstanding performance. By the end of 6th

June 2020, amongst the 280 Chinese master graduates, 273 graduates are successfully employed (95.4% employment rate). The remaining 7 had decided to pursue a PhD. Furthermore, these graduates received an average of 2 offers each, which greatly surpasses many other institutions. Also, as a point of pride, it should be highlighted that our graduates received offers from, and are subsequently employed by prestigious and well-known organisations, such as China Development Bank, Morgan Stanley, Huawei, Tencent, Alibaba, Goldman Sachs, just to name a few.

The reason why PHBS achieved this impressive employability rate is because of our steadfast belief in giving our graduate students a comprehensive education. PHBS places great importance and emphasis on building up our students' health so that they could approach their studies with a keen mind and strong body, while at the same time developing in them a strong sense of perseverance, a keen sense of awareness with

regards to team work and a tenacious fighting spirit.

In addition, PHBS' specialty in interdisciplinary programmes enable our students to hone their skills in different areas; Our students are able to select one major and one minor module which enable them to establish a solid foundation of business knowledge. Together with an arsenal of



interdisciplinary skills acquired during their course, our students are naturally top choices for employers, regardless of the market conditions.

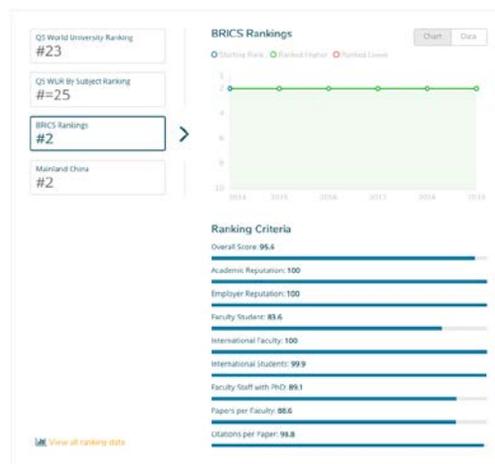
In addition, PHBS students follow the policy of non-internship in their first year to ensure the appropriate time portion for study and research. Meanwhile, PHBS has a highly restricted standard through the whole programme, such as assignments and dissertation. And most importantly, honest is held as the minimum requirement for all PHBS students for their comprehensive development, including personal, academic and career aspects. For example, PHBS only provides one Tripartite agreement (An agreement signed by graduates, employers and universities with regarding to student's employment) to avoid students breaching their contracts.

Furthermore, Chinese Universities are rising in global rankings. According to the article¹ "The Rise of Chinese Higher

Education Institutions in Global Rankings" on the QS World University Rankings website, universities in China are quoted as demonstrating "impressive growth, with the nation now boasting 19 of the world's top 200 research universities, increasing from 12 in 2016" and "compared to the global average, the overall performance of institutions in mainland China has significantly improved in both indicators for international faculty and international students".

In addition, the QS BRICS ranking classed Peking University as the second highest ranked institution in mainland China; Peking University received perfect scores in academic reputation and employer reputation and extremely high scores in faculty to student ratio, citations per paper, international research network, international faculty, and the number of staff with a PhD.

Furthermore, according to the recent QS 2020 Graduate Employability Ranking, Peking University was ranked No. 19 in the world and Peking University Business School was specially mentioned and praised. Thus, the achievement of graduate employability of 2020 is the most powerful proof of this honour. ■



Source: <https://www.topuniversities.com/universities/peking-university>

<https://www.qs.com/rise-chinese-higher-education-institutions-global-rankings/>. Retrieved 20 June 2020.

¹ Linney, S. (2019). The Rise of Chinese Higher Education Institutions in Global Rankings.



Thoughts of the Covid-19 outbreak in the UK: From the perspective of a visiting student

Yujie Ailsa Liu
PHBS (Shenzhen) Visiting Student

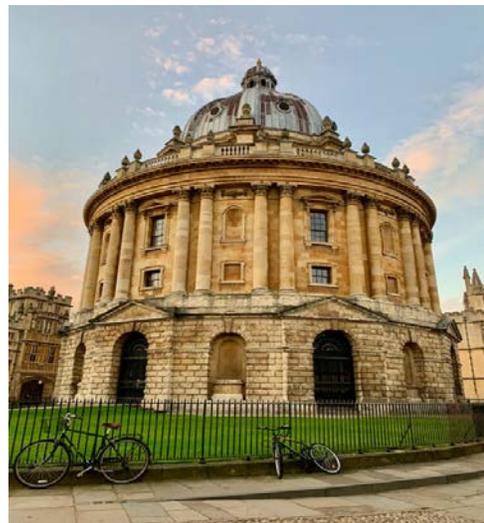
As I am writing this, I have been in the UK for 12 weeks. I should have been back to China two weeks ago had there not been a coronavirus crisis in the UK. However, due to the alarming increase number of infected people, I am not sure when I could go back home; It could be several weeks later, or maybe several months later. As this is my first time to travel to the UK, I had great expectations and I hoped it would be a once in a lifetime experience. I had imagined that I would travel around the UK, experience the different foods and cultures, and have ten wonderful weeks with my friends. Well, as you know what they say about the best laid plans of mice and men...



Although, I must clarify that despite not having the study trip I had imagined, this

experience in the UK is indeed unforgettable. It is unforgettable because, for the first time in my life, I am experiencing a war, a war with an invisible enemy, in a faraway land, miles away from my family.

I had arrived in the UK on February 15th, and because visitors from China are requested to self-isolate, I was in my room in Oxford for one week. After the one-week isolation period, I was allowed to go to the campus to take my first class. On the weekend of the second week, I went to the city center of the Oxford. I visited the museum, the various colleges of the University of Oxford and took many photos.



It was all quite exciting and everything was so novel and different. I thought, after the outbreak in China, and our subsequent quarantine, everything would become normal again and my happy life in the UK would begin. However, little did I know that that weekend was the last time that I could go sightseeing, or even venture much outside, for the next several months.

The Covid-19 pandemic seemed to have stuck Europe quietly and suddenly. It seemed that overnight, the whole of Europe became the central area of the disease. At first, Italy was the most seriously affected country in Europe, where tens of thousands of people died from Covid-19, and thousands more were stricken with the disease every day. For a while it seemed that the disease was confined to Italy. The UK is an island after all. However, as the days went by, and when the cold of February turned into the warmth of March, the number of infected people in the UK suddenly increased. And the increase was significant. Suddenly, the people in the UK became nervous, and at a loss of what to do. Many people feared that the UK would become the next Italy.



To deal with the growing sense of urgency and the rising panic of the people in the UK, the first measure taken by the UK government was to achieve herd immunity, which meant over 60% of people would get infected. This was such a radical move and there was widespread incredulity over the

decision. Personally, I do not know whether the citizens of the UK believed that this was a good way to control the virus or not, but I for one, certainly did not believe it.

For me, such a decision was akin to giving up in controlling the spread of the virus and just let the virus spread and infect everyone. Despite the fact that the UK government did backtrack from the idea of herd immunity, the delay in taking appropriate measures resulted in the virus did spreading more quickly. Days went by and more and more people were infected and sadly, it resulted in more and more people paying that wrong decision with their lives.



It was only then that the UK government realized something should be done. They finally locked down the country, and suggested people to stay at home. However, it was already too late. The NHS was overwhelmed; they had insufficient Personal Protective Equipment, the hospitals were full of Covid-19 patients, and the doctors and nurses could not save everyone at the same time. Some of them couldn't even save themselves. As we watched from our homes during lockdown, the death rate in the UK due to Covid-19 climbed higher and higher, with essential frontline healthcare workers being part of the casualties.

The UK did not become the second Italy as many predicted; It became even worse than Italy. To date, the number of deaths in the UK is the highest in Europe, standing at 31,316*. Furthermore, the UK

government was unable (or as some claim, refused) to test certain groups of people, despite them displaying the symptoms of Covid-19, nobody knows the true number of people who have been infected in the UK. What frustrated everybody was that nobody knew what the government really wanted to do, or what they were planning. It was quite possible, as many people have openly speculated in the UK papers, that includes the government itself.

I am not sure whether the government felt or would feel any regret or remorse for their refusal and delay in taking the appropriate measures in time or not. And I do not know whether they have thought through the reasons that lead them to take the decisions that they took. However, I do strongly believe that the arrogance of the government, and some stubborn citizens are the one to blame for the high death rate. Many people flouted the lockdown rules and did not obey social distancing. The police in the UK had to crack down on raves, parties and picnics.



