

ABSTRACT

Abstract of thesis entitled Economic Growth and Productivity Performance of the Pearl River Delta in the Post-Reform Period. Submitted by Mak Keng Ieng (M-A4-6802-4) for the degree of Master of Social Sciences in Economics at the University of Macau in June 2006.

Previous studies on China's productivity analysis are mostly conducted at the national and provincial level. Studies at the aggregate level are likely to mask the economic condition and growth trends of individual regions or cities. This study attempts to fill the gap in literatures in analyzing the economic growth of one of China's most dynamic regions – the Pearl River Delta. Since China's economic reform and opening-ups to the outside world, the Pearl River Delta had been growing at a spectacular speed and was recognized as the powerhouse of Guangdong and China. This study investigates the growth process and dynamics of the Pearl River Delta in two aspects. Firstly, despite of long disputes on uneven regional development among the two wings of the Pearl River Delta, the convergence analysis shows that there is clear evidence of convergence trends in per capita income across its component cities. Secondly, during the period from 1985 to 2004, the spectacular growth of the Pearl River Delta is mainly attributed by capital growth, which on average accounts for 50 percent of output growth. The Region experienced a comparatively higher TFP growth ahead the national economy. There is an obvious gap in TFP level across cities in the Pearl River Delta. The differentials can be attributed to some determinants such as foreign direct investment, infrastructure, human resources and to a large degree, to some city-specific elements.