



Quality of growth in East Asia: Chinese experiences

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Introduction

- common challenge for stable socio-economic development in East Asia

how to improve **quality of growth**

- **Inequality (income, wealth)**
- Poverty
- Health
- Education
- Environment
- governance, public policy

“No investigation, no right to make suggestions” (Mao Zedong)

aggregate data

micro data, regional data

China household income project (CHIP)

1988, 1995, (1999), 2002, 2007-

Li, Shi and Hiroshi Sato, eds. (2006) *Unemployment, Inequality, and Poverty in Urban China*, London: Routledge.

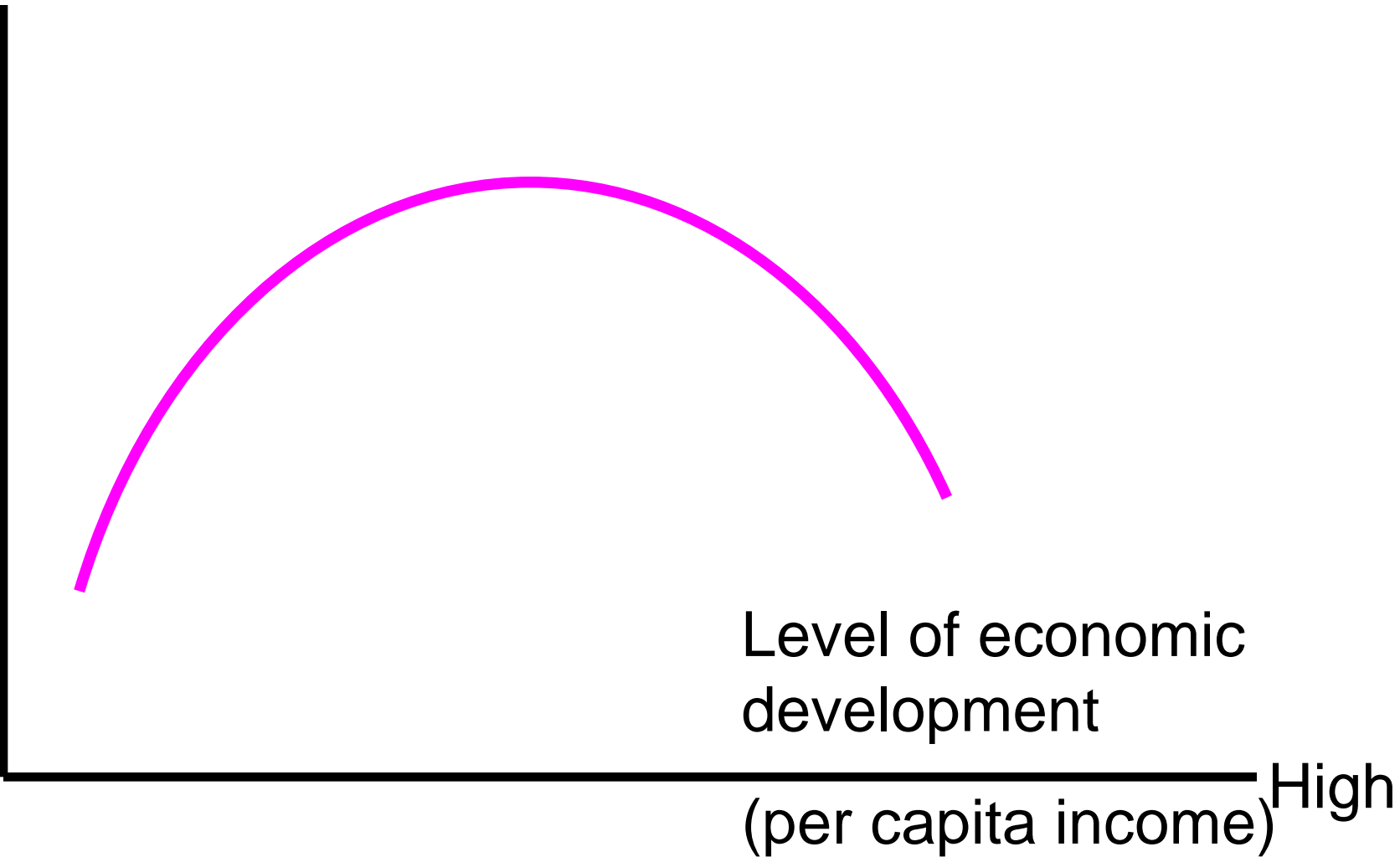
Gustafsson, Bjorn, Shi Li, and Terry Sicular, eds. (2008) *Inequality and Public Policy in China*, New York: Cambridge University Press.