Although there has already been plenty of evidence show that the infection in the UK was not a result of coming into contact with Chinese people, some people in the UK still discriminated against Chinese people and blamed them for the spread of the virus. Numerous Chinese students have been verbally abused throughout the country, while the vast majority faced hostility and racial discrimination. In several extreme

cases, some have even been beaten up just because they are Chinese. Although the authorities condemned these anti-social behaviours, and many of the UK citizens are in support of their local Chinese community, I still believe that more should have been done to curb the vitriol and racist attitudes of some.

In my opinion, when a global disaster the scale of the Covid-19 pandemic occurs, there is no racial difference anymore. We are all human beings. What we should do is band together to fight against our common enemy – the Covid-19 virus, instead of blaming each other and fighting with each other. Furthermore, although the number of infected people increased significantly, the government still took no measure and in their hubris, believed their country will win the war automatically. In the face of threats, the fact is that we need to be humble; We have to acknowledge that we are might not strong enough to be entirely certain that the virus will not affect us, despite our advancements in medicine and technology. History, and the realities of the pandemic has already shown us quite evidently that when you look down on your enemy, you will most certainly be defeated by them.

I do not know how the situation will develop in the future, and when I do go back home and try live a normal life, I am not sure what the new ‘normal’ would be. However, I hope that when the UK slowly eases out of its lockdown, people can deal with their own hubris by realizing their weakness and deal with the virus seriously, just like they are in a war. Only in this way, will fewer people die and things can start getting better in the near future. And only in this way will we survive the next pandemic. ■

*Editor’s note: At the time of print, on 2 July 2020, the total number of infected in the UK is 283,757 and the total number of deaths is 43,995

** This views, thoughts, and opinions expressed in the text belong solely to the author, and not necessarily to the author's employer, organization, committee or other group or individual.

Thoughts from our students



Discovering the UK with PHBS-UK A Story of How Dreams Come True

Tatiana Kurbakova
Masters of Management
Cross-Border Programme

I was on the phone with my mom, – “Mom, it won’t be easy. We have to think carefully about it and make a decision together.” With that serious tone, it was how I broke the news about my admission to Peking University HSBC Business School to my parents. I received the chance to study in their “UK-China” cross-border Masters in Management programme and was also awarded a scholarship by the University. While my hands were shaking with excitement, my mind was occupied with hundreds of different worries and thoughts about how difficult this path will be. The United Kingdom is an unfamiliar country on the other side of the continent, and thousands miles away from my home, my family, and my friends, not to mention a completely new field of study in a foreign language, as well as challenges in obtaining a visa, huge living costs and, therefore, the need to find a job. However, while my thoughts were about all the fears and possible challenges, my heart was overjoyed with happiness. “*This cannot be - a Chinese school... in Oxford!*”

“Talk to you later,” I said and hung up. However, the truth is, I had no hesitations.

In spirit, everything has already been decided. When your life brings you a half-step closer to your dream and your eyes light up, no fears or obstacles can stand in your way.



I had been dreaming of studying in China ever since I was in high school, and after completing two language courses in China during my undergraduate years, the idea of furthering my studies in China only grew stronger. The other competing country in my mind was Ireland. I discovered Ireland during my two trips there in 2017 and 2018. The Emerald Country left an impression of how it is a fabulous place to live and work,

but my friends told me that the UK would impress me even more had I the chance to visit it. As it turned out, they were right. I began to look at UK universities, with the main stipulation – there must be a scholarship. However, all my attempts to find a funded program were in vain: a full scholarship in UK is few and far between. Since I did not consider any another option, the idea of studying in the UK was abandoned.

Having given up on my dreams of walking along the banks of Westminster, and taking pictures of the Thames with Big Ben in the background, I continued searching for another university. This time, I turned my focus on China. After all, it was a good alternative: China was not unknown to me, I enjoyed learning about its fascinating culture, unique traditions, and specific cuisine. Also, I was also very interested in the Chinese language and its writing system. At that time, I was looking for an Management programme that was taught in English, a feat in China, and I stumbled onto PHBS quite by accident. Neither my friends not I had heard about this business school, but it appeared to be a real godsend for me.



PHBS is a business school of the internationally renowned and prestigious Peking University. PHBS is located in the modern city of Shenzhen, and it offers a MA in Management, taught entirely in English. Most importantly, what was the most exciting was that it was a cross-border programme with the first year in the UK campus and the

second year in Shenzhen, China. It was like having my dreams of studying in China and the UK both revived at the same time. Excited and energised, I applied without delay, albeit not harboring much hope – I knew the competition would be intense. However, I told myself: you'll never know until you try.



Obviously, the result of that campaign is no secret. Skipping the drama about the preparation and visa process for my move to the UK (though I think it could definitely be fodder for a plot for an action movie), I will move directly to my experience in the UK campus of PHBS.

I very much remember the first day that we arrived on the UK Campus of PHBS on Boars Hill, Oxfordshire. The Campus did not look remotely look like a University building; we are all familiar with the modern, utilitarian look of current universities. However PHBS-UK is located in a former residence of Lord Berkeley, situated on a picturesque hill just 10 minutes from the city centre of Oxford. The Campus has with a lovely Italian-style garden and also sports a rather charming lake; It set quite a romantic mood.

Our student support advisor Dr Hang Li warmly welcomed us – she showed us around the campus, introduced the teachers and campus staff to us, as well as sharing some stories and legends about the history of

the school and the place. Unsurprisingly, like all universities, the world over, the first day will follow an inevitable custom; Our first visit to the campus ended with taking a picture together – the one where everyone, still barely knowing each other, embarrassingly lined up and tries to portray a smile. On a warm note, our first day at PHBS UK Campus was over, but for me, it marks the beginning of a new and interesting chapter.



Time flew quickly by. In hindsight, perhaps the word “interesting” would not be enough to describe this year. Indeed, with 2.5-hours classes, and exams every nine weeks, there was definitely no time for me to feel to be bored. However, these formalities were not why this year was so special to me. For me, PHBS was a real godsend; It is a place where Chinese and English customs as well their respective unique traditions intermingle; It is a wonderful example of how Asian and European cultures harmoniously coexist, and a stunning example of how both the English and Chinese languages are equally used. It is never noisy or crowded with students; It is like an oasis of tranquility and coziness.

I have to admit that sometimes I would catch myself thinking it would be nice to have some sport facilities available, a

debate club, or creative societies, like those that were available during my undergraduate years (though they are building up the campus as we speak). The school made up for its newness through the organization of several exciting trips, each of which left a lasting impression on us.

We visited the home of talks and debates – the Oxford Union, went to the Parliament of Great Britain, had an amazing trip to the largest authentic German Christmas Market in Birmingham, and enjoyed a tour of the renowned Bloomberg offices in London. I don’t think other UK universities would have done that for their postgraduate students. Thus, it is with much gratitude to the school that I recall those wonderful times and take with me the lasting memories.



Of course, I cannot claim that here we have enjoyed a worry-free life and smooth sailing studies – no student since time immemorial has yet managed to get around difficulties of student routine. However, what is extremely important is that in times of challenges, we received dedicated and caring support from the school’s management. It is their dedicated efforts that made our experience in PHBS-UK so much more vivid and interesting.

My stint in England did not include only my studies. Once I came to the UK, I

started actively looking for a job and finally received an offer for the position of an HR assistant in a company constructing the railway between Oxford and Cambridge. This job was a highlight of my UK life, though it did come with some “adventures”. Every Wednesday I started my day by waking up at 5 in the morning in order to get onto the coach to London, where our company’s office was located. With the morning traffic, the journey to the office usually took around 2.5-3 hours. This is when I started appreciating the availability of Wi-Fi on the bus (which is still rare in most of Russia). This means that I could start working during my commute to London. I was surprised to discover all the different ways I could use my commuting time more efficiently. Not only could I listen to music, read, or sleep, I could also prepare for my midterm exams as well as practice writing my Chinese characters. Of course, this was also how I spent my time on the way back to Oxford.



However, at the back of mind lingered the nagging thought: could my long journey time have cast a shadow on my experience? Every working day in London gave me a chance to gain new knowledge and skills, and meet new people. As such, London has become my source of inspiration, inner energy and motivation to return to this vibrant city in the future; So now, I must

work harder so that my dream of working in London would be realized.

Finally, this year at PHBS-UK would not have been so special without the people with whom I spent it together, side by side. Here, on the UK campus, there are only 9 of us – 9 international students from all corners of the world. Being from different cultures, different backgrounds, of various ages and family status, with diverse mentalities and interests, we still managed to become a small family within these 10 months.



