

**CHINA'S
CHALLENGES IN
MOVING TOWARDS
A HIGH-INCOME
ECONOMY**

Other titles in the China Update Book Series include:

- 1999 China: Twenty Years of Economic Reform
- 2002 China: WTO Entry and World Recession
- 2003 China: New Engine of World Growth
- 2004 China: Is Rapid Growth Sustainable?
- 2005 The China Boom and its Discontents
- 2006 China: The Turning Point in China's Economic Development
- 2007 China: Linking Markets for Growth
- 2008 China's Dilemma: Economic Growth, the Environment and Climate Change
- 2009 China's New Place in a World of Crisis
- 2010 China: The Next Twenty Years of Reform and Development
- 2011 Rising China: Global Challenges and Opportunities
- 2012 Rebalancing and Sustaining Growth in China
- 2013 China: A New Model for Growth and Development
- 2014 Deepening Reform for China's Long-Term Growth and Development
- 2015 China's Domestic Transformation in a Global Context
- 2016 China's New Sources of Economic Growth: Vol. 1
- 2017 China's New Sources of Economic Growth: Vol. 2
- 2018 China's 40 Years of Reform and Development: 1978–2018
- 2019 The Chinese Economic Transformation

The titles are available online at press.anu.edu.au/publications/series/china-update

CHINA'S CHALLENGES IN MOVING TOWARDS A HIGH-INCOME ECONOMY

EDITED BY LIGANG SONG
AND YIXIAO ZHOU



Australian
National
University

P R E S S



社会科学文献出版社
SOCIAL SCIENCES ACADEMIC PRESS (CHINA)



Published by ANU Press
The Australian National University
Acton ACT 2601, Australia
Email: anupress@anu.edu.au

Available to download for free at press.anu.edu.au

A catalogue record for this book is available from the National Library of Australia

ISBN (print): 9781760464523
ISBN (online): 9781760464530

WorldCat (print): 1263655300
WorldCat (online): 1263655305

DOI: 10.22459/CCMTHE.2021

This title is published under a Creative Commons Attribution-NonCommercial-NoDerivatives 4.0 International (CC BY-NC-ND 4.0).



The full licence terms are available at
creativecommons.org/licenses/by-nc-nd/4.0/legalcode



Cover design and layout by ANU Press

This edition © 2021 ANU Press

Contents

List of figures	vii
List of tables	xi
Contributors	xiii
Acknowledgements	xv
1. Challenges and roadmaps for moving towards a high-income economy Ligang Song and Yixiao Zhou	1
2. Tackling social challenges to avoid the middle-income trap Cai Fang and Jia Peng	19
3. China's agricultural trade: A global comparative advantage perspective Rao Sihang, Liu Xingshuo and Sheng Yu	37
4. China's urbanisation in the new technological revolution Wang Wei, Deng Yusong, Shao Ting, Wang Ruimin, Niu Sanyuan and Liu Xin	75
5. Revenue-neutral tax reform in China Yanchao Xu and Shawn Xiaoguang Chen	101
6. Innovation and its growth effects in China Sizhong Sun	133
7. Conditions in China's corporate sector Joel Bowman	157
8. The transformation and upgrading of processing trade and its impact on firms' productivity Kunwang Li and Haoran Hu	175
9. The renminbi's status as a safe-haven currency Liqing Zhang, Libo Yin and You Wu	197
Index	225