

## CHINA'S IMPORTANT STEPS AND WAYS TO OCCUPY THE WORLD MARKET

Tokhirov Asadbek Ulugbek ugli

Shanghai University

International Trade Economic Relations

### ABSTRACT

The article analyzes the factors of competitiveness and efficiency of the Chinese economy, examines the dynamics of GDP growth rates, examines a number of problems that hinder the progressive growth of the economy and arise on the way to the status of a superpower, and also outlines further prospects for China's economic development.

**Keywords:** economy, China, development model, GDP growth rate, dynamics, National economy, economic development.

### INTRODUCTION

Over the past thirty years, China has attracted the attention of the entire world community. There are many reasons for this, but the most pronounced is the fact that China is the fastest growing economy in the world. For two decades (until 2020), China increased its GDP by an average of 10% every year. Modern China has a powerful economy with a GDP slightly exceeding \$10.9 trillion. (almost eight times more than Russia's GDP – \$1.3 trillion). GWP per capita – \$7,989. (in Russia – \$9,054) [1]. The Chinese economy is the second economy in the world in terms of nominal GDP and is regarded in this regard as the main competitor of the United States. Since 2022, China has been leading the ranking of countries by GDP based on purchasing power parity.

### MATERIALS AND METHODS

China is widely integrated into world trade and economic relations. The country is a major player in the world market of goods and capital. In 2019, China became the leader in terms of global exports, overtaking Germany. In the list of importers, China ranks high second only to the United States.

### RESULTS AND DISCUSSION

In addition, an indicator of a stable economy is competitiveness, which, in turn, is determined by two indices: the Global Competitiveness Index (GCI) and the Business Competitiveness Index (BCI). Based on them, the analytical group of the World Economic Forum annually compiles country ratings. As of 2016, China is ranked 28th out of 138 countries in the Global Competitiveness Index and 1st in the group of "efficiency-driven economies", where it was designated according to with its stage of development.

According to the National Bureau of Statistics of China, the first slowdown in GDP growth rates became noticeable in 2008, when the difference with the previous year's figure exceeded 4.5% (9.6% versus 14.2%). In 2009, the GDP growth rate decreased by another 0.4% and amounted to 9.2%. In the post-crisis year of 2010, China's GDP grew by 10.4%, and from the same year the second wave of decline in its growth rate began. In 2011, the figure dropped to 9.3%, and in

2012 – to 7.7%. In 2015, it amounted to only 6.9% - the minimum value since 1991. On December 19, 2016, in Beijing, the State Bureau of Statistics published a report according to which China's GDP in 2016 grew to a record low over the past 26 years 6.7%. Thus, for the sixth year in a row, the growth rate of China's national economy has shown negative dynamics, which, according to experts, will continue at least until 2020.

Despite the country's constant desire to develop its production potential, the Chinese economy has some problems that do not allow it to become the sole leader in the economic championship. Let's consider the main ones in more detail.

First of all, what makes China's domestic market extremely vulnerable is its direct dependence on the demand for Chinese goods in other countries. The economic downturn in countries and the inflationary contraction of other markets means for China a large-scale drop in the volume of exports of raw materials, agricultural products and industrial products. Today, China is developing in the direction set by the world market, but cannot radically change it. And if the current crisis in the development of the global market turns out to be protracted, then the PRC will face great socio-political upheavals and a disruption of the stable economic course.

Inflation is considered the second acute problem in China in recent months. High inflation (for some food products the price increase was 40–50%) led to a buying frenzy, reducing consumer opportunities on the national market. Chinese inflation is generated by problems in the global economy, which also increase inflation in other countries. Hence the first difficulties in marketing Chinese goods, causing disruptions in the circulation of capital. As a result, the money supply concentrated in companies puts pressure on the domestic market, causing price increases that squeeze it. The situation is aggravated by the peg of China's currency, the yuan, to the dollar. The Chinese government, in turn, is taking measures to limit the export of food, but they will not be able to contain inflation for a long time.

A separate block should reflect a group of problems associated with the development of the Chinese economy in general and export-oriented industries in particular [1]:

- the development of regions and industries is uneven, as it depends on the degree of their export orientation;
- placing export-oriented enterprises in a privileged position over others that support the internal economic structure;
- inefficient use of labor resources in export-oriented industries;
- growth of exports due to the use of more natural, labor and environmental resources (which leads to their rapid depletion), rather than through the introduction of new technologies and innovations; low competitiveness in the field of research development, design, marketing and service.

## CONCLUSION

China undoubtedly has a chance to reach the level of a first economic power. According to Miranda Carr, head of China research at NSBO, China will become the world's largest economy between 2025 and 2030. and will become twice the size of the United States by 2050 [2]. For this forecast to become a real fact, China, overcoming the framework of extensive growth, must switch to innovation, that is, take the path of business search for the latest technologies and developments, modernization of leading production processes.

## REFERENCES

1. Levchenko T. A., Chipovskaya T. S. Analysis of the structure and dynamics of China's foreign trade relations // Vestnik MGOU. Economy. 2021. No. 2.
2. Maksimova E. I. The Chinese economy: prospects for changing the model of economic growth // Eastern Analytics. 2020. No. 4.
3. National Bureau of Statistics of the People's Republic of China. URL: <http://www.stats.gov.cn/english>
4. Global Competitiveness Index 2022. URL: <http://gtmarket.ru/news/>