Only a few more days to go until the last lecture, exam, and the end of the term at the UK campus of PHBS. It should seem that there is no time for sentimentality at such a busy time, and yet, my affection for this place and the people there is becoming increasingly stronger. There is no way to escape from the inevitable sadness. There is only one feeling which is greater than that – my gratitude to the school. I would like to thank PHBS-UK for this tremendous opportunity to be in the UK, and to acquire such valuable experiences and knowledge, as well as the opportunity to meet all the wonderful people and work with a great professional team. Thank you PHBS-UK for letting my dreams come true and for the chance to discover the United Kingdom. ■

Thoughts from our students



A collage of the best memories of the UK: Stories from our visiting students

1. Memories of Blue Skies and Wonderful Friends Bo Lan

It has been more than 10 days since I left the UK. In the north of China, where I am now, it is rare for me to be able enjoy the sight of blue skies and white clouds; Both of which are a common sight in Oxford. Every time I opened my curtains to look outside, all I could see is just a grey haze. I miss the wonderful experiences that I have had during my exchange in the UK. Even though I spent most the time indoors under lockdown during the fight against Covid-19 in the UK during my study trip, I still believe the visit to PHBS-UK is my best memory in 2020.



Why have I determined that it is the best memory of 2020 for me? First of all, the ability to experience an international disaster abroad has taught me more about life. Because of the coronavirus, the number of valid flights between China and the UK decreased significantly so much so that that it was extremely difficult for me to return to China in accordance with my initial plan. At first, I was so eager to leave, I was very worried as to how I could finish my courses, and I was afraid of disrupting my summer plans.

However, despite my initial reservations, I have decided to extend my stay in the UK. Special problems in special times would be solved in special ways. Thanks to the school, a wider variety of courses, and better living conditions were provided for the us. With the care from both Shenzhen and UK campuses, I could say that it was not too bad to stay in a foreign land. Therefore, after this experience, I came to realise that I should not be too anxious about my problems. The most

sensible way is to try the most positive response I can reasonably achieve in that moment.

In addition, I was very grateful for the friendship and camaraderie that I established with my fellow classmates at our student accommodation - Between Towns Court. It was the first time that I spent so much time with my classmates, eating together, studying together, cooking together, traveling together and so on.



Even if I live to be 100 years old, I suppose I will still remember the delicious taste of the dumplings we made, the elegant swans we fed in the Oxford University park, the sheep we chased on the meadow covered with buttercups, the vicious seagulls that stole our chips in Brighton, and the quiet waterlilies which didn't bloom in the

“unnamed” lake until we had to say goodbye. These memories might seem insignificant or impressive, but I will never forget them; They are memorable because they were made of my strong friendship with my classmates. When I was at Stafford-Upon-Avon, the birthplace of Shakespeare, I remember looking into the window of the closed souvenir shop. I saw a postcard and it made a lasting memory for me for it said, “Collect



moments not things”.

Many of my friends have felt sorry for me; They thought that because of the coronavirus, I have lost a good chance to study and travel happily in Europe. However, from my perspective, even though it wasn't a perfect trip per se, I still have collected, enjoyed, and treasured many joyous moments. ■

Thoughts from our students



A collage of the best memories of the UK: Stories from our visiting students

2. A New Normal Zhuoyao Li

2020 started off as a normal year. Like many of the students before me, I submitted my application for the UK campus exchange program at the end of my first semester, in excited anticipation of what I would experience in the UK. Everything progressed as expected; a long and exhausting application for the UK visa, a huge workload to pick up, and a lengthy packing process for the upcoming trip.



“See you next module!” I said excitedly, as I waved goodbye to all my friends in the Shenzhen campus. Little did I know that the trip would be delayed for two months due to the outbreak of Covid-19 in Wuhan, China. It wasn’t a big deal at first. In my city, everyone was diligent in putting on his/her mask, and

people were banned from hanging out in groups outside. My daily routine was to check the most updated news about the outbreak the moment I got up every day.



Initially, it all seemed rather surreal; First, the news reported that it was just something related to the people who were in contact with wild animals. Then, it became an outbreak in Wuhan, where the virus attacked the doctors, those of ill-health, and the elderly. When it hit the rest of China, when we were all under lockdown, the severity of the outbreak hit me. Till today, I still have yet to determine whether that my delayed trip to the UK was a stroke of luck or a cruel twist of fate.

Even when I was at the airport in China leaving for the UK, I still thought that Covid-19 had nothing to do with UK. The news reports were all very positive, with headlines like, “There were just 9 cases and eight of them have been cured”. Little did I know, that I would be experiencing the outbreak a second time.



When I arrived in Oxford, as we are from China, we were quarantined for a week just to make sure that we were all safe. Sitting in front of my desk in my student accommodation at Between Towns Court in Oxford and eating my instant noodles, I remember thinking that everything would be better the moment my quarantine was over. My thinking turned out to be a little bit naïve; As the days went by, the number of patients in Oxford, in London, even in the whole world suddenly increased dramatically. It was then that I realized – One world, one fight. What started off as a normal year turned out to be rather unusual.

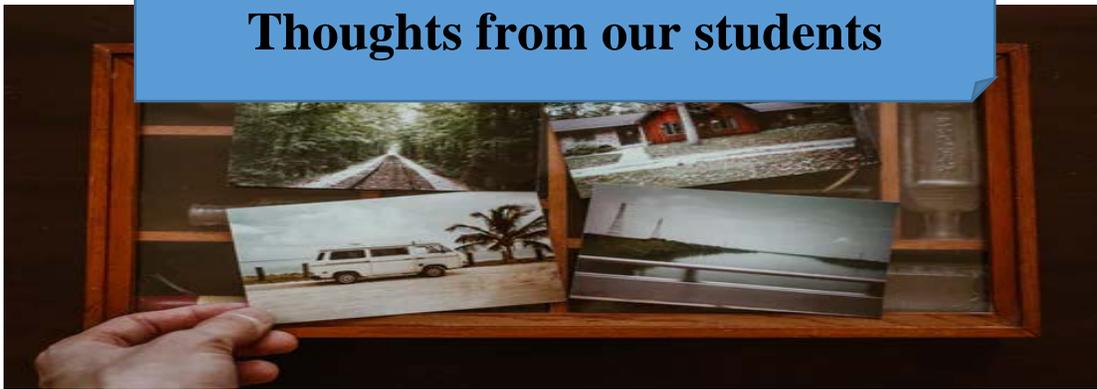
As Dickens has written rather aptly, “It was the best of times, and it was the worst of times”. The situation in the UK turned out to be so bad that I could not have direct contact with the international students, nor the professors from our campus. I could not visit the famous and beautiful parts of the UK, nor the fascinating European countries that I had planned.

However, every coin has two sides, and for all the bad this pandemic has brought, I also appreciated the good. Without the pandemic, I guess I would never have such a wonderful chance to get to know so much about Oxford and my classmates. They started off as mere acquaintances, then they became friends, and finally, my comrades. Professor Guy Liu, Dr Hang Li and Ms Yuting Hang took really good care of us. I still remember the day when we were standing together on the tower of our campus and looking down at the city of Oxford; It was both poignant and energizing.



I realized that no matter if we are in Beijing, Shenzhen, or Oxford, every PKU campus makes me feel like I am at home. As for my roommates, we developed deep friendship during our jogging and shopping sessions, shared cooking times, travelling together, and playing snooker or even poker in our living room, they are cherished memories that I will never forget. As I listened to John Lennon’s *Imagine* (quite often when I was in Oxford) I realized that the lyric would be a great ending to this narrative. One heart, one goal; I hope someday we’ll be back to the UK again, and the world will live as one. ■

Thoughts from our students



A collage of the best memories of the UK: Stories from our visiting students

3. Life is like a box of chocolates Beichen Gong

It has been more than 10 days since I returned to China, and whenever I think back to my days on exchange in the UK, it often felt like a dream; full of fantasy and the unknown, quite like the famous line from the movie Forrest Gump: “Life is like a box of choices, you never know what you're going to get”.



The year 2020 is unforgettable for me, as everything has changed dramatically, nothing is normal anymore. I had originally planned to make use of the free time during my two-month exchange at PHBS-UK to travel all over the UK and Europe; I had wanted to experience as much as I could of

the colorful and unique British and European culture. However, because of the outbreak of Covid-19, nothing went according to plan. One of my friends joked (which in hindsight was quite prophetic), “You will play the second half of the Covid-19 pandemic in the UK, after playing in the first half in China”. Indeed, the first of half of 2020 can be summed up with one word – isolation.

