

China special issue A introduction: economic growth, social policy, and technological development

Wang, Zhi

Published in:
Forum for Social Economics

DOI:
[10.1080/07360932.2020.1841666](https://doi.org/10.1080/07360932.2020.1841666)

Publication date:
2021

Document Version
Author accepted manuscript

[Link to publication in ResearchOnline](#)

Citation for published version (Harvard):

Wang, Z 2021, 'China special issue A introduction: economic growth, social policy, and technological development', *Forum for Social Economics*, vol. 50, no. 3, pp. 253-256.
<https://doi.org/10.1080/07360932.2020.1841666>

General rights

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

Take down policy

If you believe that this document breaches copyright please view our takedown policy at <https://edshare.gcu.ac.uk/id/eprint/5179> for details of how to contact us.

Economic Growth, Social Policy, and Technological Development (Journal Ranking Q2)

Wang, Zhi

Published in:
Forum for Social Economics

Publication date:
2020

Document Version
Peer reviewed version

[Link to publication in ResearchOnline](#)

Citation for published version (Harvard):
Wang, Z 2020, 'Economic Growth, Social Policy, and Technological Development (Journal Ranking Q2): China evolutionary states of political, social, economic and technological development ', *Forum for Social Economics* , pp. 1.

General rights

Copyright and moral rights for the publications made accessible in the public portal are retained by the authors and/or other copyright owners and it is a condition of accessing publications that users recognise and abide by the legal requirements associated with these rights.

Take down policy

If you believe that this document breaches copyright please view our takedown policy at <https://edshare.gcu.ac.uk/id/eprint/5179> for details of how to contact us.



**China Special Issue A 49(1) 2020 Introduction
Economic Growth, Social Policy, and Technological
Development**

Journal:	<i>Forum for Social Economics</i>
Manuscript ID	RFSE-2020-0061.R1
Manuscript Type:	Special-issue or special forum-section research
Keywords:	Economic Growth, Social Policy, Technological Development

SCHOLARONE™
Manuscripts

China Special Issue A 49(1) 2020 Introduction

Economic Growth, Social Policy, and Technological Development**Abstract**

China's rapid economic development has attracted the interest of many scholars following its emergence as the world's second largest economy and stimulated research into the underlying factors that may have made this development **difficult to overlook**. In advancing research, papers included in Issue A help with refining our understanding of the forces that have been driving China's social-economic, political, and technological developments, addressing the related issues, thus, advancing the social economic literature in **its influence in the world, specifically**, within the China context.

Introduction

Peter Buckley, Jeremy Clegg, Adam Cross et al. (2007) and more recently, Yadong Luo Juan Bu (2018) have identified that the central role played by State-Owned Enterprises (SOEs) has been pivotal, enabling China to invest in risky host country assets on a large scale. Ravi Ramamurti (2012), Ping Deng (2009) and Mike Peng (2012) have recognized that China has entered culturally distant countries more quickly and on a greater scale than what would have been predicted by the standard entry model, and make a greater overseas commitment in the form of mergers and acquisitions as opposed to alliances. According to Ramamurti and Hillemann, (2018), these factors together with China's political 'heft' and a range of policy levers seems to have been crucial in providing Chinese enterprises with a series of 'state created

1
2
3 advantages' unavailable to leading competitors from other countries. In advancing research on
4
5 China, the papers included in Issue A help with refining our understanding of the forces that
6
7 have been driving China's social-economic, political, and technological developments,
8
9 addressing the related issues, thus, advancing the social economic literature within the China
10
11 context.
12
13
14

