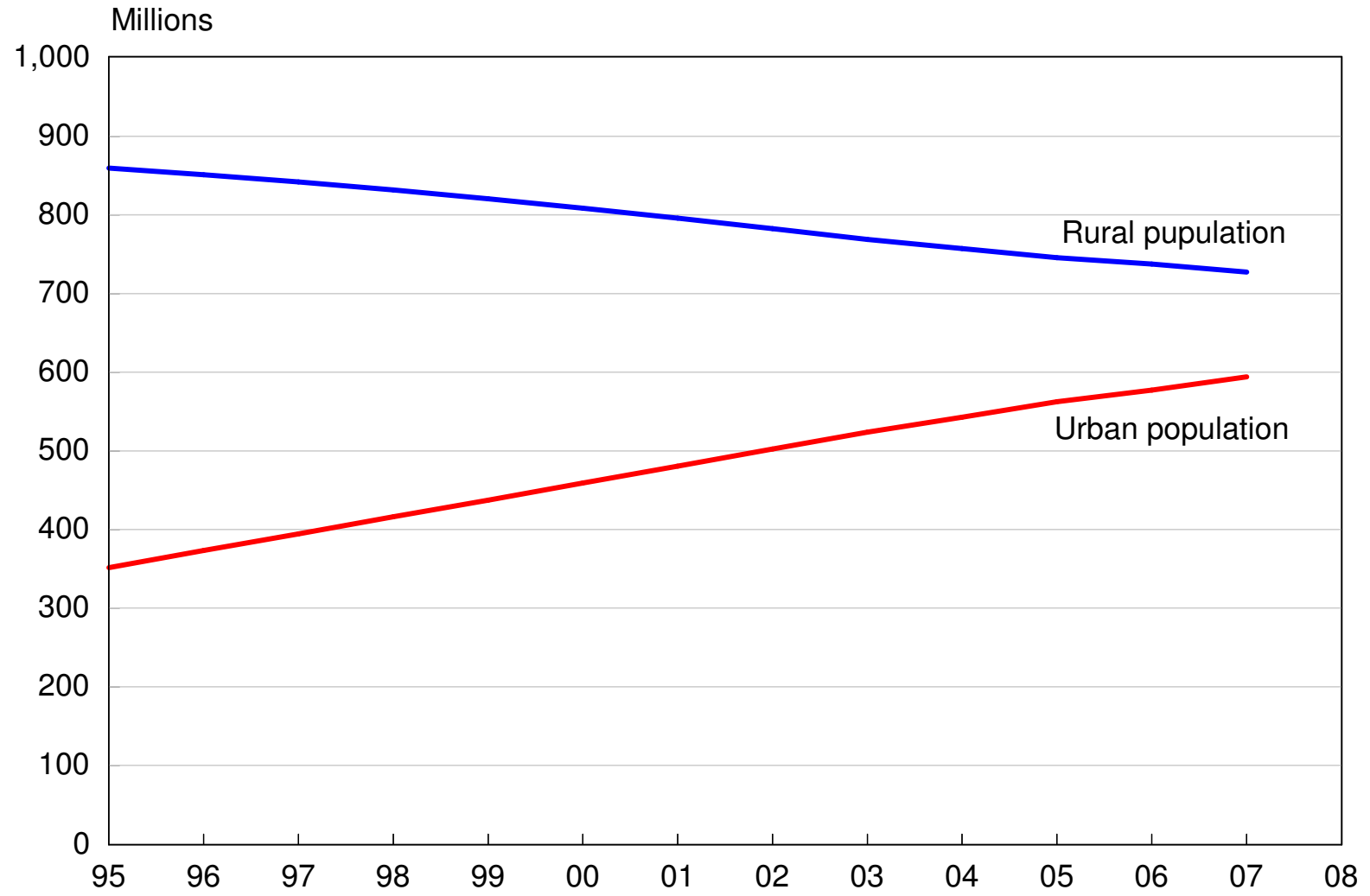


Key facts about China's demography and economy