Despite the fact that the events during this exchange programme were completely unexpected, during these four short months, I have made unforgettable memories and forged deep friendships with my fellow classmates, friends with whom I went through thick and thin during the lockdown in the UK. Maybe in retrospect, it was meant to be; That instead of all the travelling, I gained something even more valuable - friendship.

In terms of studying, we managed to spend the whole of March at the UK Campus on Boars Hill, Oxfordshire. We got to have our lectures in the magnificent auditorium and classrooms, in an old English mansion. As China was still recovering from the

pandemic, at that time, we may be the only group of students from Peking University who were actually taught in a real classroom and in person by our professors. Alas, with the spread of the virus, the UK was not spared. As we moved into lockdown, our teaching also had to be moved to online. Through online meeting platforms like Zoom and Ding Talk, we were also be the first group of students from Peking University to take courses from both the UK Campus and Shenzhen Campus at the same time. Due to the time difference, it became the norm for me to get up at 6 a.m. for online classes held by the Shenzhen Campus, and stay up till midnight for interviews with companies in China. It was definitely a very unique learning experience!

As we go about our daily life during lockdown, we were not allowed to travel or have parties with our classmates as before. However, we still managed to make the best out of a difficult situation and we enjoyed ourselves in our own unique way during the lockdown period. With my flat-mates, we learned how to make various delicious food, mix different kinds of cocktails, play mini billiards in the kitchen, and play cards on the table. Everyone told their own unique stories and experiences and gained the sincerest friendship during this pandemic. As Professor Guy Liu, head of PHBS-UK said, “True friendships are those with whom you share weal and woe; As you unite together to fight against the coronavirus, you demonstrate the true spirit of Peking University!”

As the pandemic improved in the UK, and the lockdown restrictions were eased, we finally had the opportunity to travel just before we left. We are all very grateful to Prof. Guy Liu, Dr. Hang Li, and Miss Yuting Hang

for their concern and care. Not only did they arrange for us to go to Campus every Sunday for sport and nature walks, they also fulfilled our travel dreams before we left. We visited Stratford-Upon-Avon which was the birthplace of Shakespeare, the English literary giant. We managed to stroll along the quaint streets of the exquisite and elegant city of Bath, and we also got to experience the unique style and vitality of Bristol. In addition, we managed to visit Brighton's sunshine beach, the magnificent Seven-sisters white cliff and the British Royal Navy port in Portsmouth. All these experiences opened our eyes and heart to the wonderful British landscape and history.



Perhaps this is the unique charm of being an exchange student during a global pandemic; We will only realise how beautiful life can be when we are not able to experience it to the fullest. We take so much in our life for granted before the pandemic; It is only when we don't get to experience the sun and stars can we truly appreciate how important they are to our days and nights. In retrospect, the pandemic and the lockdown didn't cause me to miss anything out of this exchange programme. On the contrary, it is probably the most valuable experience of my life! ■

Thoughts from our students



A collage of the best memories of the UK: Stories from our visiting students

4. All you need is friends Zhangije Lu

Oftentimes for me, I realise that regardless of whatever I do or however much I do, I would always think that I have not accomplished anything significant. This is particularly true when I set about writing this reflection. Another thing that I realized about myself is, if I had to write everything down, I can certainly do it, I would tend to over-describe things. However, if I were to describe something in general, I would find myself with nothing to say. In short, what I am trying to say is, it's always hard for me to something significant to write about and describe it appropriately. However, today, I found something very significant that motivated me to put my thoughts to paper: friendship.



I would like to tell you all about my experiences with my friends during my student exchange programme in the UK. I feel that I am really lucky to be able to make so many new friends during my exchange programme and share with them the various experiences during this unique time of a global pandemic when the whole world is in lockdown. Without their friendship, the sheer isolation during the lockdown would be unbearable. I feel extremely grateful that this programme allowed me to discover the priceless nature of friendship.



All in all, I found that life in the UK is truly wonderful. My only regret is that I was unable to extend my footprints to

continental Europe. It is with fondness and a sense of wry that the thing which impressed me the most when I first arrived in the UK was the sheer luxury of the UK shared student flat that we were offered; I realized I wouldn't find any student housing better than that for the rest of my university life. Not to mention that I felt extremely lucky since the flat was the only place I could be when the UK went under lockdown.

My flat has of a big living room (initially it looked small, but after we moved things around, it seemed much bigger) which is shared by everyone, and a quiet individual bedroom with its own individual bathroom (an en-suite in local terms) for every one of us. To me, that was really awesome; Such an arrangement allowed me to have both personal space for my quiet times and a common space when I want to socialize with my flat-mates.



We also had a great kitchen where we spent quite a large chunk of our time learning about each other through the exploration of different recipes and different styles of cooking. We ate with relish ribs, fillet steaks, Chinese burger, Chinese Bao, Chinese dumplings, Korean fried rice, Korean roast pork belly, hot pot ... it still makes my mouth

water thinking about it. Personally, I feel that cooking is a really good way for me to relax after a long day.

It was also in the kitchen that I learned more about my flat-mates and discovered their various quirks. One of my flat-mates was not all that keen about cooking, so he would always leave his raw materials for us to cook, disappear, and then reappear when it was the time for dinner. Another flat-mate was on the other extreme; she loved cooking. Oftentimes, she would single-handedly cook dinner for all of us. In that respect, I truly admire her and I can only describe her as the "活雷锋/Huó Léi Fēng" (literally "living Lei Feng") of our household.



As you may have realized, my narrative does not talk about my studies. Albeit important, I feel that studying is the same anywhere in the world. It doesn't matter where you study, or what you study, but whether you like what you are studying. What makes a difference to the studying experience is the friends you study with. I truly lucky that I was able to share this learning experience with my wonderful friends. ■

Corporation, Culture & Business, Seminar Series



The impact of COVID-19 on Banking and Finance

Professor Carol Alexander

Report by Dr Carryn Yong

On 25 June 2020, Peking University HSBC Business School UK Campus (PHBS-UK) and China Construction Bank University London Academy (CCBU-London) jointly organised a webinar entitled, The Impact of Covid-19 on Banking and Finance. We were very honoured to have Professor Carol Alexander from the University of Sussex as our invited speaker. Professor Alexander is the Professor of Finance at the University of Sussex, and a Visiting Professor here with us at Peking University HSBC Business School. She is also the Co-Editor of the Journal of Banking and Finance. We were also extremely fortunate to have on our discussion panel 2 distinguished discussants, Mr Yang Aimin, the Chief Executive Officer of China Construction Bank (London), and Dr Alexis Stenfors, a Senior Specialist in foreign exchange and interest rate derivatives trading, from the University of Portsmouth, to lend their specialist insight on the topic.

In the webinar, Professor Alexander focused on the extreme monetarist economic policy implemented by the US in response to

Covid-19 and its likely impact on banking and global financial markets, especially China. However, in order to better understand the policies and strategies, Professor Alexander stressed the importance of understanding how they were shaped under the governance of specific US Presidents, namely Franklin D. Roosevelt (1933 – 1945), Richard Nixon (1969 – 1974), Bill Clinton (1993 – 2001), and George Walker Bush (2001 – 2009), as well as their respective Chairs of the Federal Reserve, Marriner Eccles (1934 – 1948), Arthur Burns (1970 – 1978), and Alan Greenspan (1987 – 2006), whose implementation of these policies and strategies had a direct impact on banking and global financial markets.



President Roosevelt was elected during the height of the Great Depression and he was tasked with aiding the recovery of the US economy. In his 'First New Deal', Roosevelt devalued the dollar against gold prices in 1933 and changed gold and silver from currencies to commodities under the Gold Reserve Act and the Silver Purchase Act in 1934. Furthermore, in the 1932 Glass-Steagall Act and 1933 Banking Act, Roosevelt reformed commercial banks by preventing them from gambling with public savings to protect consumers. The 1933 Banking Act also saw the formation of the Federal Open Market Committee (FOMC) which controls the money supply by issuing and trading treasury securities in open market operations using the three tools of monetary policy that the Federal Reserve controls – open market operations, the discount rate, and reserve requirements. The FOMC is key in executing policies which would have direct impact on today's financial markets.



