



China's Great Economic Transformation

Loren Brandt
Thomas G. Rawski

CAMBRIDGE

CAMBRIDGE www.cambridge.org/9780521885577

This page intentionally left blank

CHINA'S GREAT ECONOMIC TRANSFORMATION

This landmark study provides an integrated analysis of China's unexpected economic boom of the past three decades. The authors combine deep China expertise with broad disciplinary knowledge to explain China's remarkable mixture of high-speed growth and deeply flawed institutions. Their work exposes the mechanisms underpinning the origin and expansion of China's great boom. Penetrating studies track the rise of Chinese capabilities in manufacturing and in research and development. The authors probe both achievements and weaknesses across many sectors, including China's fiscal, legal, and financial institutions. The book shows how an intricate minuet combining China's political system with sectoral development, globalization, resource transfers across geographic and economic space, and partial system reform delivered an astonishing and unprecedented growth spurt. The volume chronicles many shortcomings, but concludes that China's economic expansion is likely to continue during the coming decades.

Loren Brandt is professor of economics at the University of Toronto, where he has been since 1987. Previously, he was at the Hoover Institution. Professor Brandt has published widely on China in leading economic journals and has been involved in extensive household and enterprise survey work in China. He is the author of *Commercialization and Agricultural Development: Central and Eastern China, 1870–1937* and was an area editor for the five-volume *Oxford Dictionary of Economic History*.

Thomas G. Rawski is professor of economics and history and UCIS research professor at the University of Pittsburgh. His work covers many dimensions of China's development and modern economic history, including books on *Economic Growth and Employment in China*, *China's Transition to Industrialism*, *Economic Growth in Prewar China*, *Chinese History in Economic Perspective*, *Economics and the Historian*, and *China's Rise and the Balance of Influence in Asia*.

China's Great Economic Transformation

Edited by

LOREN BRANDT

University of Toronto

THOMAS G. RAWSKI

University of Pittsburgh



CAMBRIDGE UNIVERSITY PRESS

Cambridge, New York, Melbourne, Madrid, Cape Town, Singapore, São Paulo

Cambridge University Press

The Edinburgh Building, Cambridge CB2 8RU, UK

Published in the United States of America by Cambridge University Press, New York

www.cambridge.org

Information on this title: www.cambridge.org/9780521885577

© Cambridge University Press 2008

This publication is in copyright. Subject to statutory exception and to the provision of relevant collective licensing agreements, no reproduction of any part may take place without the written permission of Cambridge University Press.

First published in print format 2008

ISBN-13 978-0-511-39680-9 eBook (NetLibrary)

ISBN-13 978-0-521-88557-7 hardback

ISBN-13 978-0-521-71290-3 paperback

Cambridge University Press has no responsibility for the persistence or accuracy of urls for external or third-party internet websites referred to in this publication, and does not guarantee that any content on such websites is, or will remain, accurate or appropriate.

Contents

<i>List of Figures</i>	<i>page</i> vii
<i>List of Tables</i>	xi
<i>Contributors</i>	xvii
<i>Acknowledgments</i>	xxi
1. China's Great Economic Transformation <i>Loren Brandt and Thomas G. Rawski</i>	1
2. China and Development Economics <i>Alan Heston and Terry Sicular</i>	27
3. China in Light of the Performance of the Transition Economies <i>Jan Svejnar</i>	68
4. A Political Economy of China's Economic Transition <i>Barry Naughton</i>	91
5. The Demographic Factor in China's Transition <i>WANG Feng and Andrew Mason</i>	136
6. The Chinese Labor Market in the Reform Era <i>Fang Cai, Albert Park, and Yaohui Zhao</i>	167
7. Education in the Reform Era <i>Emily Hannum, Jere Behrman, Meiyang Wang, and Jihong Liu</i>	215
8. Environmental Resources and Economic Growth <i>James Roumasset, Kimberly Burnett, and Hua Wang</i>	250
9. Science and Technology in China <i>Albert G. Z. Hu and Gary H. Jefferson</i>	286