15
16 The opening essay by Nikolaos Karagiannis, Moula Cherikh, and Wolfram Elsner examines
17
18 how China's economic model differs to that of other emerging economies by utilizing "a
19
20 developmental state perspective with Chinese characteristics". The study has captured three
21
22 specific features of the China model that is distinguished from other East Asia models, which
23
24 in several ways contributes to our understanding of China's distinctive economic models. The
25
26 paper reviews the salient features of China's development since the Communist Party came to
27
28 power in 1949 with the long-term goal to transform China into one of the world's leading
29
30 nations, and the significance of central government policy over the period 1953 to 2020. The
31
32 complex set of interdependent activities may also suggest China's development of a model
33
34 based on cooperation between the SOE, private-sector businesses, and an international network
35
36 of inter-governmental agencies. Through the documentation of China's economic plans, the
37
38 study reveals the strategic and entrepreneurial dimensions of its development efforts compared
39
40 with other East Asia countries. Given China's 'historical legacy' and its pursuit of a different
41
42 development path, crucially, the world's second largest economy (in GDP dollar terms)
43
44 coupled with a highly interdependent system – largely a consequence of China's economic
45
46 development strategy – created what the authors claim is a tension between different policy
47
48 initiatives, leading to unbalanced development, notably export-led growth on the one hand and
49
50 growth constrained internal linkages on the other.
51
52
53
54
55
56
57
58
59
60

1
2
3 The question concerning China's emphasis on export-led growth and unbalanced
4 development leads to the second paper authored by Franklin Obeng-Odoom. The research
5 identifies the limitations of the standard model as well as offering a critique of China's large-
6 scale migration flows. While labour migration continues to attract considerable interest among
7 economists, reliance on the 'standard (neoclassical) model' and Western settings has meant
8 that important migration issues associated with other socioeconomic contexts have been
9 neglected. The study, therefore, sets the focus on large-scale Afro-Chinese migration, identifies
10 several concerns from an **institutional political-economic** perspective and raises questions
11 concerning China's investments in Africa and the social costs of Afro-China migration that
12 have arisen. Using the 'circular, combined and cumulative causation' model and longitudinal
13 observations, the study brings up the framework of 'institutional economics' rather than the
14 'rational choice model'. Thus, the study draws out a robust alternative that advances our
15 understanding of the **complexities** in social interactions associated with Chinese labour
16 migration to Africa and vice versa.

17
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36 The third article by Shuanping Dai and Wolfram Elsner focuses on within country migration
37 following China's rapid industrialization. Fast economic growth coupled with substantial
38 regional disparities and shrinking trust were exacerbated by policies of city governments who
39 often discriminated against migrant families. The study, therefore, examines how changes in
40 industry structures lead to changes in social relationships, consequently, how internal mass
41 migration impacts individual wellbeing as families abandon their rural kinship communities
42 and relocate in larger and more autonomous host city regions. More crucially, the paper
43 considers how such development has affected the levels of trust and reshaped 'small-world'
44 networks. Using three agent types and two stylized network structures, the study examines the
45 relationship between the declining trust across Chinese societies and its disruption of social
46 networks. Mathematical modelling within a game theoretic framework and empirical
47
48
49
50
51
52
53
54
55
56
57
58
59
60

1
2
3 observations enable the study to show how internal migration from rural neighbourhoods to
4 host-city regions changed the nature of social interactions that resulted in greater economic and
5
6
7
8 social distance. The displacement of labour together with increasing social distance
9
10
11
12 compromised integration in host city regions, leading to an overall decline in trust and
13
14
15 cooperation within Chinese societies. These crucial attributes allow the study to draw out
16
17
18 several important implications for future research on social policy.

19
20 The fourth article, by Elias Jabbour and Luiz Fernando de Paula, turns to the impact that the
21
22
23 changing role of the State and of institutions has determined on the **socialisation** of investment.
24
25
26 The authors examine how the State's changing role has affected China's growth dynamics by
27
28
29 drawing insights from the symbiotic relationship between government and markets during long
30
31
32 periods of rapid economic growth. The study builds on Keynes' 'socialisation of investment'
33
34
35 – the idea that the State creates space for capital investment (as opposed to consumption
36
37
38 investment) – and Gerschenkron's notion of the State as an investor and financier, Rangel's
39
40
41 cycles of institutional innovations between the State and private initiatives and Hirschman's
42
43
44 uneven growth hypothesis. The study shows a step advance in the idea that institutions change
45
46
47 within economic cycles, leading to changes in the relationship between central government and
48
49
50 other government agencies, including state-owned enterprises. The dialectic between the
51
52
53 Chinese State and its changing relationships with other agencies, explains institutional
54
55
56 innovation cycles in a modern monetary economy, where the development of the financial
57
58
59 system and the role of State financial capital is conducive to the socialisation of investment.
60