President Roosevelt also banned Mark-to-Market (MtM) accounting in 1938 because it was regarded as a major cause of the Great Depression. However, interestingly, banks moved back to MtM practices during the 1980s and MtM was formally reinstated for banks in 2007 under President Bush. Under President Roosevelt, the financial world also saw the signing of the Bretton Woods Agreement in 1944, the establishment of the International Monetary Fund and the

International Bank for Reconstruction and Development, which today, is a part of the World Bank Group. The chief features of the Bretton Woods system were an obligation for each country to adopt a monetary policy that maintained its external exchange rates within 1 percent by tying its currency to gold and the ability of the IMF to bridge temporary imbalances of payments. Naturally, the United States, which controlled two thirds of the world's gold, insisted that the Bretton Woods system rest on both gold and the US dollar.



After President Roosevelt, the 1950s and the 1960s saw the birth of monetarism, where the focus was on restricting the money supply to control inflation and the promotion of free market economies rather than the stabilisation of exchange rates. The S&P rose from 2000 to 8000 in 15 years and by 1965, 60% of company stock was owned by the middle classes. However, only 6% of the profits were re-invested in the company; 45% went to shareholder dividends and the rest went to highly-paid executives.

However, things took a different turn from the start of the 1970s. In 1971, under President Nixon, too many US dollars were printed and Fort Knox contained only a third of the gold bullion needed to cover dollars held by foreigners. On 15 August 1971, under President Nixon, the United States unilaterally terminated convertibility of

the US dollar to gold, effectively bringing the Bretton Woods system to an end and rendering the dollar a fiat currency. At the same time, many fixed currencies (such as the pound sterling) also became free-floating, and there was a transition to free exchange rates which saw stock prices plummet, skyrocketing oil prices, bank failures, and inflation.



After President Nixon, between 1974 to 1993, the US economy prospered; the US GDP rose from \$1 trillion to \$7 trillion. That period of time also saw the prosperity of European countries and the formation of the European Union. At the time of its formation the EU GDP was \$7 trillion, thus Europe and not China, was the main economic rival to US hegemony. Thus when Bill Clinton became the 42nd US president, in 1999, there was a repeal of the 1933 Glass-Steagall Act and the 1934 Banking Act (cf. President Roosevelt), where commercial banks are now allowed to gamble with consumer saving, there are no longer any divisions between commercial and investment banks, and a huge increase in trading derivatives.

In the new millennium, under President George W. Bush, following the recession in 2001-2, the derivatives notional exceeded more than ten times the world's GDP. This was because the longest-serving Chair of the Federal Reserve, Alan Greenspan, kept interest rates too low for too

long. As a result, there was an expansion of interest rate swaps which were driven by accounting rules discrepancies. Thus, notional traded on financial derivatives soared all banks searched for yield, which in turn led to a massive increase in sub-prime debt. This snowballing effect forced all banks to underwrite and trade in collateralized debt obligations (CDOs) and investment banks had to sell credit default swaps (CDCs) on those CDOs. As CDOs and CDCs are toxic debts, 2008 saw a huge credit crisis and the collapse of investment banks. However, the credit agencies colluded with investment banks, where the senior and mezzanine tranches retain good credit ratings, while these toxic CDOs and CDCs were exported to Japan and Europe. Thus by 2011, the EU saw itself entering the European sovereign debt crisis.



In order to save the banks, the US government enacted Quantitative Easing (QE), where the Federal Reserve bought \$1.75 trillion of bank debt, mortgage-backed security (MBS), and Treasury notes, and bailed out several large institutions (banks, mortgage associations, insurance companies, car manufacturers) in 2008-9. The next 5 years, saw the Federal Reserve pumping trillions of dollars into the banking system until the US economy began to seemingly 'recover'. Following the banking crisis, the EU's GDP fell from \$15.5 trillion to \$13.5 trillion while the GDP in the US continued to

grow under President Obama. During that time, the world also saw a remarkable GDP growth in China under Presidents Hu Jintao and Xi Jinping. As a result, China and not Europe, became the main economic threat to US hegemony.



The year 2016 saw the beginning of the reign of President Donald Trump. In 2017, the FOMC stopped Quantitative Easing which led to the deflation of the Federal Reserve balance sheet, which in turn caused the squeezing of the money market, and eventually causing a bull market in US stock stalls. Further, in 2019, the FOMC cut interest rates from 2% to 1.5%, a first since 2008. The FOMC also issued \$60 billion T-bills per month, which were all bought back by the Federal Reserve in repurchase (repo) operations. Thus, this bring the first half of the webinar into a nice summary where Professor Alexander posed to the audience two very thought-provoking questions: Did the US economy ever really recover from the financial crisis of 2008? Or has it just been propped up by continual rounds of Quantitative Easing?

The second half of the webinar brought us into the current global crisis: the Covid-19 pandemic in 2020 where global lockdowns plunged countries across the world into an economic slowdown. As such, the very important question now, as posed by Professor Alexander, is can the Federal

Reserve prevent another credit crisis? The current picture does not look promising. The real household economics in the US paint a dark picture: there is a \$14.3 trillion of household debt in new CDOs, and this toxic debt is not limited to MBS, they come in the form of car loans, credit card debts, and student loans, which have all been massively securitized by banks and P2P lenders. The Federal Reserve banks and Blackrock are buying \$300 billion of securities backed by consumer loans, as well as buying new corporate debt. Since 2008, the Federal Reserve has expanded their balance sheet from \$0.8 trillion to \$7.1 trillion. Further, in response to the Covid-19 pandemic, the Federal Reserve increased money supply massively to fund repo operations, required reserves eliminated by the Federal Board, and cut the interest rates on excess reserves (IOER) to 0.1% in March 2020. Essentially, all three tools were employed to achieve maximum, simultaneous effect.



Professor Alexander discussed with the audience, at length, of how such a move, where the simultaneous use of all three policy tools was unprecedented. This move poses a threat to money market funds as the US money market sector provided \$4.8 trillion of liquidity for short-term funding needs and it also accounts for 14% of total assets in the US mutual fund industry. Thus, with zero (or

negative) interest rates, this sector is now threatened by investor withdrawal. Furthermore, Professor Alexander highlighted that this move, combined with algorithmic trading are used to manipulate the prices of traditional 'safe-haven' assets such as gold and bitcoin. As a result, these measures are artificially increasing the prices of US assets and manipulating the US dollar.



In addition, Prof Alexander highlighted how, since the Great Depression of the 1930s, currency and gold price manipulation, and sustained economic stimulus have been deployed to mask the true weakness of the US economy. The FOMC Covid-19 operations simply increases the wealth of the wealthy because when the wealthy invest a large fraction of their income, there is an inflation in the US financial asset price. It will also result in a massive rise in US unemployment which in turn leads to a price deflation in consumables and real estate prices.

The final section of the webinar looks at how these economic policies of the US affect China. Professor Alexander highlighted to the audience how the results of these US economic policies have a distinct effect on the Chinese economy. A high unemployment rate in the US results in a decrease in domestic demand for US goods and services. As the US dollar is already being manipulated lower to boost US exports,

Chinese exports to the US decreases in turn. Professor Alexander warns that it is expected that there will be a Yuan-US dollar appreciation and declining exports. This would in turn lead to an increase in the unemployment rate in China and an inflationary pressure of debt. However, as Professor Alexander points out, the light at the end of the tunnel for China is her financial markets; they are the key to China's economic prosperity. China banks increased their loans to corporations by 11.5%. This in turn boosts an increase in new infrastructure projects, increased production, and increased employment. China also enacted an export stimulus where an increase in rebate rates to help exporters who are facing slumping demands. China also laid out a new economic policy where the People's Bank of China is increasing liquidity by decreasing interest rates and decreasing the banks reserves while simultaneously guaranteeing company loans.



Professor Alexander's webinar was followed by comments and questions from our distinguished discussion panelists: Mr Yang Aimin and Dr Alexis Stenfors.



Mr Aimin Yang



Dr Alexis Stenfors

Both Mr Yang and Dr Stenfors expressed their appreciation to Professor Alexander for her thorough and refreshing webinar on a financial market dominated by the US. In particular, Mr Yang talked about how pleased and delighted he was that CCB University – London Academy, working in collaboration with PHBS-UK, hosted a webinar of such high caliber. He expressed hope that there will be more future collaborations between the two institutions.

In his comments, Mr Yang highlighted how this talk was particularly on point for him because during the time of the banking crisis, he was responsible for China Construction Bank's foreign currency denominated investment portfolio. He shared that the US not only sold toxic CDOs to Europe and Japan, they also sold them to China; Many Chinese investors suffered huge losses. Mr Yang commented that the only reason he narrowly escaped that crisis was because he strongly believed in fundamentals – triple-A rated agencies could never yield such purported high returns.



