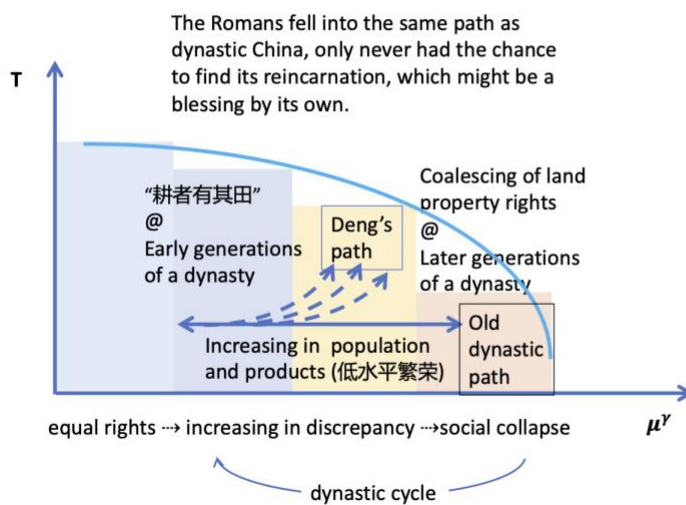


Historically, Chinese economy went into a different path from her western counterpart, trapped into an oscillated state, that Chinese historian called cyclative state. Very little economic temperature gain in the past 2000 years. The apparent so called “prosper era” periods in the history were actually high density low temperature state in the phase diagram. Here the density means different forms of product per economic space volume, product of small change in dimensions of innovation, quality and technology. High variety of agriculture and hand craft products, that heavily rely on land or land related natural resources, in the layman’s term.

## Phase diagram of the economic development



where T is the economic temperature, the level of economic development; μ is unit value of the precipitated wealth, (at certain moment, mostly land/real estate); γ=1,2,...v is the phase index, individual economic entities.

改革就是让一部分人先富起来;

只是一部分人富起来, 改革就失败了。  
--邓小平

$$G = \mu N = \sum_{\gamma=1}^v \sum_i^r \mu_i^\gamma N_i^\gamma \approx \left( \sum_{\gamma=1}^v \mu^\gamma N^\gamma \right)_{r \rightarrow 1}$$