

Project Number <sup>1</sup>	838534	Project Acronym <sup>2</sup>	CHINEQUALJUSTICE
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One form per project

General information

Project title <sup>3</sup>	Testing the Chinese Development Model under the Capabilities Approach: The Effects of Preferential Policies and Special Economic Zones on Inequality and Social Justice
Starting date <sup>4</sup>	July 1, 2020
Duration in months <sup>5</sup>	24
Call (part) identifier <sup>6</sup>	H2020-MSCA-IF-2018
Topic	MSCA-IF-2018 Individual Fellowships
Fixed EC Keywords	Applied research econometrics, Urban and regional economics, Social economics, welfare economics
Free keywords	preferential policies; human capital; inequality; capabilities approach; club convergence; partial rankings;

Abstract <sup>7</sup>

The People's Republic of China (PRC) gradually transitions from an export-led and investment-driven economy towards a service-led and consumption-driven economy. These upcoming reforms will affect firms that rely on Chinese goods and services, but also create new opportunities to sell goods and services to the emerging Chinese consumer market. Given the use of experimental and preferential policy treatments by the PRC over the last four decades to promote economic development, different sectors of the Chinese population and economy will have different capabilities and (dis)-advantages in the forthcoming transitions. This project will identify which population groups are heading towards prosperity and which are at greatest risk of remaining in poverty and development traps. While previous research have identified links between preferential policies and inequality, this research extends the existing studies by applying the Capabilities Approach, examining rights and social justice, which will help create a more prosperous consumer market. The varying levels of inequality, human capital, rights and social justice for the Chinese consumer market will be analyzed through club convergence and partial (meta) rankings methodologies from 1985 onwards. A development-capabilities index for different sectors of the Chinese population and economy will be developed to indicate policy makers, domestic and foreign firms, the public, and academics what the current state and potentials for the next market reforms will be. The results will be enable European, and international, firms to better target Chinese consumers and industries, and help academics develop a theoretical framework based on the Chinese preferential and experimental development experience.