

# Lessons of China's Experience and Experience of the US for China

## 中国经验的世界意义及美国经验对中国的意义

GWU 10TH ANNIVERSARY CONFERENCE ON U.S.-  
CHINA ECONOMIC RELATIONS AND CHINA'S  
ECONOMIC DEVELOPMENT

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## Opening scene of HBO political drama, *The Newsroom*, 2012

“There is absolutely no evidence to support the statement that we're the greatest country in the world. We're seventh in literacy, 27th in math, 22nd in science, 49th in life expectancy, 178th in infant mortality, third in median household income, number four in labor force, and number four in exports.

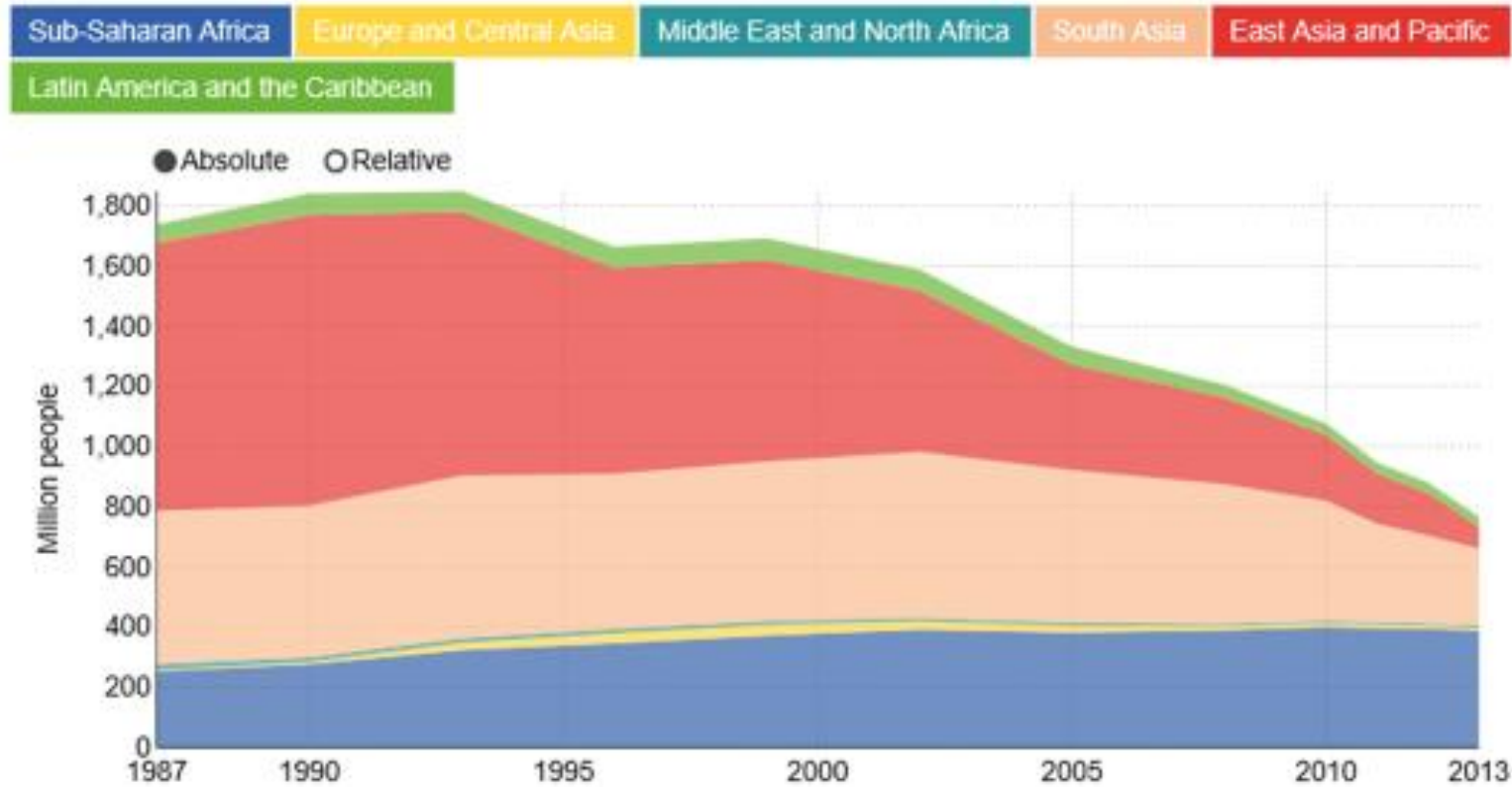
We lead the world in only three categories: Number of incarcerated citizens per capita, number of adults who believe angels are real, and defense spending where we spend more than the next 26 countries combined, 25 of whom are allies.

