

Abstract

Abstract of thesis entitled "Has Productivity Contributed to the Economic Growth of Yangtze River Delta" submitted by Zhu Dongdong (M-A 76808-5) for the degree of Master of Social Sciences at the University of Macau in July 2009.

The principal target of my thesis is to identify the sources of economic growth in YRD zone. A review of YRD post-reform development is conducted. The empirical study examines total factor productivity growth, technical progress, efficiency change and the scale effect in 16 component cities in YRD. Panel data of 1985-2007 are analyzed by using the stochastic frontier model. The major issues consider as (1) analyzing the source of YRD growth in which productivity growth is decomposed into three components: technical progress, changes in technical efficiency and the scale effect, (2) comparing the productivity and efficiency performance among cities and finding the tendency between the results from different parts of TFP growth, and (3) providing the explanation for my estimation and policy implication. YRD's growth has been mostly input-driven and TFP growth by average 9.5% each year. For sustaining the engine position in China, YRD should take effort to enhance the technology level and introduce in technical innovation from outsides.

INDEX WORDS: Productivity growth, Sources of productivity growth, Efficiency change, Technical change, Scale effect, Stochastic frontier analysis.