## Contents

Acknowledgments vii

1   Introduction: The Chinese Economy in Context 1

I   LEGACIES AND SETTING 21

2   The Geographic Setting 23

3   The Chinese Economy Before 1949 43


5   Market Transition: Strategy and Process 95

6   The Urban-Rural Divide and Chinese-style Urbanization 127

II  PATTERNS OF GROWTH AND DEVELOPMENT 153

7   Growth and Structural Change 155

8   Population: Demographic Transition, the Demographic Dividend, and the One-Child Policy 185

9   Labor and Human Capital 209

10  Living Standards: Income, Inequality, and Poverty 237

III THE RURAL ECONOMY 257

11  Rural Organization 259

12  Agriculture: Technology, Production, and Policy 279

13  Rural Industrialization: From Township and Village Enterprises to Taobao Villages 307
vi  Contents

IV  THE URBAN ECONOMY 331
14  Industry: Ownership and Corporate Governance 333
15  Technology and Industrial Policy 363

V  CHINA AND THE WORLD ECONOMY 395
16  International Trade 397
17  Foreign Investment and the Capital Account 423

VI  MACROECONOMICS AND FINANCE 451
18  Macroeconomic Policy: Instruments and Outcomes 453
19  The Financial System 479
20  The Fiscal System 513

VII  CONCLUSION: CHINA'S FUTURE 541
21  Environmental Quality and the Sustainability of Growth 543

Index 571