... We sure used to be the greatest country in the world, we stood up for what was right. We fought for moral reasons. We passed laws, struck down laws for moral reasons. We waged wars on poverty, not poor people. We sacrificed. We cared about our neighbors. We put our money where our mouths were and we never beat our chest. We built great big things, made ungodly technological advances, explored the universe, cured diseases, and we cultivated the world's greatest artists and the world's greatest economy. We reached for the stars, acted like men. We aspired to intelligence. We didn't belittle it. It didn't make us feel inferior. We didn't identify ourselves by who we voted for in the last election and we didn't scare so easy. We were able to be all these things and do all these things because we were informed. ... America is not the greatest country in the world anymore.”

# Total population living in extreme poverty, by world region, 1987 to 2013



Numbers are in millions of people. Extreme poverty is defined as living with per capita household consumption below 1.90 international dollars per day (in 2011 PPP prices). International dollars are adjusted for inflation and for price differences across countries.

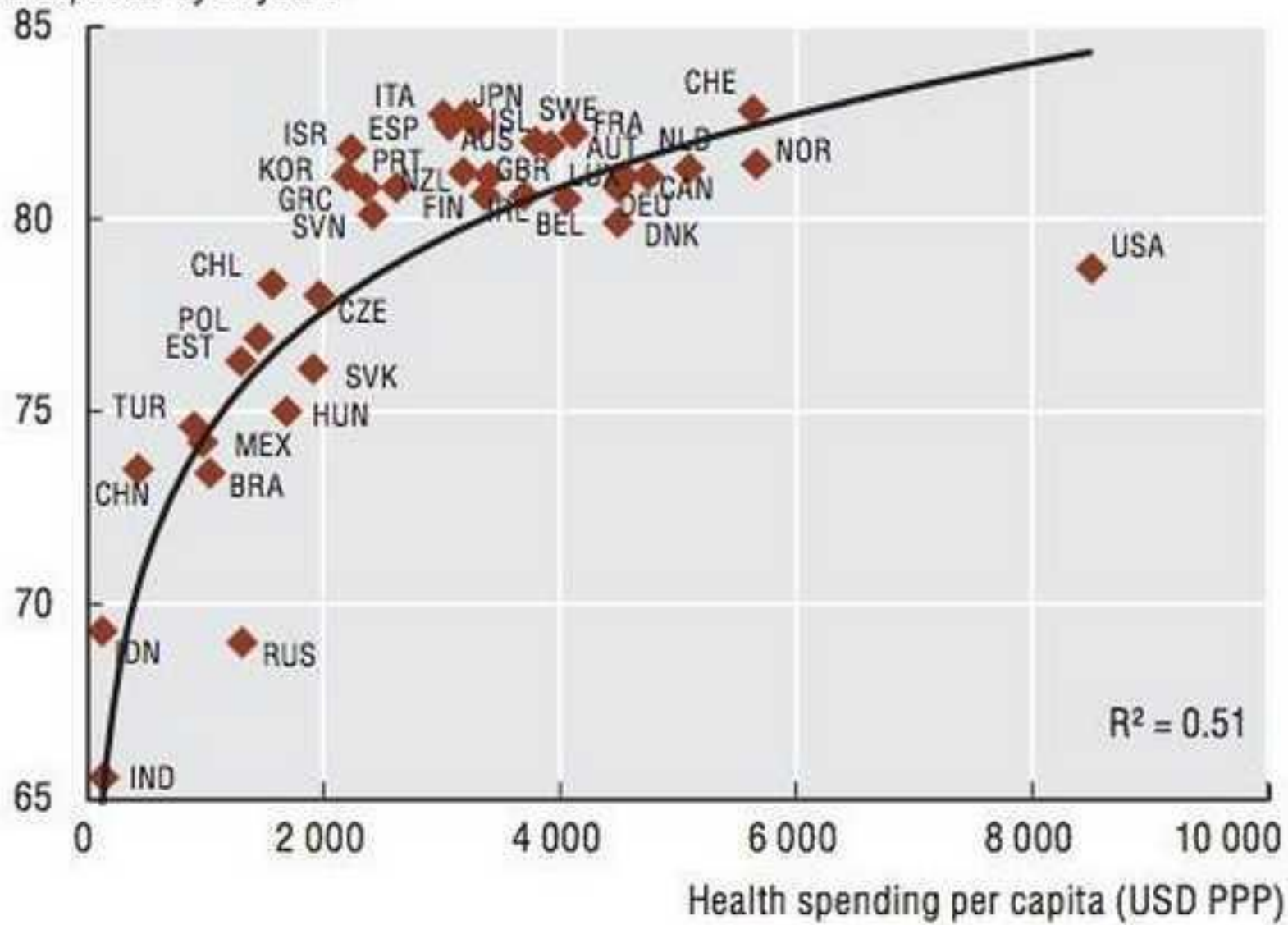


Source: World Poverty Absolute Number by Region - PovcalNet (World Bank)

OurWorldInData.org/extreme-poverty/ • CC BY-SA

Note: Consumption per capita is the preferred welfare indicator for the World Bank's analysis of global poverty. However, for about 25% of the countries, estimates correspond to income, rather than consumption.