10. The Political Economy of Private Sector Development in China <i>Stephan Haggard and Yasheng Huang</i>	337
11. The Role of Law in China's Economic Development <i>Donald Clarke, Peter Murrell, and Susan Whiting</i>	375
12. China's Fiscal System: A Work in Progress <i>Christine P. W. Wong and Richard M. Bird</i>	429
13. Agriculture in China's Development: Past Disappointments, Recent Successes, and Future Challenges <i>Jikun Huang, Keijiro Otsuka, and Scott Rozelle</i>	467
14. China's Financial System: Past, Present, and Future <i>Franklin Allen, Jun Qian, and Meijun Qian</i>	506
15. China's Industrial Development <i>Loren Brandt, Thomas G. Rawski, and John Sutton</i>	569
16. China's Embrace of Globalization <i>Lee Branstetter and Nicholas R. Lardy</i>	633
17. Growth and Structural Transformation in China <i>Loren Brandt, Chang-tai Hsieh, and Xiaodong Zhu</i>	683
18. Income Inequality during China's Economic Transition <i>Dwayne Benjamin, Loren Brandt, John Giles, and Sangui Wang</i>	729
19. Spatial Dimensions of Chinese Economic Development <i>Kam Wing Chan, J. Vernon Henderson, and Kai Yuen Tsui</i>	776
20. Forecasting China's Economic Growth to 2025 <i>Dwight H. Perkins and Thomas G. Rawski</i>	829
<i>Index</i>	887

Figures

2.1	Lorenz curves for China and other selected countries	<i>page 45</i>
3.1	Real GDP index (base year 1989)	75
3.2	Real GDP index (base year 1998)	75
4.1	Fiscal revenues and industrial SOE profits	108
4.2	Physical infrastructure investment	120
4.3	Traditional state-owned enterprise workers	121
5.1a	Age profiles of consumption and production, urban China, 2000	145
5.1b	Population by age, China, 1982, 2000, 2050	145
5.2a	Economic support ratio, China, 1982–2050	148
5.2b	Effective producers and consumers, annual growth rate, 1982–2050	148
5.3a	Consumption and income profiles, China, 1982	151
5.3b	Consumption and income profiles, China, 2000	151
5.3c	Consumption and income profiles, China, 2050	151
5.4	Rising sex ratio and excess female infant mortality, China	156
6.1	China mean annual wages, 1978–2003	184
6.2	Real wages: cohort, age, and time effects	185
6.3	Ratio of real rural income per capita to real urban income per capita, 1989–2004	195
6.4	Coefficients of provinces (Sichuan, 1988–2003)	200
6.5	Urban employment shares by ownership type, 1978–2005	203
7.1	Total educational expenditures per student by provincial per capita GDP	223
7.2	Selected educational attainment rates by age cohort and gender	228
7.3	Gross enrollment ratios by level, sex, and year	229
7.4	School enrollments by level and year (10,000s)	230
7.5	Composition of tertiary education, select years	232
7.6	Students studying abroad and returned by year	233
8.1	Ambient NO _x concentrations in eleven Chinese cities, 1981–2001	252
8.2	Ambient SO ₂ concentrations in eleven Chinese cities, 1981–2001	252