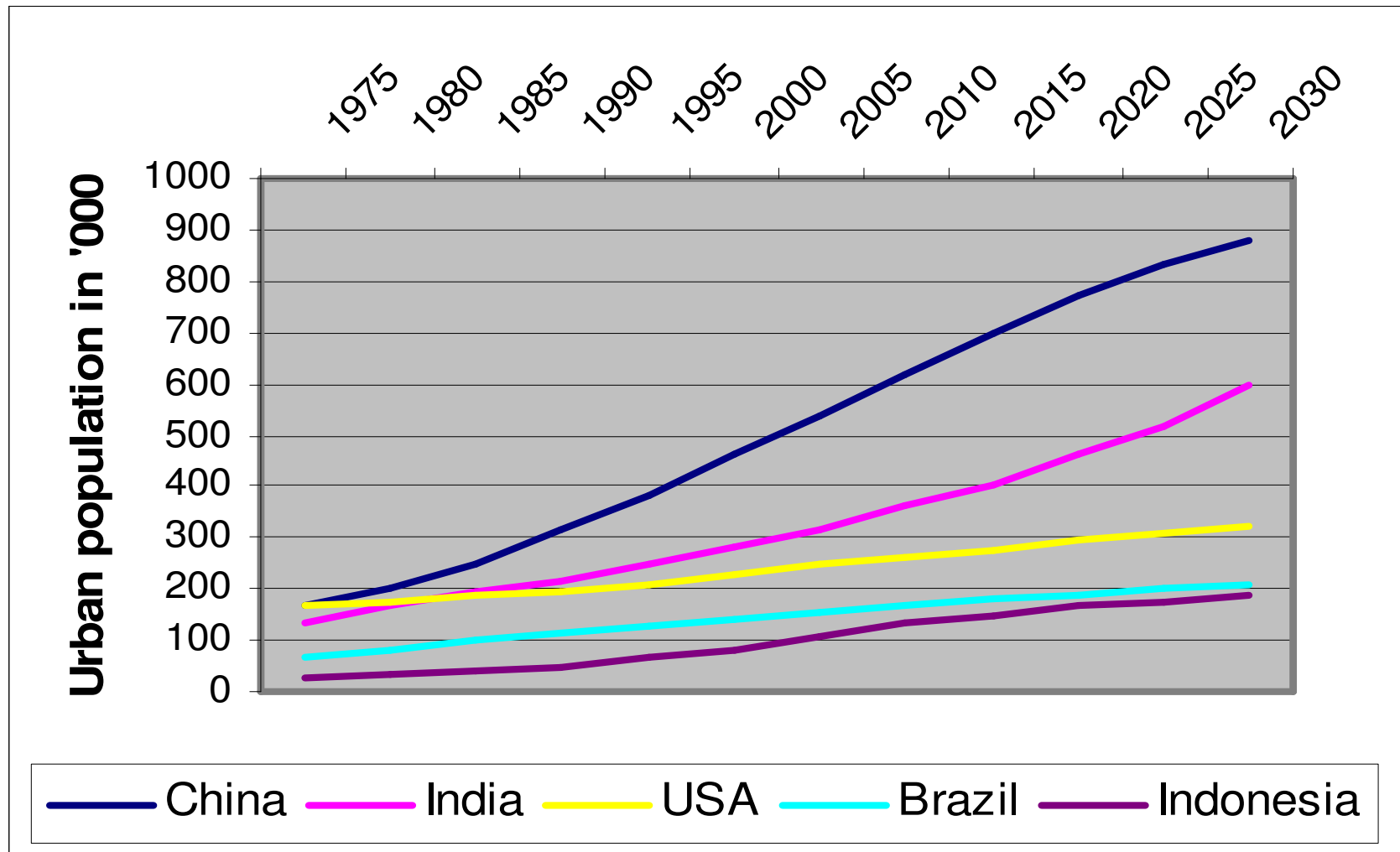
Capitol Hill Campus
The Mercatus Center

Pieter Bottelier – 6 August 2008

