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# CHINA WATCH

## **China Will Remain an Important Engine of World Economic Growth**

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## **China Will Remain an Important Engine of World Economic Growth**

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According to data recently released by the National Bureau of Statistics, the total value of goods imported and exported by China in 2023 was 41.7568 trillion yuan, an increase of 0.2% over the previous year. Of this figure, exports amounted to 23.7726 trillion yuan, an increase of 0.6%, and imports amounted to 17.9842 trillion yuan, a decrease of 0.3%. The difference between imports and exports yielded a trade surplus of 5.7884 trillion yuan. Overall, the import and export of goods remained stable, and the trade structure continued to be optimized.

Over the past year, despite external pressures, the Chinese economy has maintained an overall positive trend of recovery. Under the strong leadership of the CPC Central Committee with Comrade Xi Jinping at its core, the entire Party and the people of all ethnic groups nationwide have risen to the challenge, overcome internal difficulties, adhered to the general principle of pursuing progress while ensuring stability, comprehensively deepened reform and opening-up, intensified macroeconomic regulation, and focused on expanding domestic demand, optimizing structure, boosting confidence, and preventing and defusing risks. As a result, China's economy has rebounded and solidly progressed toward high-quality development. The Chinese economy, like a large ship, continues to forge ahead through the waves, becoming an important driving force behind global economic growth. As precisely expressed by World Economic Forum President Børge Brende: "Despite the severe challenges facing the world economy at present, China remains an important engine of global economic growth. China has sufficient policy tools to boost the economy." As the dividends of Chinese-style modernization gradually becomes apparent, especially with the traction of new policies such as new urbanization, green transformation, and innovation-driven initiatives, China will further leverage its advantages—a vast market and strong production capacity—to open up broader opportunities for world trade and investment.

Looking ahead to the new year, the Chinese economy is poised for further growth, with bright prospects ahead. According to data from the Ministry of Commerce, from

January to November 2023, the total volume of service trade imports and exports in China reached 5.89 trillion yuan, a year-on-year increase of 9%; of this figure, the import and export of knowledge-intensive services amounted to 2.43515 trillion yuan, a year-on-year increase of 8.3%. Clearly, with the increasing proportion of knowledge-intensive services characterized by high levels of intellectual, technical, and innovative content, as well as significant investments in human capital and added value, China's economic structure is entering a new stage of optimization, upgrading, and high-quality development. On the way ahead, we will be able to consolidate and enhance economic recovery, establish better momentum, and provide a strong and sustainable impetus for the world economy only by fully, accurately, and comprehensively implementing new development concepts, achieving effective qualitative improvement and reasonable quantitative growth in the economy, and focusing on the central task of economic construction and the primary task of high-quality development.

Currently, the world is facing issues and challenges such as slow economic growth, minimal and increasingly fragmented trade expansion, and escalating uncertainty and instability risks. Various forms of protectionism are clearly on the rise, and equally worrisome are attempts to solve domestic problems by external means or by transferring conflicts elsewhere. The latest World Bank "Global Economic Prospects" issued in January 2024 indicated that the five-year period from 2020 to 2024 may have been the slowest five years of global gross domestic product (GDP) growth in 30 years. This year's global economic growth is projected to decline from 2.6% in 2023 to 2.4% (compared to 3.0% in 2022 and 6.2% in 2021). How can we turn the tide, avoid risks, regulate the macroeconomy, and uncover the drivers of growth? A series of challenges are once again confronting countries around the world, greatly testing the resilience of their economies. Among them, China will continue to be an important player in global development. The steady economic progress and significant potential in trade and investment of China, the world's second-largest economy, are undoubtedly major positive news for the current global economy. The international community continues to call for timely and effective response strategies on major multilateral economic governance platforms, hoping that all parties will present effective solutions and maintain a high level of attention to China's proposals and contributions.

China advocates inclusive and sustainable economic globalization and strives to promote healthy development of the global economy. Recently, the Central Conference on Work Relating to Foreign Affairs raised important proposals, which have practical

relevance and offer strategic guidance, on initiatives for inclusive and sustainable economic globalization. These initiatives will lead economic globalization in the right direction and provide a solid foundation for building a community with a shared future for mankind. Economic globalization is an objective requirement for the development of productive forces; it is an inevitable result of technological progress, and also an essential path for the advancement of human society. Economic globalization promotes trade prosperity, facilitates investment, encourages the movement of people, and fosters technological development. For a considerable period of time, the scale effects of the world market, which resulted from economic globalization, has propelled rapid and healthy development of the global economy and the collective rise of emerging market countries. The facts prove that advocating a beggar-thy-neighbor “counter-globalization” policy cannot solve one’s own deep-rooted problems. Engaging in an every-man-for-himself unilateralism or building walls of isolationism will only further fracture global supply chains. In today’s interconnected world, countries must think about how they can foster mutual benefit and progress in world development while developing themselves well. Only then can they effectively address the problems of imbalanced development caused by the way global resources are being allocated among countries and within individual countries and work together to enlarge the “economic globalization” cake and distribute it fairly. No matter how the global situation evolves, China will advocate for inclusive and sustainable economic globalization and align with the common aspirations of countries worldwide, especially developing nations; it will support countries pursuing development paths that suit their own national conditions and work with them to tackle the structural challenges hindering global economic development, in order to achieve mutual benefit and prosperity.

When the world is good, China will be better, and when China is good, the world will be better. Well aware of this simple truth, China is responding to the issues of our times with practical actions. Forging ahead with a proactive mindset, high spirits, and sufficient confidence, China strives to achieve various goals in economic and social development. These efforts are with made with the aim of using Chinese-style modernization for making new and greater contributions toward the comprehensive construction of a strong country and the great rejuvenation of the Chinese nation.

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Translated by Thomas E. Smith