In addition, Mr Yang indicated that he is of the belief that the chances of the US Federal Reserve preventing another credit crisis is very low. Even with the US Federal Reserve increasing the liquidity to cope with short-term shorts, Mr Yang also indicated his skepticism that the US Federal Reserve could cope in the long run. As for investors, Mr

Yang cautioned that this climate could be increasingly challenging for them as they could run into the case of buying the wrong kind of assets. As for Professor Alexander's comments on China's economy, Mr Yang agrees that the Chinese government was very quick in its response to the Covid-19 pandemic, especially the POBC's careful management of monetary policies.

Our second discussant, Dr Stenfors, commented that Professor Alexander's webinar struck him in two ways; Firstly, it occurred to him how the countries (i.e., their central banks) manipulate currencies and markets indirectly. Secondly, how the US stock market is disconnected from reality. In particular, Dr Stenfors expressed surprise at how quickly the US stock market bounced back after the initial shock of Covid-19.



On another note, Dr Stenfors also expressed his skepticism (cf. Keynes' Investment Philosophy) on defining the fundamental value of something like stock or bitcoin because it is linked to the state, and there is no such thing as a free market for currencies because they always have a link to the state and the central bank has the monopoly. In response to the current crisis, Dr Stenfors also commented how investors would see sharp changes in the market such as oil prices going negative, which was unthinkable a few months before. Thus, he cautioned that investors would need to take a

step back as global markets will see more government intervention in the coming days.

All in all, it was a very informative webinar where everyone in the audience learned a lot from our speaker Professor Alexander about the formation and execution of the extreme monetarist economic policy implemented by the US in response to Covid-19 from a historical perspective, and its likely

impact on banking and global financial markets, especially China. In addition, the comments from our specialist discussants, Mr Yang and Dr Stenfors, were personal, relevant, and especially on point. It is with great pleasure that PHBS-UK could collaborate with CCB University - London Academy in organizing this webinar. We hope that there will be more of such engaging learning collaborations in the future. ■



IN JOINT
WITH



Professor Carol Alexander

Professor of Finance,
University of Sussex

Visiting Professor,
Peking University HSBC
Business School



Mr Aimin Yang

Chief Executive Officer
China Construction Bank (London)

Corporation, Culture & Business, Seminar Series



Energy, Culture & COVID-19: The implications for households and understanding the residential energy transition

Dr Kiron Neale
Report by Dr Carryn Yong

On Thursday, 11 June 2020, PHBS-UK, hosted our second webinar in our Culture, Cooperation, and Business (CCB) Seminar Series entitled, “Energy, Culture & COVID-19: The implications for households and understanding the residential energy transition”. The aim of this webinar is to bring the spotlight on how energy can be considered a cultural phenomenon, how this culture of energy can interact with other dimensions such as policies, science, technologies, markets, and industries during an energy transition, and how these energy cultures can be affected by the responses implemented to prevent its spread.



Our invited speaker for the webinar is Dr Kiron Neale. In his webinar, Dr Neale touched on several salient points: what are energy transitions, what is an energy culture, how residential energy transitions can be classed at a cultural level and a systems level, the policies and impact of Covid-19 on residential energy transitions, and their future implications.

Dr Neale defined an energy transition as a fundamental energy system realignment from the standpoint of social and technical elements. This realignment, i.e., changes in the form of landscape, regime, and niche, takes decades to unfold. As the culture of energy belongs to the regime, it is important to look at how it affects energy transition. So, what is a culture of energy? According to Dr Neale, it is the same way that we look at a culture within a society, we can look at a culture of energy by looking at our behavior and how we interact with our surroundings. In other words, energy cultures are made up of our interactions between norms (how we

think), materials (objects that we use), practices (things that we do), and the external influences that affect our behavior.

The Energy Cultures Framework

- Culture seen in the regime
- Transcends MLP planes
- Culture is vertical
- Assemblages of features
- Proactive and reactive roles during energy transitions:
 - Adaptive capacity
 - Reaction to changes
 - Resistance to changes
 - Niche-creation
 - Technological selectivity
- Culture & subcultures



To illustrate the culture of energy and how it affects energy transition, Dr Neale took us through a case study of Barbados from his work in the Caribbean islands. In Barbados, the energy consumption transitioned from the traditional form to that of solar energy. How did that happen, why did that happen, and what are the implications? As Dr Neale explains, in Barbados, the residential solar energy transition in Barbados are influenced by the following:

- the culture
 - the conventional energy culture becomes a solarized energy culture
- the science
 - a lower efficiency of a solar water heater is upgraded to one with a higher efficiency
- the technology
 - a centralized large scaled power generation has changed to one of solar water heating which morphed into grid-tied photovoltaics (PV)
- Market
 - Barbados used to rely solely on one electricity utility company
 - the increase in usage of solar water heaters lead to an increase in solar water heater retailers, which

subsequently transitioned to PV retailers

- Industry
 - centralized services to local solar water heater manufacturers to PV importation
- Policy
 - tax credits for solar water heaters to renewable energy rider for PC (grid-tied policy)

From the case study of Barbados, we can see that the culture of energy is very complex. As the people of Barbados have the norm of consuming solar energy, their practices influence and are affected by that norm; the practice of flipping an electrical booster in the event that they need more energy than what is available from their PVs, is influenced by how they perceive energy usage and energy costs. The external factors of science, technology, allow for the prevalence of solar water heaters. The changes in policy where one gets tax credits and the ability to sell excess energy back to the grid in turn affects the practices. As more and more people use solar energy and solar water heaters, the market and industry adapt and change to reflect the energy transition. This brings us to the crux of Dr Neale's webinar: How does Covid-19, with its policy changes and lifestyle changes impact our energy culture and energy transition?

As the Covid-19 pandemic spreads and governments across the world implemented lockdown polices to curb the spread, here in the UK, we too see numerous policy changes in response to the pandemic.

As international travel is restricted, airports are closed, schools are closed, workplaces are shut down, cancellation of public events, and stay at home restrictions and advisories, as well as an increase in laboratory work in terms of testing, vaccine

development, and hospital treatments, the effect of these non-energy policies on our energy culture becomes even more interesting.

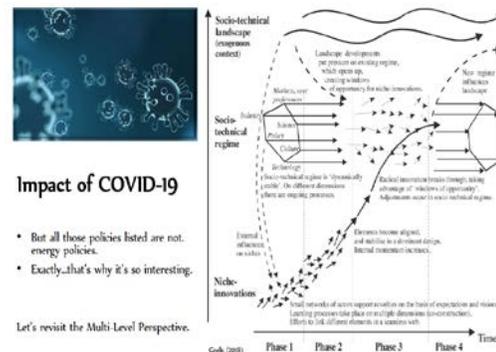
Furthermore, as the majority of the population stay at home, these policy changes affect the where, why, and when of our energy behaviors; the movement of energy users are modified and there is a domestic concentration of energy users; we do not use petrol to commute to work, our work computer energy usage is now concentrated to the home instead of at work, we cook more at home instead of eating out, just to name a few. As such, as our energy culture is sensitive to our daily, weekly, and annual timescales, what are the implications to our energy use and energy transitions?

Dr Neale thinks that these changes in response to the Covid-19 policies are likely to be temporary and short to medium-term. As energy transitions take decades to unfold, these policy changes are unlikely to cause any long-term energy transitions as our behavior would revert once the lockdown is lifted. Even as we notice what, amongst our many electrical appliances are the most salient during the lockdown (e.g. laptops), our overall energy culture remains unaffected;



for example, there is no increased demand for solar energy. Despite the reduction in the usage of public transport and the promotion of the usage of bicycles, this is unlikely to

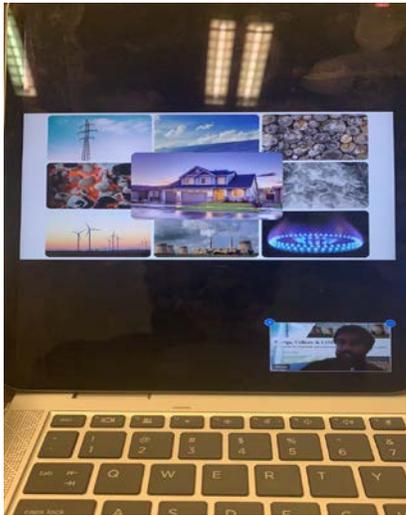
cause any change in energy transition in the long term unless other factors come into play.



