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**CHINA IN A GLOBALIZING WORLD**



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## FOREWORD

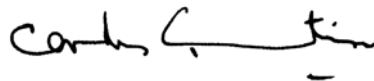
China's impressive economic achievements over the past two decades have made its development experiences quite distinct from those of many other economies. Its robust economic growth has dramatically reduced poverty, making it the most important driving force towards achieving the United Nations Millennium Development Goal of halving world poverty by 2015.

The speed of China's progression from a low-income and populous country to a global economic force has taken many analysts by surprise. Academics and policy-makers in the developed and developing world have therefore been examining the "China phenomenon" and its impact on regional and world economies. They have analysed key issues such as the factors and determinants of China's catching-up strategy, how the Chinese model differs from previous development models, and the extent to which other developing countries might emulate the Chinese economic model and the impact of China's economic growth on regional and world economies.

In China itself, policy-makers are asking themselves how the country's rapid economic growth can be sustained; how welfare benefits for the Chinese population can be enhanced; how to close the considerable remaining gap between China and the world's leading economies within the shortest possible time; and how to redress socioeconomic inequality within the country. China is fully aware that it faces a number of development challenges: external pressure on currency revaluation is mounting; financial reform is far from complete; existing bottlenecks risk slowing down rapid growth; income inequality is proving difficult to redress; and a social safety net has yet to be established.

It was against this backdrop of domestic and international policy development research that the Ministry of Commerce of China (MOFCOM) came to an agreement with UNCTAD to explore some of the key issues relating to China's development path in an increasingly globalizing world. UNCTAD has closely followed and analysed developments in China, while also extending technical assistance. Promoting sustainable and equitable economic development and supporting the beneficial integration of developing countries into the global economy are at the core of UNCTAD's mission. This study of the economic issues of immediate concern to China and the rest of the world provides a welcome opportunity to enhance UNCTAD's existing partnership with the Chinese Government, as well as with Chinese policy makers and academics.

This book comprises a selection of presentations made at seminars jointly organized by UNCTAD and MOFCOM, with the participation of the Asian Development Bank Institute. Work on the project is ongoing and UNCTAD looks forward to further fruitful outcomes of this close collaboration.



Carlos Fortin  
Officer-in-Charge of UNCTAD

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This publication is a collection of presentations made at various seminars organized by UNCTAD and the Ministry of Commerce of China within the context of their joint Project on Managing Globalization and Economic Integration.

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The papers included herein do not necessarily reflect the views of the United Nations, or the Ministry of Commerce of China.

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**CONTENTS**

<i>FOREWORD</i> .....	<i>iii</i>
<i>ACKNOWLEDGEMENTS</i> .....	<i>v</i>
<i>ABOUT THE AUTHORS</i> .....	<i>vi</i>
<i>ABBREVIATIONS</i> .....	<i>xii</i>

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**CHINA'S SPECTACULAR GROWTH SINCE THE MID-1990S –  
MACROECONOMIC CONDITIONS AND ECONOMIC POLICY CHANGES**

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Michael Geiger*

<i>Abstract</i> .....	<i>1</i>
Introduction .....	<i>1</i>
I. China's Growth Performance in Perspective.....	<i>4</i>
I.1 Exports and the external balance .....	<i>4</i>
I.2 Domestic developments: investment and consumption .....	<i>8</i>
I.3 Price and exchange-rate developments .....	<i>11</i>
II. China's Successful Heterodox Policy Mix .....	<i>14</i>
II.1 The exchange-rate regime and its influence on exports and capital accumulation .....	<i>15</i>
II.2 The role of the wage regime .....	<i>19</i>
II.3 Complementary macroeconomic management .....	<i>31</i>
III. The Role of FDI .....	<i>35</i>
IV. Policy Conclusions .....	<i>37</i>
References .....	<i>41</i>

*Figure*

1 GDP Per Capita Growth, Initial + 10 Years .....	<i>7</i>
2 Export Performances in China, Japan and the Republic of Korea .....	<i>7</i>
3 Developments of Imports in China, Japan and the Republic of Korea .....	<i>8</i>
4 Investments in China, Japan and the Republic of Korea .....	<i>9</i>
5 Consumption Growth in China, Japan and the Republic of Korea .....	<i>10</i>
6 Wage Increase and Productivity Growth in Chinese Manufacturing .....	<i>10</i>
7 Inflation and Nominal Exchange Rate, 1987–2002 .....	<i>12</i>
8 Different Measures for China's Real Effective Exchange Rate .....	<i>13</i>

