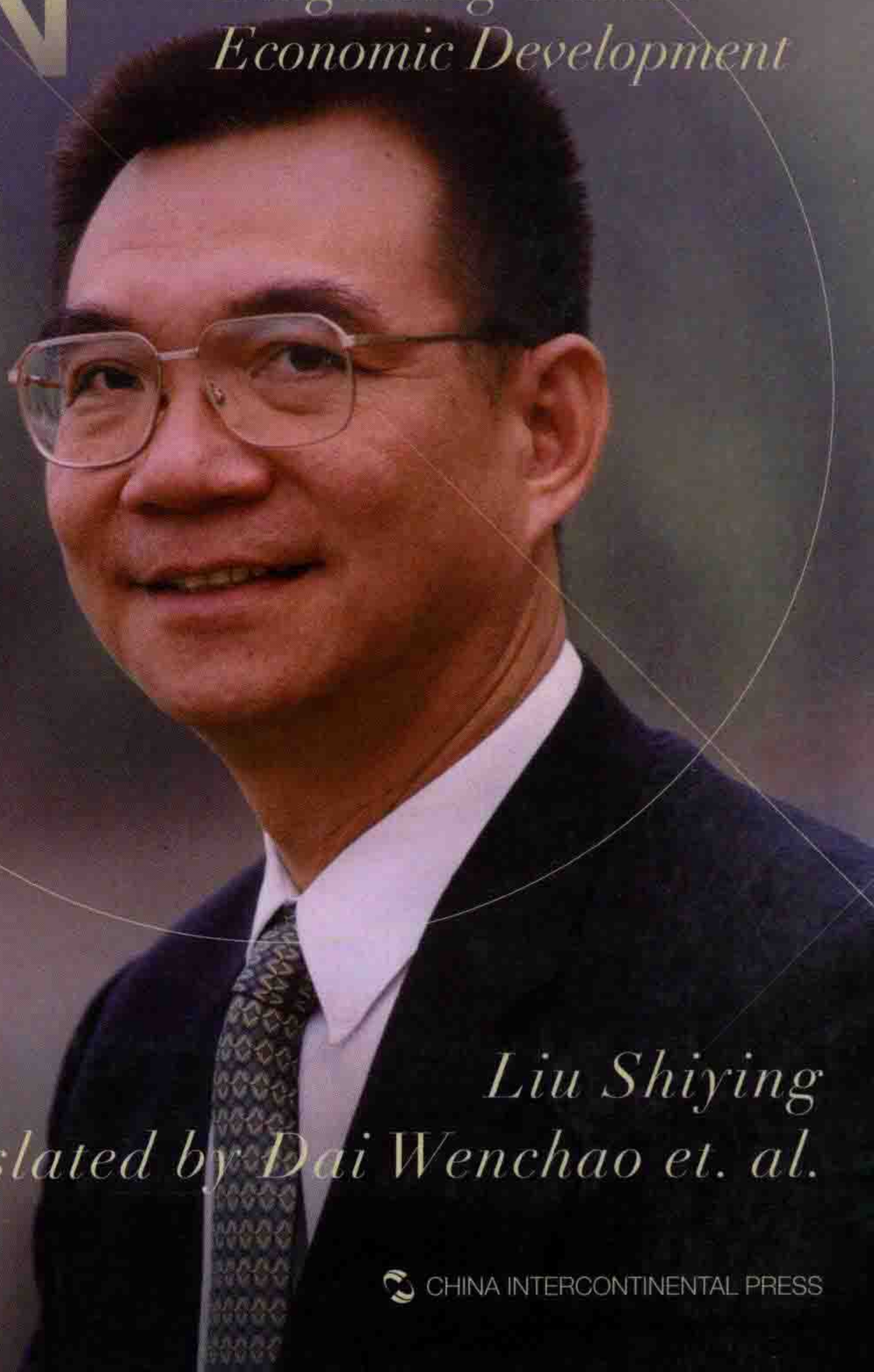


REALIZING THE CHINESE DREAM

JUSTIN YIFU LIN

*A Legend of
Diagnosing China's
Economic Development*



*Liu Shiying
Translated by Dai Wenchao et. al.*

 CHINA INTERCONTINENTAL PRESS

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Preface

A Legendary Chinese Economist Who Belongs to the World

Justin Yifu Lin is undoubtedly a legendary figure among the economists in mainland China in terms of both life experience and academic achievements. There have been four turning points in his life, each of which has enriched his knowledge and broadened his mind and professional horizons:

The first turning point took place in 1979 when he took the risk to “defect” from the Taiwan army and swim to mainland China. The second one came when he met the visiting economist Theodore W. Schultz in Peking University and was given the opportunity to pursue a PhD in Economics at the University of Chicago. The third arrived in 1987 when Lin returned to China to serve his country after having turned down several job offers including a teaching position at UCLA and employment with international

institutions like the World Bank. The most recent one was in 2008 when he went to the USA again to serve as Senior Vice President and Chief Economist of the World Bank.