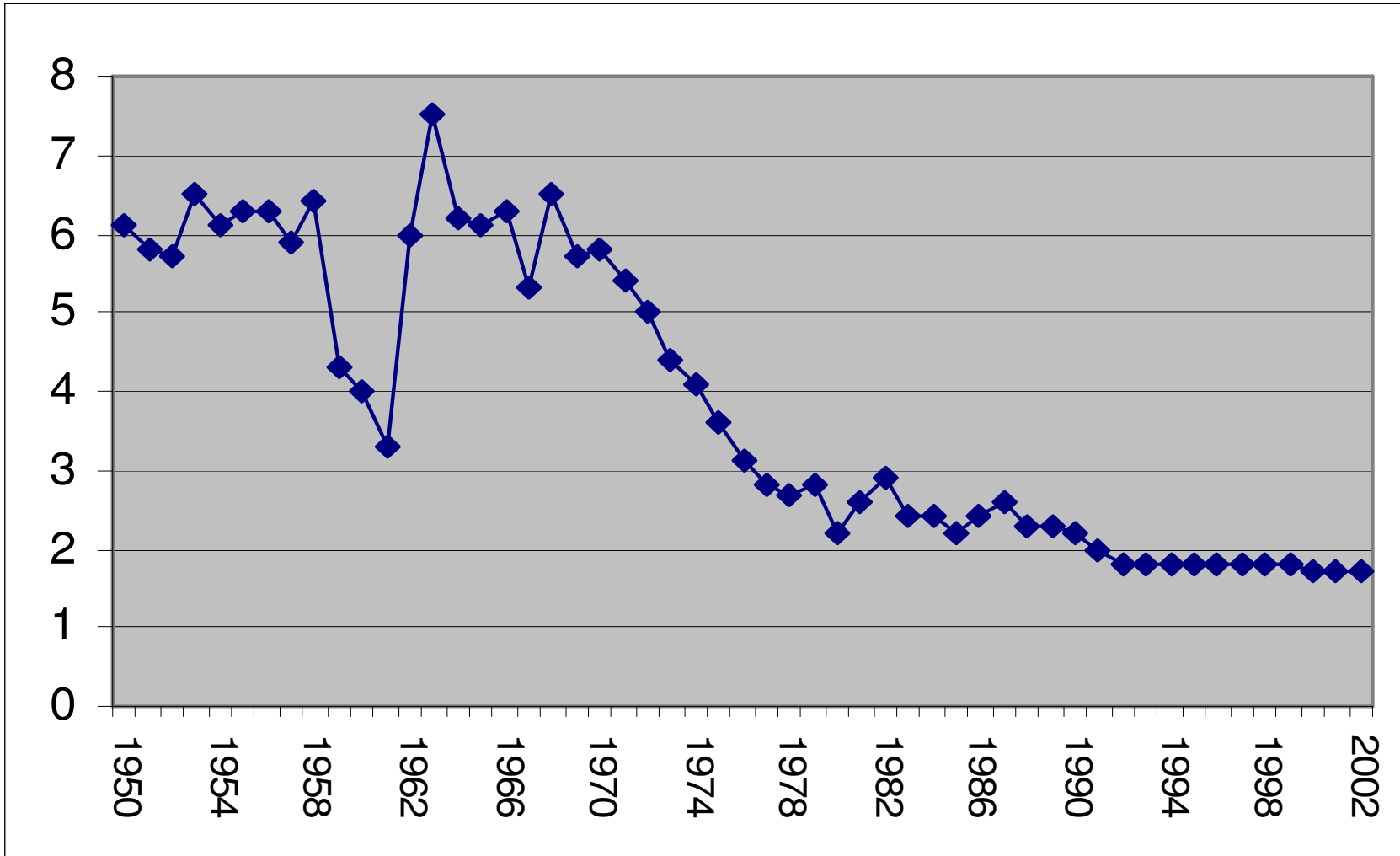
China's population - urban vs. rural, 1995 - 2007