In conclusion, unless the Covid-19 policies affect our behavior in the long term, Dr Neale concludes that it is unlikely that the UK would see an energy transition in the near future. In the short-term, what we see are savings from other sectors as opposed to an increase in residential energy consumption. Thus, it is hoped that the Covid-19 policies would in some way change our energy cultures which would eventually cause an energy transition.

We might see a change in how we work more from home, and commute less. If we spend more time at home, we might be more conscious of how we use energy as it directly impacts our energy costs. It is hoped that we could transition to a more renewable energy source, like solar energy during the day as we work from home, or EVs as battery stores for homes as we travel less, wider policy changes in terms of energy pricing.

Dr Neale's webinar on energy cultures and energy transitions during the time of Covid-19 certainly intrigued our audience and there were questions on whether we would be more conscious of our energy use now that we are paying for it, and whether we would fundamentally change our energy behaviors like cycling and walking more, and eating out less.



Dr Neale replied that our energy culture need time to develop and in the short-term we might see a change but the question still remains if we would revert back to our norms once the lockdown is lifted. If we all stick to the new changes, we might eventually see an energy transition towards a better, and renewable source of energy. Indeed, that is certainly food for thought for our audience.

PHBS-UK thanks Dr Neale for his very engaging and thought-provoking talk. We hope that this webinar would prompt every one of us to pay more attention to our energy culture. Let us all hope that for the better of our climate, our energy culture would eventually cause an energy transition!

■



Dr Neale is currently one of the EiE Lead Assessors at Oxford Brookes University. He is responsible for coordinating energy efficiency assessments for

businesses in Oxfordshire and he is also a member of the project delivery team for a new Oxfordshire-based energy service company - Energy Solutions Oxfordshire. Dr Neale is a Rhodes Scholar and he received his DPhil in Geography and the Environment from the University of Oxford. He has been conducting research on energy since 2012, and he is an expert on the interactions between culture and policy during energy transitions and their intrinsic processes at work (many of which are involved in the unfolding pandemic).



International Education after COVID-19

Reported by Yuting Hang

How will our international education be reshaped after the COVID-19 pandemic? Many politicians expect the relationship between China and the rest world to be different after the pandemic. Can this expectation reshape global international education? Some of the more prominent academics in the world held an online debate on these questions on 17 April 2020 organized by the Centre for China and



Globalisation (CCG).

Their opinions add new weight in our thinking about the future of international education in this new world after the pandemic. A clear message from the debate is that the future of international education will depend on how we would like to strengthen our global international engagement with each other after the pandemic. As China is the largest source of international students and with the US as the

nation having the largest intake of international students, both countries can play a significant role in the strengthening of this global international engagement in the coming times.

As it can be seen, the pandemic has a huge impact on our normal day-to-day activities, and it has taken numerous lives away, creating untold tragedies for families, causing disruption to economies worldwide, not to mention the knock-on effect it has on social order and global education. In particular, the impact on education can be felt globally. With the shutdown of schools and the movement to home-based learning, this change has caused a tremendous stress for students, parents, and educators across the world.



According to the speakers' view in the debate, the internationalisation of

education is a trendy phenomenon worldwide. Numerous countries are pursuing a diversified educational environment, particularly China and the US. Also, as one of the countries has the largest overseas students' population, China plays a significant role in international education. As mentioned by Peggy Blumenthal, Senior Counselor to the President of the Institute of International Education, due to the stronger international engagement and partnership, different nations are becoming indispensable to each other, regardless of their individual economic, cultural or educational perspectives.



Moreover, given the impact of Covid-19 pandemic, there is no doubt that it poses threats to international education development. Firstly, students who study abroad are not only attracted to the type academic research and courses offered, but they are also attracted to the possibility of networking with their peers, having the grown-up experience of leaving home and living away from their parents for the first time, as well as having an immersive language environment, just to name a few. However, the travel restriction issued by governments and visa policies will impose an adverse influence on their study experience.

Prof Denis Simon, Executive Vice Chancellor from Duke Kunshan University and Jeffrey Lehman, Vice Chancellor, NYU Shanghai, also pointed out that this pandemic

is putting pressure on traditional education. The online teaching platform seems to be an inevitable choice during these special period, but IT issues for online teaching and faculty training as well as household Wi-Fi capability problems are all issues that needed to be handled properly in order to ensure and maintain the quality of online education.

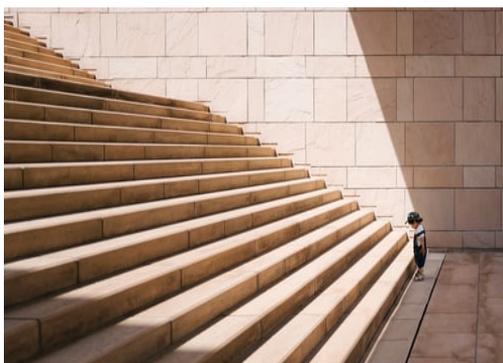
With this growing need for online teaching, success stories need to be shared with each other. Panel member Prof Xu Lan, Dean of Schwartzman College, Tsinghua University and Prof Denis Simon, Executive Vice Chancellor of Duke Kunshan University had all successfully implemented the switch from traditional education to online education in both Tsinghua University and Duke Kunshan University. During this period, there are more than 1000 courses from Tsinghua University that are accessible across the world. To aid in the transition, Duke Kunshan University also shared its successful experience to Duke University in the US. It is through cooperation and communication between international education institutions that problems can be surmounted and the face of international education could be changed.



In addition, an agreement was reached by the panel whereby there is a need to look at the flexibility of online content, and the adjustability of staff and students to the online teaching method. In particular, there is a need to look at the innovative content of

education which is needed to improve the remote education quality, i.e., online internship, virtual mobility and access to different learning resources.

In the second session of this webinar, with regards to the methods on how to integrate with the international education system, Prof John Zhang, Director of Penn-Wharton China Center, asserted that the motivation towards international education motivation is still quite strong. As such, students, parents and educators should continue to have an optimistic attitude towards these new challenges and the universities' ability to rise up to these challenges.



This notion is echoed by both Prof Stuart Perrin, Associate Principal of Entrepreneur College, Xi'an Jiaotong – Liverpool University and Prof David Fleshler, Vice Provost for International Affairs, Case Western Reserve University who highlighted how critical it is for universities to be able to transform these challenge to opportunities, while harnessing the capabilities offered by technology, as well as building a virtual partnership so as to increase a lifelong learning awareness.

Considering the economic consequence caused by the pandemic, funding issues are also unavoidable to most researchers and institutions. Hence, it was agreed by the panel that a package plan

should be put in place by universities to tackle this issue of funding so as to help staff and students through this pandemic. Another problem related to funding is that students are struggling with during this pandemic are financial problems relating to rent and other personal expenditures. Prof Mark Wrighton, Chancellor Emeritus from Washington University in St. Louis and Prof Wei Shen, Associate Pro Vice-Chancellor from Deakin University, mentioned in tandem that both the University of Washington and Deakin University are in the process of extending help to their students through various means such as refunding students with financial problems, helping students with traveling problems, or online study problems. Prof Wei Shen Associate Pro Vice-Chancellor, Deakin University, suggested that given that China is the first country came through this pandemic, universities in China could share its experiences so as to help universities worldwide get through the economic fallout



of this pandemic.

The panel concluded that in the long run, it is essential to increase the engagement of the global academic community as well as increase the level of partnership with different universities and institutes of higher learning across the world. International education knows no bounds and borders; It is only through mutual cooperation and communication can we truly achieve a borderless education. ■



Coronavirus Diaries

Dr Yijing Li

Day 2 – 20th March 2020

At the same time, John also set about finding out what needs to be done. He made relevant phone calls as well as emailing the UK Customs (which had not yet opened a duty-free exemption to medical supplies at the time). He was constantly informed of the progress of the donation progress. Due to the work from home (WFH) situation for the majority of the population at that time, he had to spend more than half a day to get in touch with the right person, having to be put through several transfers of phone calls when he finally managed to get the customs clearance tax-exempt form. Meanwhile, he also tried to contact the media and kept in close contact with the communications team. He wanted everyone to know about this heartwarming story and to ensure that all possible further media coverage were to be propelled in an efficient and speedy manner, regardless of the social distancing. There was also a small episode which seemed to be both ironic and heart-wrenching at the same time: when he talked about this donation over the phone with the customs staff, she asked half-jokingly, half-seriously to him whether it was possible to get them 5 test kits as well, because they really wanted to get tested.