Driven by his aspirations for a reunified China, Lin parted with his family, risked his life to swim across the Taiwan Strait to mainland China. On his legendary and unique road to the position of Chief Economist of the World Bank, Lin created so many first-time records in Chinese academic economics:

He was the first Chinese economist who returned to China after having completed a PhD program in Economics abroad, and the first Chinese economist who had academic papers published in the most prestigious international journals such as *The American Economic Review* and *The Journal of Political Economy* since the launch of reform and opening up in the late 1970s. He is the Chinese economist who has published the largest number of academic papers in international journals so far. As an internationally recognized leading expert on China's economy, he is the first economist in mainland China to apply modern economic theories and approaches in the study of China's economy. Many of his works have been listed among the essential readings for China economics courses by

many Western universities.

On January 20, 2009, at the CCTV's tenth "China Economic Person of the Year" award ceremony, Justin Yifu Lin topped the list of award winners, and was the only economist to receive the highest honor in the field of economics in China.

The distinguished economist who was dubbed as a "defector" from Taiwan is now working on the economic blueprint for China and for the world.

Some say that he is the one and only legendary icon in Chinese academic economics, while others say that this legendary economist belongs to the world. Actually, it would be fair to say that he belongs to both China and the world.

He has made all his legendary achievements because of his professional dedication and persistence and, more importantly, his passionate loyalty to his country. These are all so evidently felt by those close to him, especially his students and colleagues at China Center for Economic Research (CCER), Peking University.

Professor Lin is undoubtedly a brand name for the Beijing International MBA (BiMBA) operated by CCER. Every BiMBA graduate feels honored to have been taught by this kind and earnest professor and strongly impressed by his profound knowledge

reflected in his logical lectures given in a rich and sonorous voice. He has fully devoted himself to teaching and to the development of CCER, always working past midnight and being the last person to leave office. His assiduity and dedication have earned him affection and respect of all students and colleagues in Peking University.

In 2008, driven by my admiration for Professor Lin, I became a student in the EMBA program at BiMBA. Unfortunately, when school started in September, Professor Lin had left for Washington D.C. to take the post of Senior Vice President in the World Bank. In spite of his absence, however, Professor Lin still played a pivotal role in the development of CCER. Thanks to his strong advocating, CCER of Peking University was upgraded to the National School of Development (NSD) in October 2008. He believes that economic studies should be conducted from a macroscopic and interdisciplinary perspective of national economic and social development.

Luckily, on May 14, 2010, shortly before I graduated, I finally met Professor Lin in person while visiting the World Bank and listening to his lecture with my BiMBA class during a 15-day leadership training tour in the USA. In a witty and humorous style, he

shared with us his forecast of the global economy in the context of financial crisis, his insightful interpretation of China's economy and his optimism about China's future development. All these have profoundly impressed me.

During my BiMBA years, I learned more about Professor Lin by talking to many faculty members and students who knew him well. I also tried to understand more about his economic theories and insights by extensively reading his academic writings in the university library. The brief, yet informative visit to the World Bank offered me a chance to meet him in person, and the memorable experience inspired me to write a biography of this outstanding and charming economist. Despite the advice from many of his colleagues that writing his biography is a tough task, I nonetheless found myself immersed in sorting out his economic theories and legendary career, and here is what I want to share with you – legendary stories of Professor Lin, a man of great intellectual distinction.

I. A Risky “Jump” from Smaller Self to Bigger Self

The early years of Justin Yinfu Lin was marked by a legendary “jump”. It was a risky “jump”, but a turning point in his life, and a decisive move that later enabled him to rank among the top economists in the world. In Lin’s own words, it was a “jump” for him to shift from his smaller self to bigger self.

I. A Top Student Who Dropped out of School to Join the Army

On October 15, 1952, alongside the quiet Dongshan River in Yilan County, Taiwan, a chubby baby boy came to the world after much prayer of his family. The baby, who would later be known as Justin Yifu Lin, was then named Lin Zhengyi, literally meaning “justice” in Chinese. His father Lin Huoshu had suffered enough from government corruption and wished that his son would uphold justice when he grew up, as his name suggested. Lin

went by this name for the first 27 years of his life.

1. Pursuing Knowledge despite a Tough Childhood

Yilan is a small county in northeastern Taiwan, surrounded by mountains on three sides and with one side facing the sea, where life was rather hard in the 1950s as it was still isolated and underdeveloped.

Born the fourth of six children into a poor family in Yilan, Lin had a tough childhood. At a young age, he began to help his parents with housework, like collecting sweet potato seedlings and firewood. Every day after school, he rode by bicycle a long distance to a relative's home to fetch swill for pigs. Poverty never hindered Lin's hunger for knowledge. Living in a small house with a large family in a noisy city block did not provide the best studying environment, so he would go straight to bed after supper and get up to study in the middle of the night when everyone else had fallen asleep. He would read and do homework until early next morning and prepare himself for school as others rose for the next day's work.

Lin's father spent much effort fostering virtues in his children from an early age. Lin recalled that