8.3	Ambient TSP (<40 microns) concentrations in eleven Chinese cities, 1981–2001	252
8.4	EKC for NO _x , 80 cities 1990–2001	255
8.5	EKC for SO ₂ , 80 cities 1990–2001	255
8.6	EKC for TSP, 80 cities 1990–2001	256
8.7	Wastewater trends, 1990–2003	260
8.8	Oil-to-coal consumption ratio, 1980–2003	269
8.9	Phases of a natural resources Kuznets curve	272
8.10	Value of resource extraction over time	273
8.11	Natural resource Kuznets curve: value of resource depletion, 1970–2001	274
8.12	Growth of NNP versus GNNP' and GNNP	276
8.13	NNP versus PGNNP', 1970–2001	277
8.14	Capital, natural capital, and genuine capital accumulation	278
8.15	Genuine capital accumulation, 1990–2001	280
9.1	Research and development expenditure in five economies, 1950–2004	296
9.2	Number of patent applications received by China SIPO	298
9.3	Number of patents granted by China SIPO	312
10.1	Taiwan: gross fixed capital formation by owner	364
10.2	Korea: public and private investment	366
12.1	The long fiscal decline	432
12.2	The “two ratios”	433
12.3	The evolving local fiscal status	438
12.4	Transfers as a share of local expenditures	438
12.5	Per capita transfers by province (1998)	439
12.6	The distribution of tax rebates by province (1998)	439
12.7	Extrabudgetary revenues (billion RMB)	444
12.8	The diminished role of tax rebates	458
14.1	Overview of China's financial system	512
14.2a	Financing sources for the listed sector	516
14.2b	Financing sources for the state sector	516
14.2c	Financing sources for the hybrid sector	517
14.3a	Sources for bank deposits in China	519
14.3b	Comparing total bank credit	519
14.3c	A comparison of assets under management of insurance companies	519
14.4	A comparison of performance of stock indexes (1992–2006 November)	536
14.5	A comparison of financial markets in 2003	539
14.6a	Market cap/GNP ratios	542
14.6b	GDP growth rates	542
14.6c	Corporate bond market	542
14.6d	Equity issuance	542

14.7a	Comparing the sectors – industrial output	554
14.7b	Comparing the sectors – employment	554
15.1	Asian growth spurts: real growth of secondary-sector value added over twenty-six years	570
15.2	Industry characteristics	579
15.3	Examples of industry characteristics	581
15.4	China's trade in TVs and components, 1992–2003	585
15.5	Steel sector: technical development indicators, 1978–2005	595
15.6	Eight-firm concentration ratios for four-digit Chinese manufacturing sectors, 1993 and 2002	615
15.7	Defect rate for component suppliers to a multinational carmaker, 2003	617
15.8	Defect rates: component suppliers to a Chinese maker of steering gear, 2003	618
15.9	R&D intensity of China's exports, 1987–2003	620
16.1	Tariff revenues as a fraction of import value, 1978–2002	636
16.2	Foreign direct investment in China	642
16.3	Counts of FDI contracts by contractual form	643
16.4	Inward FDI in China by source country	643
16.5	Foreign-invested enterprise profitability, 1994–2002	646
16.6	The components of real GDP growth, 1990–2005	647
16.7	Exports and imports of high-tech products	663
16.8	U.S.–China bilateral trade imbalance	670
16.9	Chinese bilateral trade with the EU and Japan	670
16.10	China's trade with the United States versus ROW	671
16.11	Trade displacement in footwear	672
16.12	Trade displacement in toys and sporting goods	672
17.1	Real labor productivity, 1978–2004 ('000 RMB)	691
17.2	Relative labor productivity versus primary share of employment, eighty-five countries	691
17.3	Sector TFP, 1978–2004	694
17.4	Labor market barriers	695
17.5	Driving forces of labor reallocation	704
17.6	Sources of growth	709
17.7	Role of barriers	709
17.8	Growth of labor productivity versus size of state sector	715
17.9	State share GFCE, 1978–1994, versus size of state sector in 1978	716
17.10	State share GFCE, 2004, versus size of state sector in 2004	716
17.11	Nonagricultural growth versus size of state sector	717
17.12	Agricultural growth versus size of the state sector	718
17.13	Increase in nonagricultural labor share versus size of state sector	718
17.B1	Agriculture's share of total employment (actual vs. benchmark)	726
17.B2	Aggregate GDP per worker (actual vs. benchmark)	726
17.B3	Labor productivity (actual vs. benchmark)	727

