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Chinese Success – A Miracle!?

China is now experiencing a rapid transition from a backward society to an economic and political power. China's thirty-year market-oriented economic reform that began in 1978 has achieved great success in terms of economic growth and reforming the economic institution. In the past three decades, China has made tremendous economic changes, from an economy on the verge of collapse to one of the major economies in the world today. China has surprised the world with its rapidly economic growth throughout the 1980's and 1990's. The average annual growth rate of GNP was 9.8 percent from 1978 to 2007, which made China the fastest growing economy in the world. China's economic reforms and China's economic growth mystery have puzzled many people and provided a wealth of issues for academics, government policy makers and business personnel all over the world to think over.

In this lecture, I first review and evaluate China's thirty-year liberalization and marketization reform and its achievements. I will give a rationale for China's partial and gradual reforms and answer why China's transition is relatively successful. I then discuss the prospect of China's reform. I will name some main difficulties and problems remained to be solved in China's future reforms and transition.