

## Abstract

China has achieved numerous great feats in many fields of science and technology in history. Other than the well-known inventions of paper, compass and explosive materials, Chinese achievements in the study of astronomy and the development of delicate craftsmanship of lacemaking are two impressive examples of scientific and technological accomplishments. However, one puzzle remains in the mind of historian: "if China can create so many inventions thousands years ago, why did the Europeans, instead of Chinese, initiate the scientific and Industrial Revolution which changed the structure of the societies we live today?"

This paper explores some important factors based on the comparative discussion of the subject of astronomy and lacemaking, and discusses some important issues on innovation and national economic competitiveness. From the 1980s, China has successfully achieved some predetermined economic goals after the implementation of the Open Door Policy. To maintain the momentum of modernization, it is suggested that Chinese national decision makers institutionalize social mechanism and restructure educational systems in order to sustain continual generations of creative scientists and technicians and risk-taking entrepreneurs that can explore new way of thinking and methods beyond tradition ideology. Innovation is the only way to sustain the long term national economic growth.

**Keywords:** Innovation, Information Age, Astronomy, Lacemaking, Comparative Management, Chinese Economic Development, National Wealth.