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The Australian National University, Australia

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Preface

This edited volume contains selected papers presented at the International Conference on 'China's Conformity to the WTO: Progress and Challenges' held at the Australian National University in Canberra, Australia on 13–14 July 2007. This focused conference brought together scholars, government officials and representatives from international organizations and discussed the key issues and challenges surrounding China's conformity to the WTO five years after China became a formal member of the organization. All the selected papers were reviewed anonymously by scholars in the field. The authors then revised their papers following the comments made by the reviewers. The conference was organized jointly by the Association for Chinese Economic Studies (Australia) (ACESA) and the China Economy and Business Program, Crawford School of Economics and Government at the Australian National University (ANU).

I thank all contributors for their participation in this project and for their cooperation in finalizing the chapters in time. I thank all the anonymous reviewers for their valuable comments on the selected papers. I also thank Professor Ron Duncan from the Australian National University and Professor Christopher Findlay from the University of Adelaide for their help in reading through some of the chapters. I would also like to thank Professor Yanrui Wu from the University of Western Australia (UWA) for his valuable advice in drafting the book proposal. And I also thank Edward Elgar Publishing for publishing the book.

I am indebted to my colleagues in the Crawford School of Economics and Government of the Australian National University and the Association for Chinese Economic Studies (Australia) for their support in organizing the conference. Many of them kindly acted as either a chairperson or a discussant at the conference. In particular, I would like to thank Professor Ross Garnaut (Chairperson, China Economy and Business Program), Professor Andrew MacIntyre (Director, Crawford School of Economics and Government), Associate Professor Ligang Song (Director, China Economy and Business Program) and Dr Sizhong Sun (James Cook University) for their major role in organizing the conference.

Finally, I would like to thank the Ford Foundation Beijing Office for providing financial support to enable two Chinese scholars to participate in the conference, and the Education Department of the Chinese Embassy in Australia for its support to the conference.

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1. China's economy after WTO accession: an overview

Chunlai Chen

China's accession to the World Trade Organization (WTO) in December 2001 is widely regarded as a major milestone in the development of the Chinese economy as well as the multilateral trading system. There is no doubt that the accession has led to deepened integration of the Chinese economy into the global economy and moved China towards a more rules-based economic system. However, at the same time, meeting China's commitments to the WTO under the protocol of its accession raises enormous problems and challenges to China, its trading partners and the WTO itself.

China's full conformity to the WTO is strategically important for China, its trading relations with others and the multilateral trading system. This book provides a remarkable background of information about China's economy after WTO accession and analyses many important issues concerning China's economic growth, international trade, transparency of trade policy, regional trade arrangements, foreign direct investment, banking sector liberalization, exchange rate reform, agricultural trade and energy demand. The book is an indispensable source for scholars and students interested in Chinese economic studies and many chapters should also be of interest to a wide range of readers.

This introductory chapter will first present a brief review of China's fast economic growth after WTO accession and discuss the sources contributing to China's economic growth. Then it will discuss the increasing integration of China's economy with the global economy and analyse the issues associated with the rapid expansion of China's international trade. Subsequently, it will discuss a number of problems in China's economy and the challenges that China faces in future economic and social development. Finally, it will present the outline of the chapters in this book.