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# How private is Innovation in China?

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## Résumé

Innovation is a leitmotiv of Chinese planning since the dawn of PRC. Latest five-year plans and initiatives such as Made in China 2025 rely on innovation as the fundamental pillar to upgrade China's development model and to lead the transition to market mechanisms and businesses. However, although this drive is well visible in a number of innovation statistics, actual achievements seem to be misaligned to plan objectives. In the relevant literature, explanations of this misalignment invariably lead to the balance between the role of the State and the role of the private sector. In this paper, we adopt this perspective and extend it to make a point on innovation in China. More specifically, using macro and micro data, we provide an updated and revised account on the weight of private against public economy, and assess the innovative performance of private against state's enterprises. Our results show that, although private innovation definitely progressed, this did not happen at the magnitude and with the pervasiveness that some statistics may induce to believe. This means that for innovation, the role of private enterprises is definitely something that needs to be still acted upon.

**Mots-Clés:** China, innovation, public sector, private sector.

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