

# Chinese Energy Economics

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China has experienced more than three decades of rapid economic growth since the market reforms of 1978—it is now one of the largest world economies. Energy has played, and continues to play an important role in these developments. However, rapidly increasing demand for energy has led to major challenges. First, domestic energy endowments have been insufficient to support the economic expansion. Second, with increasing energy imports, energy security has become a critical concern. Third, the recent volatility in energy markets complicates planning and investment, as well as market oriented reforms of China’s energy sector. Fourth, renewable energy, such as wind and solar, has become an increasingly important national priority, bringing with it both challenges and opportunities. Fifth, the environmental impacts of energy consumption, and particularly coal use, have had both domestic and international consequences. Air quality in China has become particularly concerning. International efforts to address greenhouse gas emissions have become an important focus for China as it has become one of the largest CO<sub>2</sub> emitters in the world. China is planning to limit its dependence on coal, which currently provides two thirds of its energy.

Taking “Energy Economics: New Challenges and Solutions” as its theme, the 4th IAEE Asian Conference was held in Beijing, September 19-21, 2014. The conference brought together nearly 400 delegates from 28 countries/regions to share their research findings. This was the first IAEE event held in mainland China. More than 230 scholars presented their research at 48 parallel and four plenary sessions. The topics included energy and economic growth, the environment and climate change, energy security, investment and finance, technological innovation, renewables, demand management, efficiency and productivity, fossil power and its clean utilization, unconventional energy development, industry specific studies, emissions trading and energy planning.

A central purpose of this Special Issue of *The Energy Journal* is to promote further development of energy economics in China. With this in mind, we solicited a small group of high quality papers presented at the conference. Based on recommendations from session chairs, 20 selected papers were forwarded for review by *The Energy Journal*. Finally six were selected in addition to five others that had been submitted through the regular process.

Five of the papers in this volume focus on carbon and renewables and two on energy and growth. There are also papers on household energy demand, declining energy intensity in certain key industries, operational efficiency in the power sector, and firm-level impacts of oil price shocks.

Given the importance of China to the world economy, and the critical role that energy plays, we look forward to many further energy-related contributions on China in the near future. The editors of this Special Issue would like to thank the many authors for their contributions to the IAEE Beijing Conference and to the Special Issue, and the reviewers for generously giving their time and providing valuable comments.

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