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in 2017

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Trumpeting a New Era

China continues to bring growth opportunities to the world By Mei Xinyu



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A Reuters report on Oct. 17 described the concerns of a young Chinese woman working in the United States that she might miss out on the new development opportunities in China, and her change of mind about returning home. "This time back in China, the feeling that I have is one of worry that it would be very easy to be left behind if I return to the U.S.," Zuo Aining, a tax consultant in Washington, D.C., told Reuters.

"My life is going as I planned five years ago," she said. But, "if there is a better platform and opportunity for me to do what I want to do, I will come back without any hesitation."

This well illustrates the conclusion in the report delivered by General Secretary of the Communist Party of China (CPC) Central Committee Xi Jinping to the 19th CPC National Congress that socialism with Chinese characteristics has entered a new era.

Based on the changes of China's status in the world economic system, China's leadership has put forward this conclusion. Those who have cross-cultural experience will be most aware of these changes.

Still a developing economy, China has become the world's largest manufacturer, the largest exporter, a major source for global economic growth and a stabilizer of the world economy, providing an example of success for other countries. This has enabled China's leadership to announce the new era for socialism with Chinese characteristics, and enabled both Chinese people and the external world to fully accept such a conclusion and discuss what opportunities this new era will bring to the world.

As stated in Xi's report, "development is the underpinning and the key for solving

all our country's problems," "we must continue to pursue development as the Party's top priority in governance" and "unlocking and developing the productive forces is a fundamental task of socialism." The report also stated the nation's intention to "actively participate in and promote economic globalization, develop an open economy of higher standards and continue to increase China's economic power and composite strength," indicating that socialism with Chinese characteristics for a new era will provide more opportunities to the world for joint development, and set up a model of success through hard work.

Laying the foundation

China's status in the world economic system is based on the progress of industrialization. After World War II, nearly all the emerging countries freed from colonial

and semi-colonial status set the goal of industrialization, but only a few of them succeeded, with China among the most successful.

Nearly a decade ago, China became the world's largest manufacturer, with remarkable advantages in traditional labor-intensive manufacturing industries. In 2009, the country had established 39 industrial sectors—the only nation in the world possessing all the industrial categories listed by the United Nations—making itself the "workshop of the world." In 2013, its equipment manufacturing output accounted for one-third of the world's total.

With its progress in industrialization, China has long been providing affordable finished products to people around the world, and "Made-in-China" has remarkably improved the well-being of the world. "Made-in-China" has especially played a



significant role in improving people's livelihoods in developing countries.

In the arena of mobile telecom development, people across nearly the entire African continent rely on Chinese-made telecom equipment and affordable cellphones to enter the era of mobile payment, despite few landline phones and poor banking facilities. Similarly, a great leap forward to mobile payment has also occurred in India and several other countries. Relying on inexpensive Chinese-made goods, wholesale and logistics businesses have also prospered in Africa and in Latin America.

From a broader perspective, it was the establishment of a uniform and stable order in the People's Republic of China, since its founding in 1949, that enabled East Asia to start broad industrialization and create economic growth after World War II, making it the most energetic region in the developing world, with several nations now ranking among the world's leading and highest-income economies.

Stabilizer of the world economy

Sustainable and continuous economic growth in China makes the country play an increasingly important role as a stabilizer of the world economy. Since the



1980s, China has served as a stabilizer in the regional economy of East Asia, and following the Asian financial crisis in 1997, this role has become increasingly prominent; entering the 21st century, China upgraded from East Asian economic stabilizer to world economic stabilizer and growth engine. In the first decade of the new century, the average annual contribution of Chinese economic growth to world economic growth reached 14.2 percent. During the 2011–2015 period, China's annual contribution to world growth, in terms of U.S. dollar prices in 2010, reached 30.5 percent, ranking first in the world, while in the same period, the contributions of the United States and the Euro Zone were 17.8 percent and 4.4 percent, respectively. In 2016, China still contributed the most to world economic growth—33.2 percent—in terms of U.S. dollar prices in 2010; calculated with 2015 prices, China's contributions reached 41.3 percent, while those of the United States and Japan were 16.3 percent and 1.4 percent, respectively.

China's growth has decisively shaped the fundamental metrics of contributions to world economic growth by developing countries. According to the World Economic Outlook issued by the

International Monetary Fund in April, from 1976 to 1979 developed economies contributed more than 80 percent to world economic growth; this figure declined to 70 percent in the 1980s, 60 percent in the 1990s and 45 percent in the 2000s. From 2010 to 2015, developed economies only contributed 30 percent to world economic growth, while the contributions of emerging and developing economies reached 70 percent, reversing the structure seen in the 1980s. Such changes would never have taken place without the rapid economic growth in China.

Sharing success

To China's trading partners and the world economy, it is praiseworthy that China's economic growth and imports growth boost each other as the country's markets become increasingly open to the outside world. Since the start of this century, the growth rate of Chinese imports has been almost double the average rate of other nations, providing good opportunities to China's trading partners.

China replaced Japan as the world's third-largest importer in 2004, after the United States and the EU, and has since surpassed the EU to become the No. 2 importer in the world. In the first three-quarters of this year, China's imports grew by 22.3 percent year over year, almost double the growth rate of its exports in the same period.

In the international economic system, one of the most important roles China plays is providing an example of realizing prosperity through hard work. China's experience is now yielding positive results in other countries: Mulatu Teshome, a graduate of Peking University, is leading Ethiopia to become a successful example of economic development in Africa. China, which has announced it is entering a new era of socialism with Chinese characteristics, is willing to share its development experience with more partners.

In the report delivered to the 19th CPC National Congress in October, Xi proposed the goal of significantly furthering opening up and adopting policies to promote high-standard liberalization and facilitation of trade and investment. To China's trading partners, this indicates that China will create more trade opportunities for mutual benefit. ■





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