China’s Three Decades of Economic Reforms

Edited by Xiaohui Liu and Wei Zhang
Contents

List of figures x
List of tables xii
List of contributors xv

PART I
Overview

1 Success and challenges: overview of China’s economic growth and reform since 1978 3
   WEI ZHANG AND XIAOHUI LIU

PART II
Financial sector reforms and monetary policy 15

2 Mission completed or problems unsolved? A policy review of China’s banking reform 17
   CHARLES C. L. KWONG

3 Entry behaviour of foreign banks in the Chinese banking market 28
   YUE XU AND JOSEPH G. NELLIS

4 The price-earning ratios in the Chinese stock market: an empirical investigation 43
   MOHAMED EL HEDI AROURI AND CHENXIANG LIU

5 Cost-efficiency analysis in banking industries of ten Asian countries and regions 58
   ZHI SHEN, HAILIN LIAO AND THOMAS WEYMAN-JONES
## Contents

### Part I

6 An analysis of Chinese money and prices using a McCallum-type rule
   TUULI KOIVU, AARON MEHROTRA AND RIIKKA NUUTILAINEN

7 External adjustment failure and cross-currency speculation: can China be affected?
   HEINER FLASSBECK AND MASSIMILIANO LA MARCA

### Part III

Economic reforms and China’s income disparities

8 China’s provincial disparities and the determinants of provincial inequality
   THOMAS GRIES AND MARGARETHE REDLIN

9 Understanding the income inequality between inland and coastal China: a systematic perspective
   RUI HAO AND ZHENG WEI

10 Equipment investment and openness in China
    M. J. HERRERIAS AND VICENTE ORTS

### Part IV

Innovation, corporate governance and productivity

11 International knowledge spillovers through returning entrepreneurs and innovation in Chinese high-tech small and medium enterprises
   OU DAI AND XIAOHUI LIU

12 Corporate governance and technological development in Chinese firms
   ANDREW TYLECOTE

13 The limits to university–industry collaboration in Beijing’s science park
   PETER DICKENSON AND MATIAS RAMIREZ
14 How does the productivity of foreign direct investment spill over to local firms in Chinese manufacturing? 230
ADAM BLAKE, ZILIANG DENG AND ROD FALVEY

15 Agricultural labour and the incidence of surplus labour: experience from China during reform 244
FUNG KWAN

PART IV
The emergence of China’s business groups 265

16 China’s business groups after three decades of economic reform: diversified conglomerates or focused industrial groups? 267
DYLAN SUTHERLAND AND LUTAO NING

17 Dynamics of mergers and acquisitions in the electricity industry in China: a social network approach 285
LEI WANG AND BEIQING HAN

Index 295