**Market Reform in China: The Issue of State Ownership--A Case Study of the Banking Sector**

**Problem I am focusing on in this case:**

1. What are the reform changes and trends that have been observed across China's State-owned banks due to new political and economic ideologies?
2. How are these political and economic ideologies affecting the dominance of China's State-owned bank?

**Literature I am reviewing**

1. Song, L., Yang, J., & Zhang, Y. (2011). State-owned Enterprises' Outward Investment and the Structural Reform in China. *China & World Economy*, *19*(4), 38-53. doi: 10.1111/j.1749-124x.2011.01249.x

(Understanding the structures of state-owned enteritises in china before and after the reform. What is the economy and politics ideologies faced by today’s china? Why?)

1. Tian, Y., & Xia, M. (2017). WTO, credible commitments, and China’s reform of state-owned enterprises. *Economic And Political Studies*, *5*(2), 158-178. doi: 10.1080/20954816.2017.1310791

(The china bank is part of SOE allowing it to diverse activities in the market. Ownership reforms consist of the formations of a legal body such as the state-owned enterprise.)

1. WATANABE, M. (2002). Holding company risk in China: a final step of state-owned enterprises reform and an emerging problem of corporate governance. *China Economic Review*, *13*(4), 373-381. doi: 10.1016/s1043-951x (02)00094-9

(The risks and challenges faced by state-owned enterprises, does the issues solved after the reform? How government and legislation work?)

**Methods I will use to do the research**

To do qualitative research, literature review method and document review method will be the main approaches to conducted in order to review policy changes and annual report of stated owned bank. Besides these, secondary research methods of review could help to systematically analysis in discussion section. Comprehensive review of peer reviewed articles, books, reports will be the main method to collect data and information for the problem of study. This data will include trends of the banks before and after the reforms focusing on the major changes affecting the trends.

To perform experimental andsecondary data analysis on research direction 1, collect and analyze data from the banking reports to determine how China’s State-owned banks have been performing in the past. Compare the policy changes of bank to illustrate the potential and exist issues faced by Today’s Bank in China before and after the reform. The policies will be assessed as they are major success determinants in the banking system. Stringent policies sometimes can affect performance of the banks.

To perform descriptive research on research direction 2, survey and historical data collection on how the State-Owned China Bank Reform has been operating for the last two to three years. Does the legislation and specific policy aimed to solved the issues, or not. It is from the research that will give insight if China government is working well on the issues affecting the banking system or not. Progress will be seen and various barriers affecting the reforms in the banking sector. The history will include the success factors and how they were implemented and how changes in the modern day are affecting the reforms.

**Research direction**

1. The existing political and economic issues being faced by the State-Owned China Bank Reform.
2. The expected threats and consequences to the State-Owned China Bank Reform if these political and economic ideologies are not addressed.