Kuznets curve

Inequality

high

Low

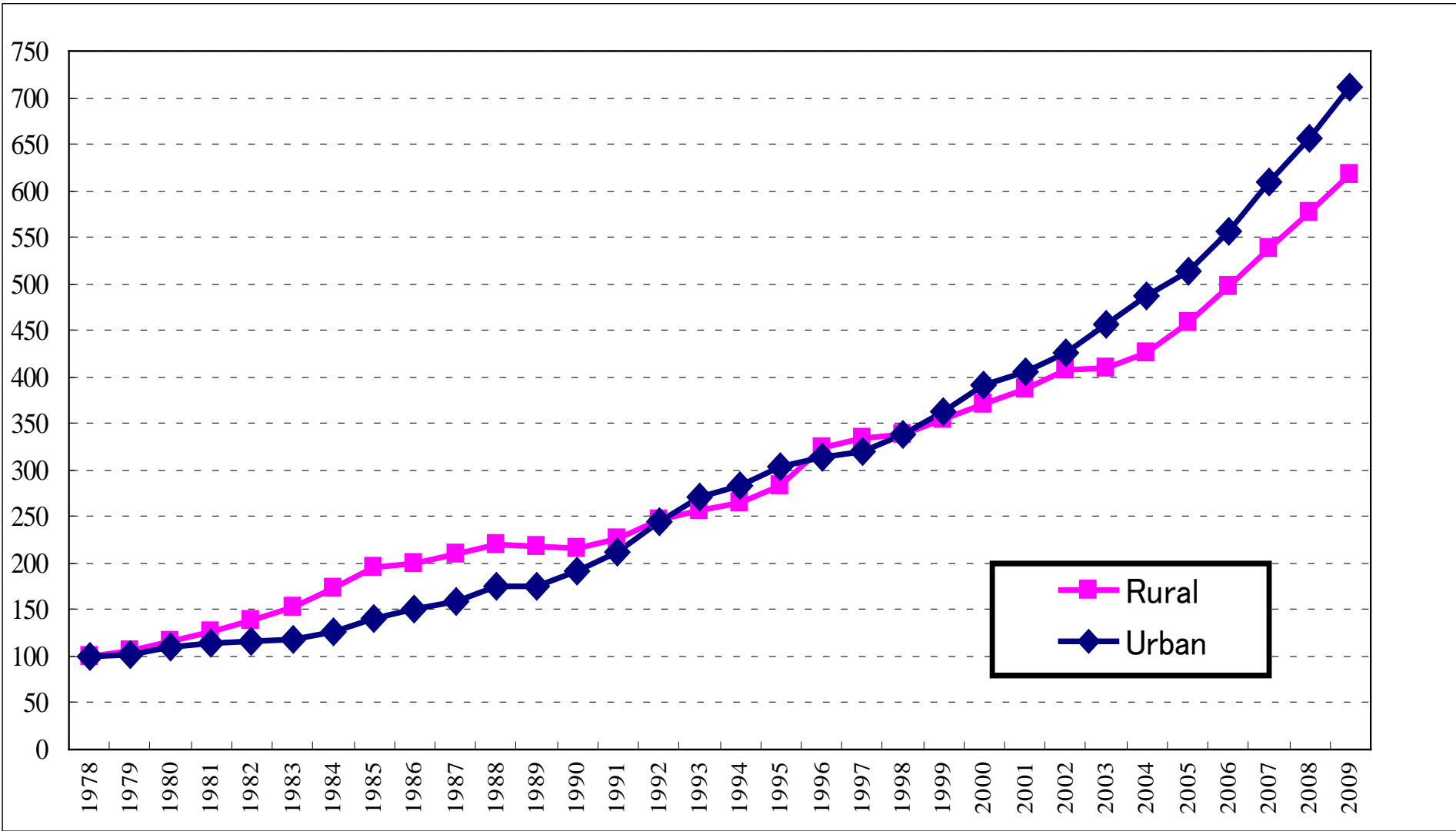


Level of economic development

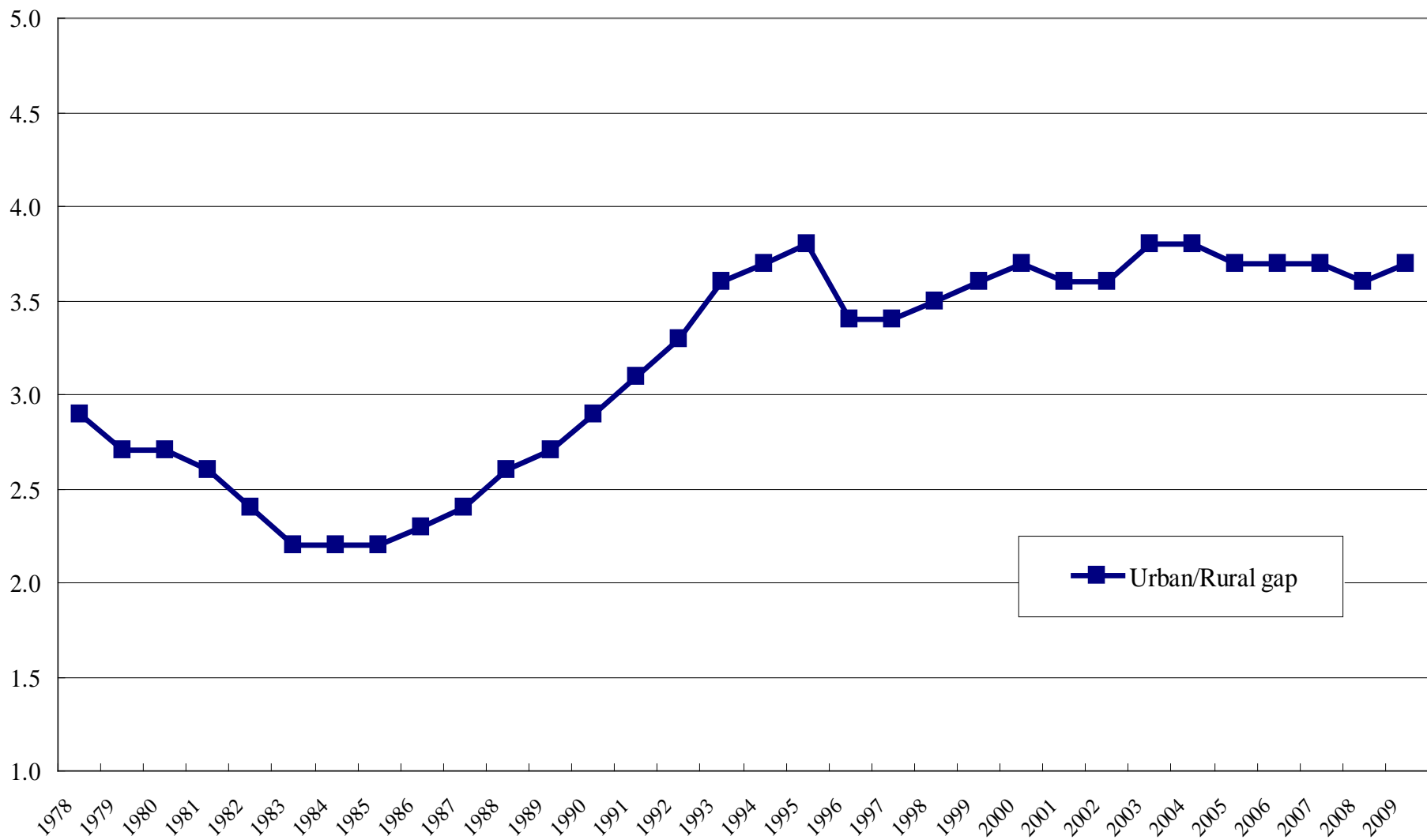
(per capita income) High

Growth of per capita household consumption

(in constant price 1978=100)



Urban/Rural gap in per capita household consumption (rural=1)



Source: NBS China Statistical Yearbook 2010

equality ≠ equity, fairness, justice

- empirical ⇔ normative
- objective ⇔ subjective

▪ institutional unfairness

(1) rural-urban divide

(2) “monopoly” sectors, rent-seeking, “corruption”

▪ socioeconomic mobility

(1) institutional barriers against labor mobility

(2) short term (intra-generational) income mobility

(3) long term (intergenerational) income & wealth mobility