17.B4	Relative prices of agricultural products (actual vs. benchmark)	727
18.1	The evolution of mean per capita household income, selected years	743
18.2	The evolution of inequality (the Gini coefficient), selected years	744
18.3	Lorenz curves, urban and rural incomes	776
18.4	Cumulative distribution functions, urban and rural incomes	748
18.5	Wage employment by age and sex, urban	766
18.6	Education by age, sex, and year (urban and rural, separately)	768
18.7	Log per capita household income by age	769
19.1	Annual urban growth and migration rates, 1990–2000	789
19.2	Average annual growth rate of cities by provincial-level unit, 1990–2000	792
19.3	The thirty largest interprovincial migration streams, 1995–2000	795
19.4	Eastern provinces' share of secondary-sector output	814
19.5	Interprovincial inequality in provincial GDP per capita	814
19.6	Contributions to changes in interprovincial inequality	817
20.1	Sources of annual GDP growth, 1952–2005	840
20.2	China: fixed capital formation proportions, 1952–2005	843
20.3	China: SO ₂ levels in major urban areas, 1980–2004, with international comparisons	872
20.4	Primary labor force share versus urban TSP concentration	873
20.5	Principal components of GDP expenditure, 1978–2005	877
20.6	Principal components of incremental expenditure on GDP, 1978/1979–2004/2005	877

Tables

1.1	China's GDP as percent of GDP for other large nations, 1978–2004	<i>page 2</i>
1.2	China's per capita GDP as a percent of figures for other nations, 1952–2005	2
2.1a	Comparative data: China and selected countries (2004, except where noted)	29
2.1b	Comparative data: China and selected countries (1980, except where noted)	32
2.2	Composition of Chinese savings 1978 and 1995, percent of GDP	39
2.3	Correlates of low corruption	48
2.4	Percentages of farm household income from wages and nonagricultural sideline businesses in Taiwan and Japan, 1962–1988	58
2.5	China: percentage of rural household net income from wages and nonagricultural sideline businesses, 1985–2002	58
3.1	Consumer price inflation	77
3.2	Private-sector share of GDP (percent)	80
3.3	FDI net inflows	82
3.4	Income inequality (Gini coefficients)	85
3.5	Investor ratings	86
5.1	Summary demographic indicators, China, 1950–2000	138
5.2	Average annual rate of growth in the support ratio (percent), 1982–2050, China and other selected societies	149
5.3	Mean ages and life-cycle wealth variables	152
5.4	Reallocation system	153
5.5	Mortality change in China's provinces during the reform era	159
6.1	Major trends in Chinese employment, 1978–2005	168
6.2	Urban employment indicators, 1998–2004	177
6.3	China's labor force participation rate and unemployment rate, 1996–2005	179

6.4	Estimates of rates of return to education in urban China, 1988–2001	187
6.5	Rural employment, 1978–2005	190
6.6	Rural–urban, urban–urban, rural–rural, and urban–rural migration shares according to the 2000 census (percent)	191
6.7	Migration estimates, 1995–2004	192
6.8	Urban employment of holders of agricultural and nonagricultural <i>hukou</i> , 2000 Census (1,000 persons)	194
6.9	Regional distribution of migrants	199
6.10	Returns to education by province, 1988–2001	201
6.11	Urban employment by employer type from labor force surveys, 2001–2004	204
6.12	Mobility across ownership sectors among job changers (January 1996–November 2001)	205
6.13	Returns to schooling by ownership, 1988–2001	207
7.1	Indicators of overall government investment in education, 1991–2003	221
7.2	Selected statistics on educational finance, 1991–2004	222
7.3	Growth rates in tuition and miscellaneous fees by school type, 1997–2004	223
7.4	Educational attainment of teachers by school level and location of teacher’s residence	226
7.5	Level-to-level transition ratios: new enrollments in A/graduates from B (percent)	231
7.6	Educational attainment of the population ages 25–34 by demographic characteristics	235
7.7	Enrollment rates, youth ages 12–18	236
7.8	Average years of school completed, youth ages 12–18	237
7.9	Logistic regressions of enrollment and linear regressions of years of education, youth ages 12–18, 1989 and 2000	238
7A.1	Percent of GDP spent on education and gross enrollment ratios, ten largest countries, 1998–2000	245
8.1	Regression results	254
8.2	Water-quality trends in China’s rivers, 1997–2003	258
8.3	Water-quality trends in China’s lakes, 1998–2005	259
8.4	Trends in forest resources, 1981–2004	261
8.5	China’s forests: trends in planting, harvesting, and protection, 1952–2004	261
8.6	Total water resources in China	263
8.7	Water supply and consumption in China	264
8.8	Coal use, 1990–2003	267
8.9	The value of resource depletion, selected years 1975–2000	273