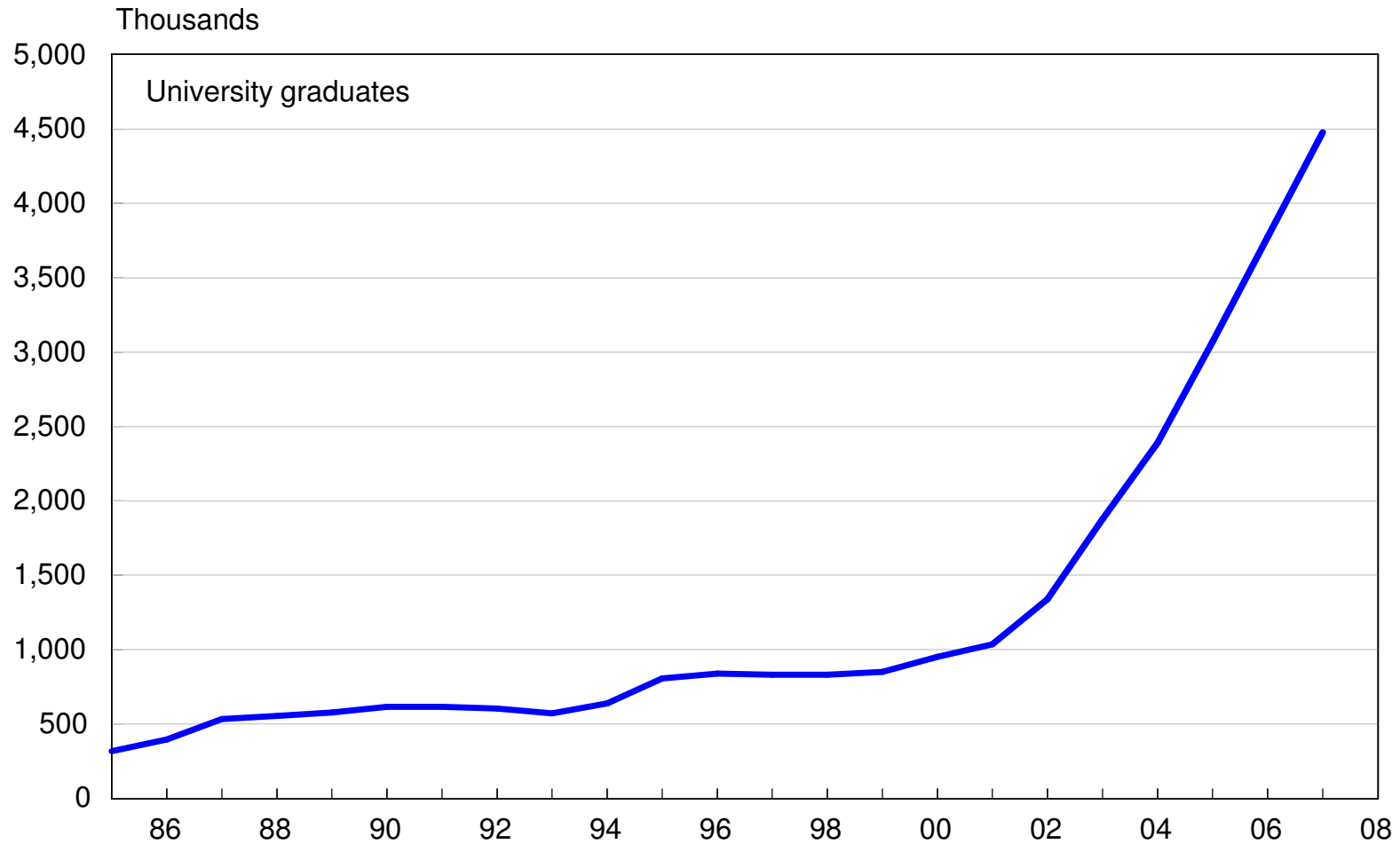
China's urban population is already the world's largest, by far



