

*Asian Perspective Event: Development Cooperation
in the Asian Centers Washington 23, April 2013*

Critical Challenges China faces

**-implications for its own development and its role
in international development**

**Prof. Dr. Li Xiaoyun, College of Humanities and
Development Studies, Research Center for International
development, China Agricultural University**

1. Critical Challenges

After rapid economic growth and remarkable poverty reduction over last three decades, China has reached the middle income country group. This development experiences has gained global attention; however, this rapid transformation has also led series of consequences which China has to deal with over next decades.

- 1. Difficult to sustain its high economic growth rate while the country still need to maintain at least 7-8% to cope with huge employment pressure as well as an increasing expenditure on social welfare ;**
- 2. Rapid transformation has led to an increasing inequality in income as well as non-income measures. It is estimated that Gini increased from 0.38 in 1988 to 0.50 in 2010 ; official data shows that urban/rural income 3.2:1**

- 3. Rural poverty still largely exists . It is estimated that over 120 million people living under close to 2\$ line and substantial number of rural population above this measure still lack social support;**
- 4. Migrate number increased from 70 million in 1993 to 230million in 2012, and most of them are not covered by public services ;**
- 5. Rapid urbanization has led to various consequences such as pressure on social expenditure, inequality and so called difficulty of social management due to lack of civil society development ;**
- 6. Increasing deterioration of environment and natural resources conditions;**
- 7. Increasing demand for rule of law and governance issues**

2. Implication to China's Own Development with Respect to post-2015

In order to cope with all those challenges, China has set up its development strategy towards 2020. China does not follow post 2015 time course , but substantively consistent with the global concern of post 2015 development agenda. The strategy follows 5 dimensions, economic development, political development, social and culture as well as ecological and environmental aspects, particularly environment was prioritized as “Ecological civilization”. This strategy was proposed by the Party during recently closed conference, and was regarded as more balanced one ever.

This strategy follows concrete goals towards 2020:

Overall, to entirely reach to “ Xiaokang’ society with following indicators:

- 1. economic: GDP and average income per capita doubled in 2020 from 2010;**
- 2. Political : to establish governance system based role of law, and respect and human right and well as justice accountability;**
- 3. cultural development ;**
- 4. Public services: entirely equalize public good distribution and full coverage social protection to all members of the society;**
- 5. Environment: resources saving , resilience, environment friendly**

3. Implications for the Role in International Development

China's development agenda towards 2020 has taken the lessons from its own as well as from other countries, shifted to economic growth centered to inclusive model. It is developmental and emphasizes economic growth; however, it has largely focuses on reduce inequality as well as environmental aspects.

This provides an example of country-driven development agenda developing process that would set a case for developing the post-2015 agenda for other developing countries as the reference.

The party's document shows" terrorist, climate change, energy security, food security, disaster relief etc as ' common challenges", which implies China's commitment to its role in international development