8.10	Partial estimate of green net national product, selected years 1975–2000	275
8.11	Genuine capital accumulation, 1990–2001 (in billions U.S. dollars)	278
9.1	Comparative measures of R&D intensity, 1991–2003	295
9.2	Comparative measures of innovative intensity, 2003	296
9.3	Patents granted by the U.S. patent office, 1991–2003	298
9.4	High-technology exports as a percent of exports of manufactures (2002)	299
9.5	Percent of China's U.S.-bound exports that overlap with OECD exports to the United States	300
9.6	Regional comparisons of R&D spending, 2002 (billion yuan)	301
9.7	Distribution of R&D by performance (financing) (percent)	302
9.8	Distribution of the ratio $r = R\&D/VA$ among large and medium industrial enterprises, 1995–2002 (percent)	303
9.9	Domestic versus foreign contributions to R&D spending in 2001 (industrial LMEs)	305
9.10	LME spending in technology markets (billion yuan)	307
9.11	Major national science and technology programs	310
9.12	Returns to R&D	323
9.13	The role of changing industry composition (LME database)	328
9.14	Comparison of Seoul and five Chinese cities	328
10.1	Perception of credit bias: 1993 private-sector survey	346
10.2	Perception of credit bias: 2002 private-sector survey	348
10.3	Ownership composition of fixed-asset investment (percent)	354
10.4	Composition of fixed-asset investment by firms in the "other ownership" category (percent)	355
10.5	Fixed-asset investment ratios of individual economy to firms of other ownership types	357
10.6	Fixed-asset investments in equipment/machinery purchases and production-related purposes: individual economy compared with SOEs and collective firms	360
11.1	A timeline of legal developments, 1978–2004	381
11.2	Cases accepted by courts of first instance, 1983–2001	410
11.3	Economic contract disputes handled by courts of first instance	412
11.4	Disposition of economic contract disputes by courts of first instance	413
12.1	Revenue assignments between the central and provincial governments	435
12.2	Changes in measuring extrabudgetary revenue before and after 1993	444
12.3	More changes in 1996 and 1998	445
12.4	Transfers by type	457

13.1	China's agricultural performance during the socialist era, 1950–1978	472
13.2	China's grain trade, 1970–1980 (million tons)	473
13.3	Annual growth of Chinese agriculture by commodity, 1970–2000 (percent)	479
13.4	Structural change in China's agricultural economy, 1970–2000 (percent)	481
13.5	Annual growth of China's economy, 1970–2000 (percent)	482
13.6	Structural change in China's economy, 1970–2000 (percent)	482
13.7	Supply and marketing channels for horticultural products in the Greater Beijing area, 2004	485
13.8	Percentage of villages and sown area with specialization by region	486
13.9	Rural income per capita in China, 1980–2001 (real terms, 2000 yuan)	487
14.1	A comparison of financial systems: bank- versus market-based measures	513
14.2a	Comparisons of total savings and deposits (in billions U.S. dollars)	520
14.2b	Breakdown of bank loans in China	521
14.3a	A comparison of nonperforming loans (NPLs) and government debt	523
14.3b	Liquidation of NPLs by four AMCs	526
14.3c	Performance of Chinese banks' IPOs	531
14.4a	State-owned and private banks in China	533
14.4b	Comparison of assets held by China's financial intermediaries	534
14.5a	China's bond markets: 1990–2005	538
14.5b	A comparison of external (outside the firm) capital markets (mean)	541
14.6a	Types of common stock issued in China	544
14.6b	Tradable versus nontradable shares for China's listed companies	545
14.6c	Ownership and control in the listed firms of China	545
14.7	Trading volume of national interbank market	563
15.1	Chinese industry in 2002: fifteen sectors receiving largest FDI inflows	574
15.2	Chinese production of home electric appliances	584
15.3	Overview of China's textile and apparel sector, 1980–2005	588
15.4	China's 1995 output and exports of textiles and apparel, classified by ownership of producers	590
15.5	China steel overview: production, employment, and trade	594
15.6	Ownership structure of China's steel industry in 2005	597
15.7	Production, consumption, trade, and pricing of lathes, 1996–2006	606
15.8	Summary information for lathe manufacturers, 2005	611
15.9	The scale of beer producers in China, 1994–2000	613