51
52 The fifth article by Lorenzo Compagnucci, Dominique Lepore, and Francesca Spigarelli
53
54
55 examines China's technological development, specifically the role played by science parks in
56
57
58 China's ambition to reduce its reliance on imported technology through developing
59
60
61 domestically derived innovation. Science parks in the context of China's 'Go Global' policy,

1
2
3 initiated by central government in the early 2000s, was an attempt to shift China from an
4 export-driven manufacturing economy to one that is driven by high-value added innovation
5 and creativity. The paper shows China's upgrade capabilities and innovation on a scale that
6 would enable China to become effective in competing with technological leaders across global
7 markets. The authors use the Triple Helix Model as an integrated approach to technological
8 innovation involving universities (and other research institutions), enterprises, and
9 government. The examination deploys different research applications, drawing on data from
10 14 Chinese science parks according to size, diversity, technological focus, degree of
11 specialization, international linkages, and the degree of international exposure. The findings
12 also reveal that, despite the Go Global initiative, international exposure is patchy, and most
13 parks seem to have either underdeveloped links to international research institutions or weak
14 relationships with international firms in the advanced technology sectors. However, leveraging
15 knowledge from 'on-park' universities and co-located international enterprises for utilisation
16 across China has had some success. Given the findings are mixed, the study raises the question:
17 Can science parks improve China's international exposure to advanced technology?
18
19
20
21
22
23
24
25
26
27
28
29
30
31
32
33
34
35
36
37
38

39 The Special Issue has sought to reinvigorate debates on the growing forces influencing
40 China's social economic evolutionary states. Working on different aspects, each paper in Issue
41 A has contributed to the debate on what is distinctive about China's rapid economic
42 development and is a testament to the strength of this vibrant area of research. Besides
43 documenting China's development, collectively the papers draw attention to several neglected
44 areas in the discussion of China's rapid economic expansion, such as unbalanced growth, mass
45 internal migration, international labour flows, disparities in access to education, public health,
46 and housing. Besides institutional policy, research in this issue has drawn attention to the social
47 costs of globalization and the implications of fast economic development for people and
48 communities.
49
50
51
52
53
54
55
56
57
58
59
60

1
2
3 The issue serves the interests of scholars who seek to understand more fully the development
4 of China as well as of other emerging economies. The challenges identified in this issue could
5 be expanded to include employment, personal and group identities, working conditions and
6 wages, social categories such as gendered spaces, age cohorts, and social class distinctions.
7
8 More importantly, institutional policies concerning business sustainability and increasing
9 globalization pose further challenges for migration across the geopolitical landscape, economic
10 growth, and employment. These areas have growing demand for future research.
11
12
13
14
15
16
17
18

19 XXX

20
21 XXX

22
23
24 Special Issue Editors
25
26

27 References

- 28
29
30 Buckley, P. J., Clegg, L. J., Cross, A. R., Liu, X., Voss, H., & Zheng, P. (2007). The
31 determinants of Chinese outward foreign direct investment. *Journal of International*
32 *Business Studies*, 38(4): 499-518.
33
34
35
36
37
38 Deng, P. (2009). Why do Chinese firms tend to acquire strategic assets in international
39 expansion? *Journal of World Business*, 44(1): 74 – 84.
40
41
42
43
44 Luo, Y., & Bu, J. (2018). When are emerging market multinationals more risk taking? *Global*
45 *Strategy Journal*, 8: 635–664.
46
47
48
49 Peng, M.W. (2012). The global strategy of emerging multinationals from China. *Global*
50 *Strategy Journal*, 2(2): 97 – 107.
51
52
53
54
55 Ramamurti, R. (2012). What is really different about emerging market multinationals? *Global*
56 *Strategy Journal*, 2(1): 41 – 47.
57
58
59
60

Ramamurti, R., & Hillemann, J. (2018). What is “Chinese” about Chinese multinationals?

Journal of International Business Studies, 49: 34 – 48.

For Peer Review Only