---

9	Nominal and Real Interest Rates, 1994–2003 .....	15
10	Unit Labour Cost Growth and Inflation Rate, 1987–2000 .....	28
11	Real Wage and Productivity Growth, 1987–2000 .....	29
12	The Economic Cycle and the Wage Development .....	30
13	Change in Government and SOE Investment, 1991–2002 .....	32
14	Export Share Generated by Foreign-Owned Firms .....	36

*Table*

1	Main Asian Growth Episodes .....	6
2	Empirical Investment Function .....	19
3	The Share of State-Owned Industrial Enterprises of the Total Chinese Wage Bill .....	23
4	Potential Scope of 1994/1995 I Wage Reform .....	24
5	Potential Scope of 1994/1995 II Wage Reform .....	25

---

**GLOBALIZATION AND THE INTEGRATION OF CHINA INTO  
THE WORLD ECONOMY**

*Yuanjiang Sun*

A summary of the presentation .....	45
-------------------------------------	----

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**CHINA AND ITS NEIGHBOURS: PARTNERS OR COMPETITORS  
FOR TRADE AND INVESTMENT?**

*John Weiss*

Introduction .....	47
I. Trade Structure: China and the Region .....	50
II. Changes in Competitiveness in Third Markets .....	53
III. Competition for FDI: Is There a Diversion Effect? .....	60
IV. What is the Evidence on Trade Creation? .....	63
V. Conclusions .....	72
References .....	73

*Table*

1	Correlation Coefficients China and Regional Export Structures .....	51
2	Technological Structure of Manufactured Exports 2000 .....	52
3	Demand Decomposition Analysis of Manufactures: China and NIEs .....	54
4	China Threat to NIEs in the World Market 2000 .....	56



5	ASEAN 5 Decomposition of Export Increase to the United States, 1995–2000 .....	57
6	Trade Growth with China WTO Accession .....	65
7	Absolute Change in Bilateral Trade Balance with China in 2020 Compared with Baseline Scenario .....	65
8	Trade Growth with China Joining ASEAN .....	67
9	Trade growth with China Joining ASEAN Plus 3 .....	67
10	Intra-Industry Competitiveness 2020 for China by Sector and Trading Partner .....	68
11	Income Effects Relative to Baseline 2015 .....	70
12	Income Effects Relative to Baseline 2015 without Removal of Barriers on Food and Agricultural Products .....	70

### WHY IS CHINA THE WORLD'S NUMBER ONE ANTI-DUMPING TARGET?

*Yuefen Li*

<i>Abstract</i> .....	75
Introduction .....	75
I. External Factors .....	76
I.1 Anti-dumping laws could be used to benefit multinational enterprises and victimize late industrializers .....	76
I.2 MNEs can jump tariffs and avert anti-dumping via their foreign affiliates .....	78
I.3 Trade liberalization, contingent protection and newly industrializing economies .....	87
II. Domestic Factors Contributing to the Utilization of Contingent Protection Measures against Chinese Exports .....	88
II.1 Fast trade growth of standard basic goods with heavy market concentration .....	88
II.2 The diminishing role of the State .....	92
II.3 Processing trade is prone to trade frictions .....	94
II.4 WTO accession: non-market economy status .....	98
II.5 Lack of legal capacity to fight against anti-dumping litigations .....	99
II.6 Lack of leverage .....	100
II.7 Developing countries with similar economic development .....	101
III. Conclusion .....	102
References .....	104

*Figure*

1 Sales of Services and Goods of United States Affiliates in China, 1989 – 2001 .....	79
2 Trade Expansion in China from 1982–2004 .....	89
3 Export Destinations .....	91
4 Trend of Processing Trade .....	95

*Table*

Ratio of Share of Anti-Dumping Investigations and Share of Export Value .....	83
--	----

**CHINA'S NEW CONCEPT FOR DEVELOPMENT***Jiyao Bi*

Introduction .....	105
I. China's Development Trends and Issues .....	105
II. China's Development Strategy for Modernization Drive .....	109
III. China's New Concept for Development and its Implications ....	113
IV. China's Policy Strategy for Implementing the New Concept for Development .....	118
V. Conclusion .....	122
References .....	124