15.10	Defect rates for suppliers to two first-tier manufacturers of braking systems	618
16.1	Growth in companies authorized to conduct foreign trade	635
17.1	Revised employment data: 1978–2004	690
17.2	Growth rates of output per worker by sector	696
17.3	Driving forces of labor reallocation	704
17.4	Historical and counterfactual estimates of average annual labor productivity growth (percent)	708
18.1	The distribution of household per capita income, selected years urban and rural separately	742
18.2	The distribution of household per capita income, selected years CHNS urban and rural separately	745
18.3	Spatial variation of incomes, selected years urban and rural separately various data sets	753
18.4	Inequality for combined urban and rural samples CHNS data	755
18.5	The sensitivity of urban–rural distinctions to the definition of “rural” mean per capita incomes and growth, CHNS	756
18.6	Combined urban and rural inequality exploring the interaction with geography (inland vs. coastal provinces)	758
18.7	Spatial income differences across regions	760
18.8	Composition of income and inequality decompositions by source	763
18.9	The distribution of wage earnings urban, CHNS	765
18.10	The distribution of farmland inequality and spatial variation rural, RCRE	771
19.1	Number of administrative units, cities, and towns in Mainland China, selected years	779
19.2	Rural–urban income disparities	785
19.3	Components of urban growth in China, 1950–2000	788
19.4	Average annual growth rates of cities, 1990–2000 (percent)	790
19.5	High population growth cities: top twenty “million cities” with the highest population growth rates in 1990–2000	791
19.6	Percentage of rural migrant labor population from a different province, 1993 and 1998	794
19.7	City hierarchy, averages in 2001	796
19.8	Growth in the hierarchy over five years, 1996–2001	797
19.9	Efficient city sizes	802
19.10	Sectoral and regional employment: level, share, and growth, 1997–2002	806
19.11	Changes in employment composition in province-level cities	807
19.12	County-level cities and access to provincial capitals or province-level cities in 2001	810
19.13	Major provincial indicators, 2000	812
19.14	Aggregate fixed-asset investment (<i>quanshehui guding zichan touzi</i>) by sources of funds (percent)	818

20.1	Nonstudent working-age population, 1952–2005	837
20.2	Average annual growth of GDP, fixed capital, labor, and TFP, with contributions to TFP growth, 1952–2005 (percent)	839
20.3	Population and dependency ratio, 1990–2045	847
20.4	Projections of working-age nonstudent population ages 16–65: size and composition, 2005–2025	849
20.5	Productivity consequences of input projections and 6 or 9 percent growth, 2005–2025	852
20.6	Increase of per capita GDP before and after growth deceleration in three East Asian economies	856
20.7	China’s prognosis for variables included in cross-national growth studies	860
20.8	Changing ownership structure for Chinese industrial output, 1980–2005	862
20.9	Completed investment in fixed assets: monthly share of annual total	864
20.10	Investment in prevention and remediation of environmental pollution, 1991–2005	875

