

*Write essays on the following five questions, making sure that you address each part of the question in your essay. The quality of your writing matters! (20% each).*

1. Explain the process and components of China's agricultural reforms. How was rural China organized prior to reform, what specific agricultural reforms were implemented after 1978, how were they implemented, and what effects did they have on the rural economy? What other economic reforms were important to the growth of the rural economy?
2. Why has it been so difficult to reform China's state-owned enterprises (SOEs)? Consider the structure and incentives of the SOEs prior to the reform period, and how this changed after reform. Explain the major reform policies, their major stages, how they have evolved over time, and how they changed the performance of the SOEs.
3. How was China's foreign trade and investment affected by economic reform? What major policies were implemented after 1978, what effects did they have, and how successful were they? How did China accelerate these reforms in the 1990s, what changes were implemented, and what resulted? How did China's success in this area lead many to believe that their currency is undervalued? Why did China want to join the WTO, and what major concessions did they make to join?
4. How severe is China's potential for a banking crisis, and why has this been so hard to resolve. Explain how and why SOE reforms affected the state-owned commercial banks (SOCBs), and how have reform policies attempted to address the non-performing loan (NPL) problem. From your readings (i.e., Lardy, Huang, and Woo), what is the potential for a crisis and what reforms are needed to avoid it?
5. What are the components of an East Asian development model? To what extent did economies such as Japan, Taiwan, Singapore, South Korea, and Hong Kong serve as examples for China's economic reform strategy? Explain the essential elements of each economy's postwar development strategy. What advantages did these economies have, and what policies were essential to their development? What other reasons made these economies especially relevant examples for China, and to what extent do these economies provide a cautionary example?

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