# Life expectancy in years

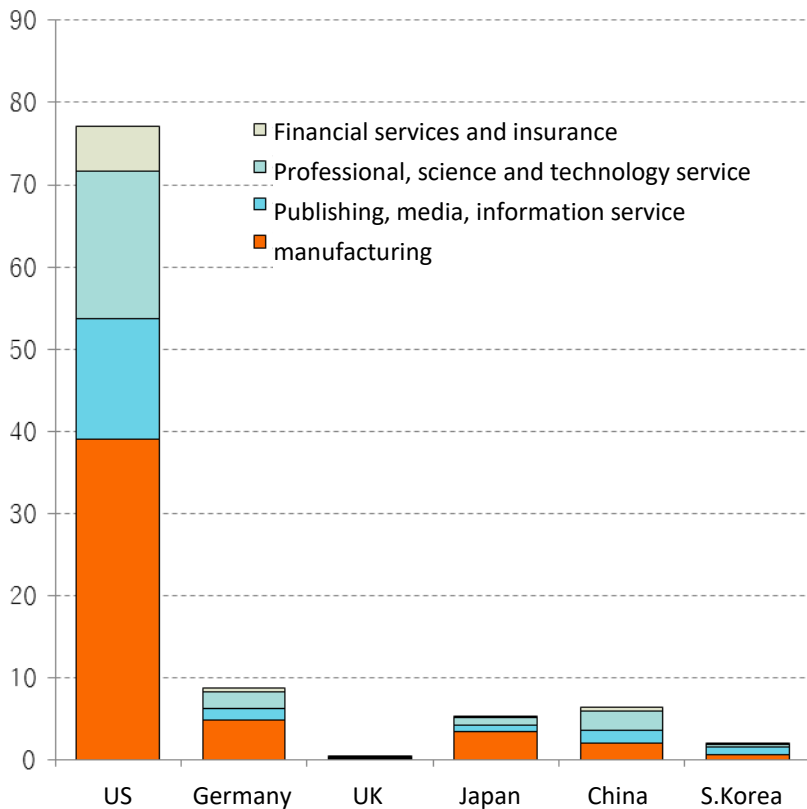


Source: OECD Health Statistics 2013 <http://dx.doi.org/10.1787/health-data-en>

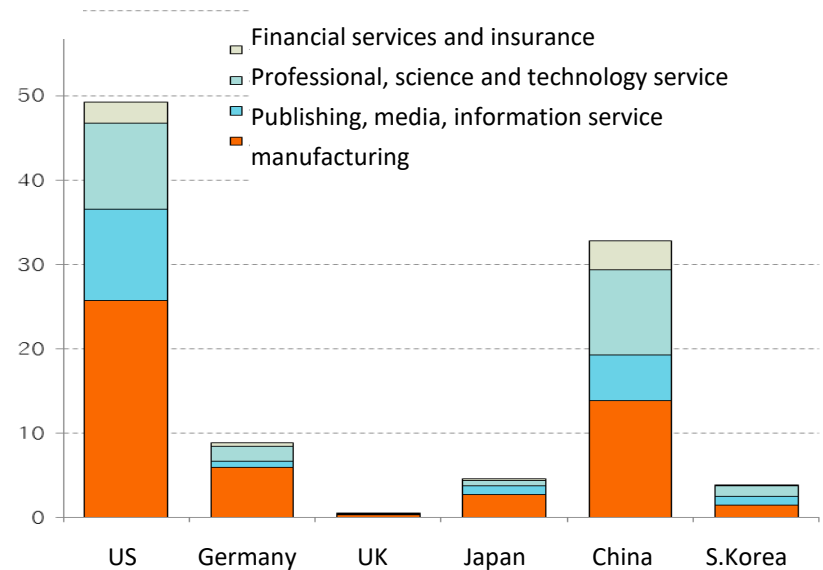
# South Korean Corporate Survey

(500 manufacturers, 500 service providers)

## Who are leading countries of the 4IR?



## Who will become leading countries of the 4IR in the future?



## HISTORICAL ECONOMIC PREDICTIONS ABOUT CHINA:

- 1990. The Economist. China's economy has come to a **halt**.
- 1996. The Economist. China's economy will face a **hard landing**
- 1998. The Economist: China's economy entering a **dangerous period of sluggish growth**.
- 1999. Bank of Canada: Likelihood of a **hard landing** for the Chinese economy.
- 2000. Chicago Tribune: China currency move nails **hard landing** risk coffin.
- 2001. Wilbanks, Smith & Thomas: A **hard landing** in China.
- 2002. Westchester University: China **Anxiously Seeks a Soft Economic Landing**
- 2003. New York Times: **Banking crisis imperils China**
- 2004. The Economist: **The great fall of China?**
- 2005. Nouriel Roubini: The Risk of a **Hard Landing** in China
- 2006. International Economy: Can China Achieve a **Soft Landing?**
- 2007. TIME: Is China's Economy **Overheating?** Can China avoid a **hard landing?**
- 2008. Forbes: **Hard Landing** In China?
- 2009. Fortune: China's **hard landing**. China must find a way **to recover**.
- 2010: Nouriel Roubini: **Hard landing** coming in China.
- 2011: Business Insider: A Chinese **Hard Landing** May Be Closer Than You Think
- 2012: American Interest: Dismal Economic News from China: A **Hard Landing**
- 2013: Zero Hedge: A **Hard Landing** In China
- 2014. CNBC: A **hard landing** in China.
- 2015. Forbes: Congratulations, You Got Yourself A Chinese **Hard Landing**.
- 2016. The Economist: **Hard landing** looms for China
- 2017. National Interest: Is **China's Economy Going To Crash?**



# US GDP *per capita* Growth Over 156 Years