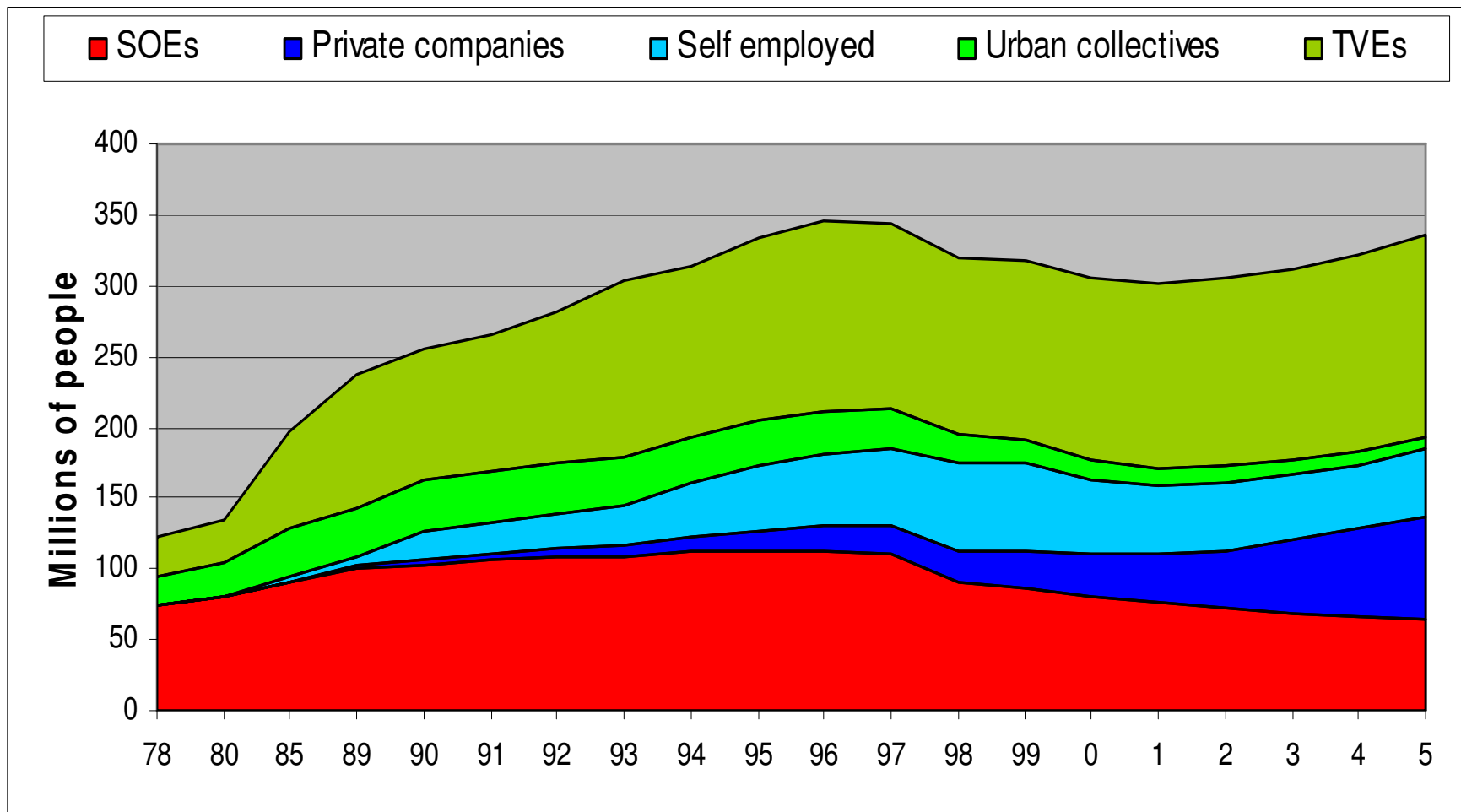
China's fertility rate started falling long before the