

The Appraisals of the Achievements and Challenges of China's Economic Development: An International Political Economy Perspective

Jiann-fa Yan

*Associate Professor Business Administration Chien Hsin University
Jhongli, Taoyuan, TAIWAN*

Wan Chun Huang

*Research Fellow Department of Chinese Affairs, Democratic Progressive Party
Taipei, TAIWAN*

Abstract

Ever since the implementation of reform and opening-up policy after 1978, China has achieved the most remarkable economic development in the world. Most of scholars believe that China has come out of its own developmental model. In contrast to the western-advocated economic type based upon democracy and free market economy, China takes a different approach to the economic development based upon the so-called “a socialist market economy with Chinese characteristics,” stressing the superiority of public ownership and the superiority of market economy. This paper argues that, over the past three decades, many factors that contributed to the rapid economic development can be analyzed from a historico-structural approach, covering three levels: action, structure, and historical process. Besides, China's economic development, well-integrated into the global economy, is strongly managed by the party-dominated government; thus, the politico-economic perspective in the global contexts is crucial to the historical inquiry. Finally, this paper will also point out some hidden negative consequences and coming thorny challenges behind the economic miracle.

Keywords: socialist market economy with Chinese characteristics, 1997 Asian financial crisis, accession to the WTO, 2008 global economic crisis, China's economic development