The head of the UK Campus of Peking University HSBC Business School (henceforth PHBS-UK), Professor Guy Liu, responded very quickly in propelling the

procurement of donated test kits; it was his highest priority. On his end, he emailed the Dean of Peking University HSBC Business School in Shenzhen (henceforth PHBS) about this initiative, and at the same time he sought the support from PHBS alumni; On my end, I was responsible for communicating with the manufacturers, to let them know to prepare documents for the products in advance, including various qualification certificates, and get enough items in stock for shipment in due course. At the same time, we also contacted the Peking University Alumni Association in the UK, to see whether we could jointly work together to promote this donation.

In the afternoon, John sent another email to David, the Chief Procurement Officer at Guy's and St Thomas' NHS Trust Foundation, who assisted us further with a connection to the hospitals' logistics warehouse hub CEVA, which incidentally is the neighbor of the TNT distribution logistics warehouse! They also helped to facilitate the transfer of the donation from the TNT warehouse to the CEVA warehouse, which was then further delivered to various hospitals through their logistics chain upon its arrival in the UK. The entire team was very supportive and efficient which helped to minimize the transportation time. ■



Coronavirus Diaries

Dr Yijing Li

Day 3 & 4 – 21st and 22nd March 2020

At 9:30am on the 21st March (5:30pm Beijing Time on Saturday), Prof. Liu and I were invited to a brief launch meeting with the committee members of PHBS - Dean Prof. Wen Hai, and Vice Dean Prof. Zhiyi Li - detailing to them the intention to donate. After the introduction about our initiative and progress, Prof. Wen Hai made a very swift and decisive decision - PHBS was going to show the full support and launch the fundraising appeals amongst all board members and staff right away!

The next day, 22nd March I woke up at 6am to an invitation into a new WeChat Group - "PHBS joint fight against COVID-19". The group consists of a number of PHBS staff who were specially chosen to help sort out all relevant details regarding the fundraising. What was incredible was that overnight, with only just a call from PHBS, there was already a name-list of 11 main donors who have pledged to donate. It was indeed a true example of the legendary "China Speed", where everything is unbelievably speedy; they had collected a donation estimated to be between £40,000 to £50,000 overnight! The manufacturer for the 10,000 coronavirus antibody test kits that

was part of the donation also worked out the required contract and relevant materials on his end. To ensure prompt delivery, the PHBS financial staff and contract team further assisted on the developments and improvements, while on the recipients' side, King's College London worked around the clock to provide me the warehouse recipient's address and contact details. In all, through our super-active communications, it was really an amazing moment of seamless bilateral teamwork while racing against time. To add more warmth to this heartwarming story, the manufacturer kindly offered to cover the international delivery costs (around £1000).

Within only 2 hours, we sorted out 2 batches of consignments (with 5,000 test kits to be shipped per batch), the payment process (2 installments, with related contracts handled by specially designated staff), the receiving process (once the consignments land in the UK, CEVA logistics will walk to TNT for collection after customs clearance, and the hospital logistics chain will endeavor to transport the goods to the hospitals at the first instance), the appreciation process (the Vice-President in

charge of medical care at King's College London will issue and sign off the thank-you letter to donors), the media coverage process (the communications teams from both China and the UK have started to prepare the relevant manuscripts).

At 1700 GMT (midnight in China), our bilateral teams are still working hard - our PHBS teammates in Shenzhen, China were busy revising wording of coverage reports in bilingual versions while our KCL teammates in London, UK were checking the wording of the thank-you letter. I was like a bridge between the two continents; busy communicating with both sides using both email and WeChat. As I was surrounded by the pings of new incoming messages, I was amazed at how seamlessly our teams in China and the UK are working in tandem, the time

zone barrier notwithstanding. Prof. Zhiyi Li from PHBS was still active on our Wechat group proposing slogan ideas with staff, and finally deciding on the Chinese version of the slogan ‘环球同凉热，四海共冬春’, i.e., we are all living together under the same sky, with the same cycle of seasons and climates, and thus we should all work together to fight the pandemic.

An English teacher at PHBS UK campus, Mrs Emma Luo, suggested the English slogan to be “One World, One People, One Fight”. This was further improved by Dr Huanfa Chen (a PKU alumni) into a shorter and more powerful slogan as "One World, One Fight" which better echoes the Chinese slogan. This finalized slogan (as illustrated below) was then shared with the KCL team.

■





Coronavirus Diaries

Dr Yijing Li

Day 5 – 23rd March 2020

It was 6am again (this hour seems to be de rigueur now), and for the second time, our Wechat group shared a message that they had noted the tweets from the procurement department for GSTT (as illustrated below) to express their gratitude.

It seemed to me that people really



needed some encouragement in the form of positive messages to be in circulation amongst members right now; and rightly so, especially at this moment when the shadow of the virus looms over us. The communications team from PHBS, fuelled by this recognition, and worked even harder on compiling pictures and texts from various sources. At the same time, the manufacturer was also working efficiently to despatch the first batch of 5,000 test kits through TNT and

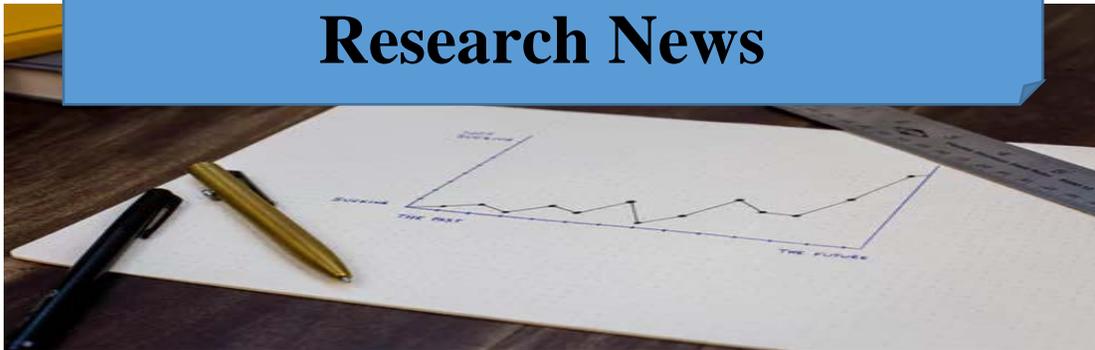
he shared the corresponding packaging pictures with us.



As for the UK side, we had started to extend our campaign (initiated by PHBS UK Campus and the PKU Alumni Association in the UK) by calling for more support from our networks - King's College London Chinese Alumnus, and the alumni associations in UK for universities like Wuhan University and Sun Yin San University, to name a few, in order to accumulate as much support from the Chinese community in the UK as we can, to fight this pandemic together. We were very pleased to be able to attract a further of 15 organisations to support our cause in our WeChat group:

机构联合助英抗疫工作群 (29)

Research News



Title of Paper

How do markets value stock liquidity? Comparative evidence from the UK, the US, Germany and China.

Abstract

We examine the relationship between stock liquidity and returns before, during and after the 2007–2009 financial crisis. We obtain evidence of a positive association for Germany and the UK, whereas China exhibits the opposite result and the US provides inconclusive evidence.

Comment by Prof Gregoriou

Professors Liu and Gregoriou published an article in 2020 in *Economics Letters* entitled “How do markets value stock liquidity? Comparative evidence from the UK, the US, Germany and China”. The research paper looks at the relationship between stock liquidity and returns before, during and after the 2007–2009 global financial crisis.

The financial crisis was the culmination of a credit crunch that began in the summer of 2006 and continued to 2007. Caused by an excessive risk taking by banks, a downturn in

the subprime lending market in the US, the bankruptcy of Lehman Brothers, an international banking crisis ensued.

For the paper, Professors Liu and Gregoriou obtain evidence of a positive association for Germany and the UK, whereas China exhibits the opposite result and the US provides inconclusive evidence.

Professor Gregoriou believes that this paper makes a strong contribution to the relationship between stock liquidity and financial returns in an international context. In addition, the paper investigates on how the association between liquidity and returns changes in light of the financial crises of 2007-2009. ■

Reference

Liu, G., Gregoriou, A. and Bo, Y., 2020. How do markets value stock liquidity? Comparative evidence from the UK, the US, Germany and China. *Economics Letters*, 186, p.108500.

To download the paper:

<https://www.sciencedirect.com/science/article/pii/S0165176519302198>