one-child/family policy



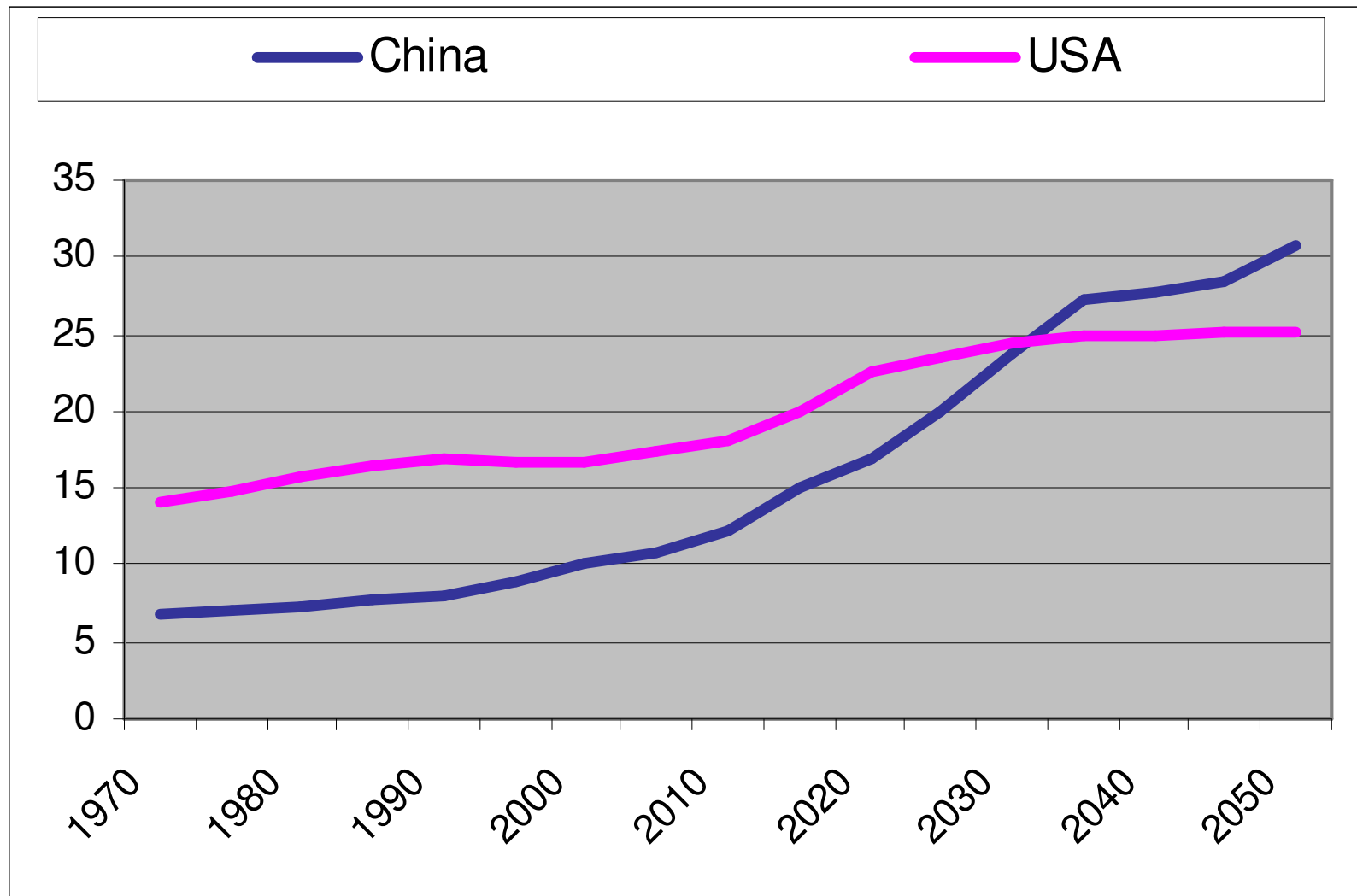
Higher education is exploding



