

stories institutional innovation

mfg - what's special?

= NOTHING!

= income / price elasticity of demand?

» parallels to agri

- how many shoes do you need?

in 1978 China, a pair would be nice!!

TVEs:

end of direct mandates on grain production \longleftrightarrow could reassign labor

end of ideological prohibition of markets \longleftrightarrow could specialize and trade

Collectives: organizational nexus

resources: capital

manpower

political "cover"

what industries?

labor intensive

consumer oriented

Fig 13.1 furniture, building materials, food processing, textiles

TVEs local so taxes stayed local \Rightarrow strong incentive local sponsorship

forms

Sunan model: ties to SOEs \longleftrightarrow subcontracting 江苏

PRD model 珠江三角洲: HK \longleftrightarrow export-oriented light industry

Wenzhou model: 温州 household private enterprise

big shift ca. 1996 to private \rightarrow who owns?

Tab 13.1 p 323 and who works where Tab 13.2 p 324

淘宝 Villages: the Wenzhou model brought to the internet age. 1,311 villages 840,000 workers

evidence institutional innovation