*Figure*

1 China's Economic Growth: 1978–2004 .....	107
2 China and World Growth: 1996–2004 .....	107
3 China's Imports and Exports: 1978–2004 .....	108
4 China's FDI Inflows: 1984–2004 .....	108

**FDI IN CHINA: TRENDS AND MACROECONOMIC CHALLENGES***Sebastian Dullien*

<i>Abstract</i> .....	125
Introduction .....	125
I. FDI in China: Stylized Trends .....	127
II. The Role of FDI in China's Development .....	131
II.1. Theoretical arguments in favour and against FDI .....	131
II.2. Empirical evidence on FDI .....	133

III. Imminent Trends in Chinese FDI .....	141
III.1. WTO accession .....	141
III.2. Real appreciation .....	142
III.3. Opening of the capital account .....	143
IV. Potential Problems .....	144
IV.1. Increased crowding out of domestic firms .....	144
IV.2. Balance of payment problems .....	146
V. Policy Conclusions .....	148
V.1. Strengthening domestic firms .....	149
V.2. Managing the real appreciation .....	150
References .....	152

*Figure*

1 FDI as Share of Fixed Capital Formation in China .....	128
2 FDI as Share of Private Investment in China .....	129
3 Share of FDI in China's Capital Stock .....	129
4 China's RCA for 5 Top Export Groups in 2002 .....	137
5 Ratio Output Volume to Value of Imported Parts .....	138
6 Relative Value Added for Different Products .....	139

*Table*

1 Single Sector's Share of FDI .....	130
2 China's Top 10 Exports in 2002 .....	138

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**MARKET OPENING, ENTERPRISE LEARNING AND INDUSTRY  
TRANSFORMATION – A CASE STUDY OF CHINA'S CAR INDUSTRY**

*Hong Song, Chai Yu*

<i>Abstract</i> .....	155
Introduction .....	155
I. Opening of China's Automotive Industry .....	157
II. Strategies of Multinational Enterprises and Their Impact on China .....	162
III. Strategic Adjustment of Chinese Automakers .....	167
IV. Market Opening and the Transition of Development Model of Chinese Car Industry .....	171
V. Strategic Counterfactual Analysis for Industry Transformation .....	176
VI. Conclusions and Implications .....	181
References .....	183

*Figure*

1 Changes in China's Automotive Market between 2000 and 2006 .....	158
--	-----

*Table*

1	Comparison of the Auto Prices in China and the World, 1 January 2000 .....	158
2	Tariff Reduction and WTO Commitments Made by China for Joining GATT or WTO .....	161
3	China's Major Car Makers in 2000 .....	164
4	China's Automobile Industry: Enterprises and Production .....	168
5	Impact on Employment .....	178
6	Export and Import of Joint Ventures in 2002 .....	179
7	The Benefits of Learning on Domestic Enterprises .....	180

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**ACRONYMS AND ABBREVIATIONS**

AD	anti-dumping
ADB	Asian Development Bank
ADB I	Asian Development Bank Institute
ASEAN	Association of Southeast Asian Nations
CEO	Chief Executive Officer
CES	creative electronic systems
CGE	computable general equilibrium model
CSRC	China Securities and Regulatory Commission
EEF	Engineering Employer's Federation of the United Kingdom
FDI	foreign direct investment
GATT	General Agreement on Tariffs and Trade
GDP	gross domestic product
HS	Harmonized System
IMF	International Monetary Fund
MDGs	Millennium Development Goals
MFN	Most Favoured Nation
MNE	multinational enterprises
MOFCOM	Ministry of Commerce of China
MOL	Ministry of Labour of China
NIE	newly industrializing economy
NME	non-market economy
OECD	Organisation for Economic Co-operation and Development
PBC	People's Bank of China
R&D	research and development
RCA	revealed comparative advantage
RDVA	relative depth-of-value-added
REER	real effective exchange rate
RMB	Renminbi
SARS	Severe Acute Respiratory Syndrome
SITC	Standard International Trade Classification
SOE	state-owned enterprise
TNCs	transnational corporations
ULC	unit labour cost
UNCTAD	United Nations Conference on Trade and Development
VAT	value added tax
WDI	World Development Indicators
WTO	World Trade Organization