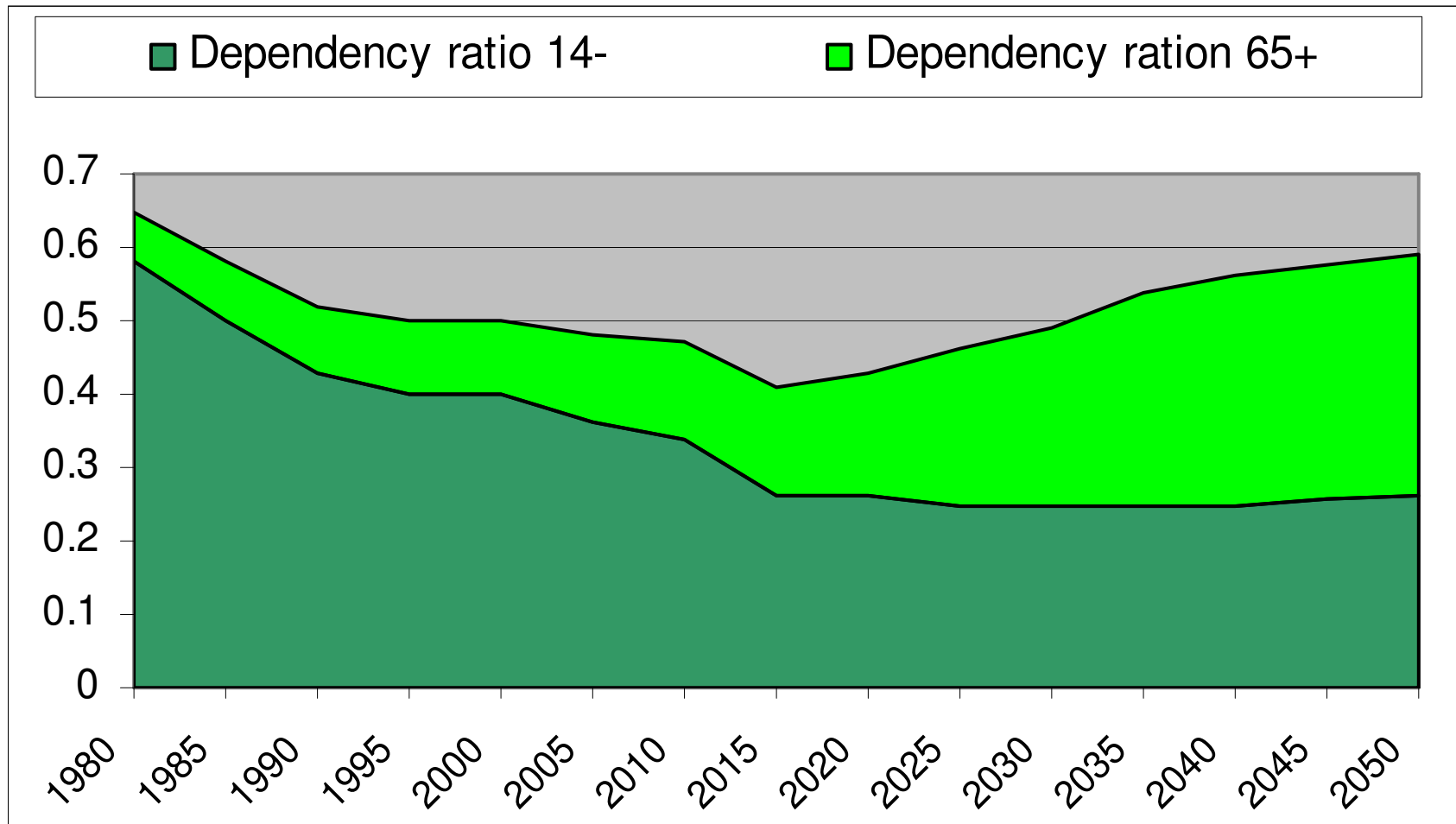
Composition of non-agricultural employment has changed dramatically



