

Title: *The Chinese GDP Growth Rate Puzzle: How Fast Has The Chinese Economy Grown?*

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The Chinese statistical authorities have recently adjusted the Chinese GDP level and growth rate for the period 1993-2004 following China's first national economic census. However, their methodology used in the adjustment is opaque. Using a trend deviation interpolation approach, this study has managed to replicate the basic procedures of the adjustment and reproduced the official estimates. Through this exercise, it has found that the estimates that could be obtained by the normal interpolation procedures were significantly and arbitrarily modified to satisfy certain needs. Based on some political economy argument, we attempt to explain why the adjustment had to leave the growth rate of 1998 intact and why it had to bypass the price issue and directly work on the real growth rate adjustment. Based on previous studies and other observations, we also challenge the census results on non-service industries.