

# China – Economy in Transition<sup>1</sup>

**Bi HONG-YI, Associate Professor  
Shandong Economic University, China**

**Abstract:** It is increasingly recognized that China is an example of a successful policy of gradual and partial economic reform. But after more than 20 years of transition, China's agriculture and state owned enterprises (SOE's) are still inefficient and subject to distortions. Becoming a member of WTO, the inefficient sectors will be particularly vulnerable to international competition. This paper analyses positive and negative impacts of the recent economic reforms in such fields as agriculture, SOE, non-state owned sectors, the open door policy etc. Following reforms are part of the analysis: clarification of property rights, establishment of large share-holding companies and other new organizational structures, incentives of government new policy and others. The UN data report that the reforms has been brought essential positives, but still it is necessary to continue them further and mainly prevent them from or at least minimize their side-effects.

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<sup>1</sup> Traducere și adaptare Anamaria Șandor