Contributors

Franklin Allen

University of Pennsylvania

Jere Behrman

University of Pennsylvania

Dwayne Benjamin

University of Toronto

Richard M. Bird

University of Toronto

Loren Brandt

University of Toronto

Lee Branstetter

Carnegie-Mellon University

Kimberly Burnett

University of Hawaii and University of Puget Sound

Fang Cai

Chinese Academy of Social Sciences

Kam Wing Chan

University of Washington

Donald Clarke

George Washington University Law School

John Giles

Michigan State University

Stephan Haggard

University of California – San Diego

Emily Hannum
University of Pennsylvania

J. Vernon Henderson
Brown University

Alan Heston
University of Pennsylvania

Chang-tai Hsieh
University of California – Berkeley

Albert G. Z. Hu
National University of Singapore

Jikun Huang
Chinese Academy of Sciences

Yasheng Huang
Massachusetts Institute of Technology

Gary H. Jefferson
Brandeis University

Nicholas R. Lardy
Peterson Institute for International Economics

Jihong Liu
University of South Carolina

Andrew Mason
University of Hawaii

Peter Murrell
University of Maryland

Barry Naughton
University of California – San Diego

Keiji Otsuka
Foundation for Advanced Studies on International Development

Albert Park
Oxford University

Dwight H. Perkins
Harvard University

Jun Qian
Boston College

Meijun Qian

National University of Singapore

Thomas G. Rawski

University of Pittsburgh

James Roumasset

University of Hawaii

Scott Rozelle

Stanford University

Terry Sicular

University of Western Ontario

John Sutton

London School of Economics

Jan Svejnar

University of Michigan

Kai Yuen Tsui

Chinese University of Hong Kong

WANG Feng

University of California – Irvine

Hua Wang

World Bank

Meiyan Wang

Chinese Academy of Social Sciences

Sangui Wang

Renmin University

Christine P. W. Wong

Oxford University

Susan Whiting

University of Washington

Yaohui Zhao

Peking University

Xiaodong Zhu

University of Toronto

Acknowledgments

Many people and organizations contributed to advancing this project from our initial conversations to the results that fill the pages of this book. Yingyi Qian, Dwight Perkins, Jan Svejnar, and Arthur Waldron helped us to formulate a cohesive framework and present it in compelling language. Generous financing from the Smith Richardson Foundation, the National Science Foundation, the Chiang Ching-Kuo Foundation for International Scholarly Exchange, the University of Michigan's William Davidson Institute, the University of Toronto's Institute for International Business, and the Beijing Office of the Ford Foundation enabled us to turn dreams into realities. We also received extensive encouragement and assistance from the late Michael Berkowitz and Wendy Dobson at the University of Toronto and from William Brustein, George Klinzing, J. F. Richard, and Bell Yung at the University of Pittsburgh. Rawski's visiting appointment at the Institute for Advanced Study facilitated the completion of this book.

In addition to our large group of energetic and cooperative coauthors, many colleagues put their shoulders to our wheels. Carsten Holz, Eric Jones, Andrew Walder, and Daniel Berkowitz contributed fresh ideas and comments at conferences in Toronto and Pittsburgh. We particularly appreciate the patience and advice of Allan Song at the Smith Richardson Foundation; Alex DeAngelis, Mariann "Sam" Jelinek, and Dan Newlon at the National Science Foundation; and Sarah Cook and Butch Montes at the Ford Foundation. Special thanks to Dianne Dakis, Lauree Graham, Paula Riemer, and Haihui Zhang at the University of Pittsburgh and to Carol Brandt and Evelyn Rawski, who endured seven years of cluttered weekends and one side of endless phone consultations.

Loren Brandt and Thomas G. Rawski
September 2007



- [download The New Atkins Made Easy: A Faster, Simpler Way to Shed Weight and Feel Great â€” Starting Today! pdf](#)
- [click Introduction to Greek Metre](#)
- [read Sex and the City pdf, azw \(kindle\), epub](#)
- [Python Essential Reference \(4th Edition\) pdf, azw \(kindle\), epub, doc, mobi](#)
- [Katrina: After the Flood online](#)

- <http://damianfoster.com/books/Building-Web-Applications-with-SVG.pdf>
- <http://conexdx.com/library/Shanghai-Girls--A-Novel.pdf>
- <http://nexson.arzamaszev.com/library/Ultimatum.pdf>
- <http://cambridgebrass.com/?freebooks/Python-Essential-Reference--4th-Edition-.pdf>
- <http://jaythebody.com/freebooks/The-Success-Principles--How-to-Get-from-Where-You-Are-to-Where-You-Want-to-Be--10th-Anniversary-Edition-.pdf>