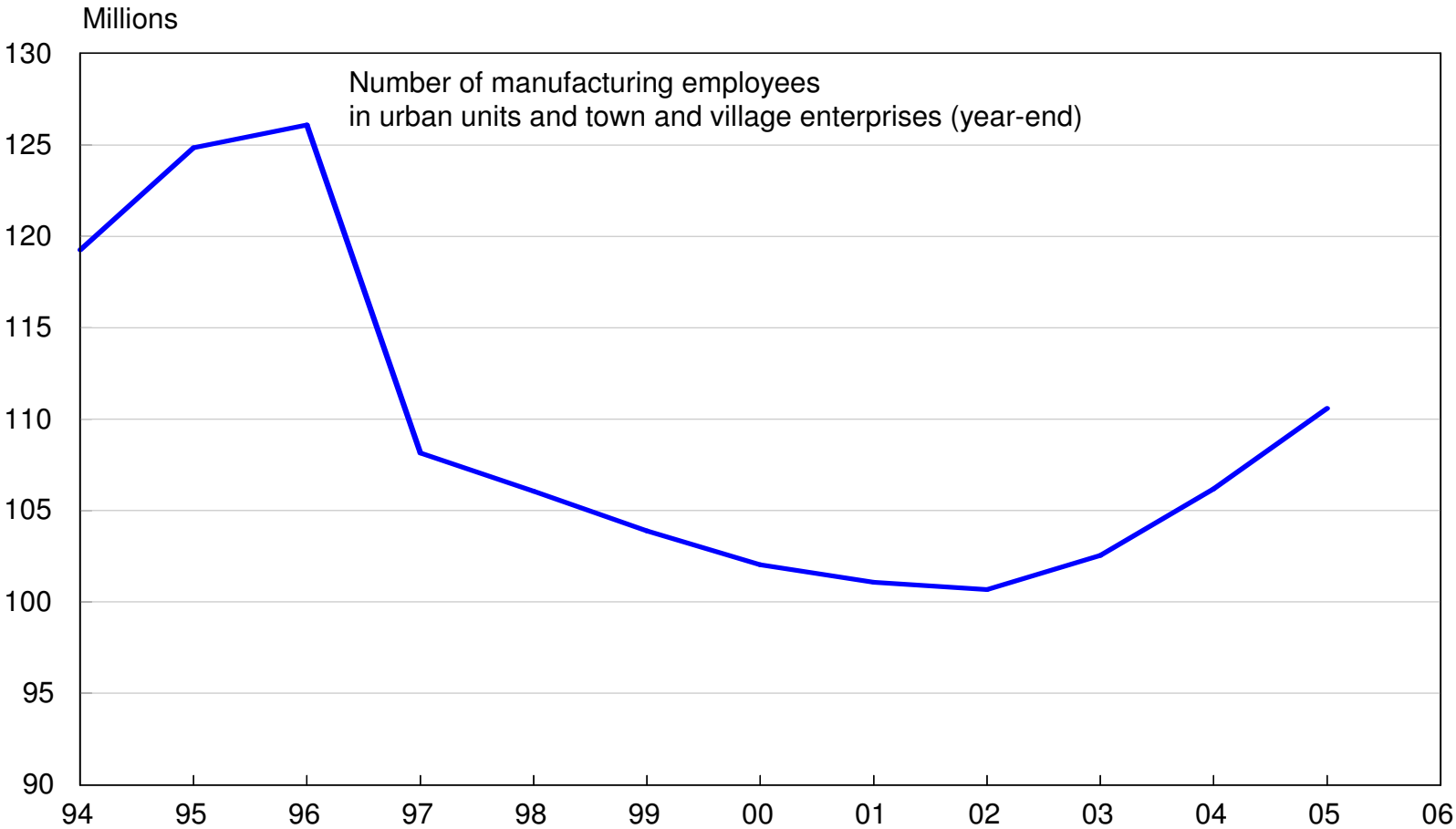
China is aging fast: percentage of the population over 60



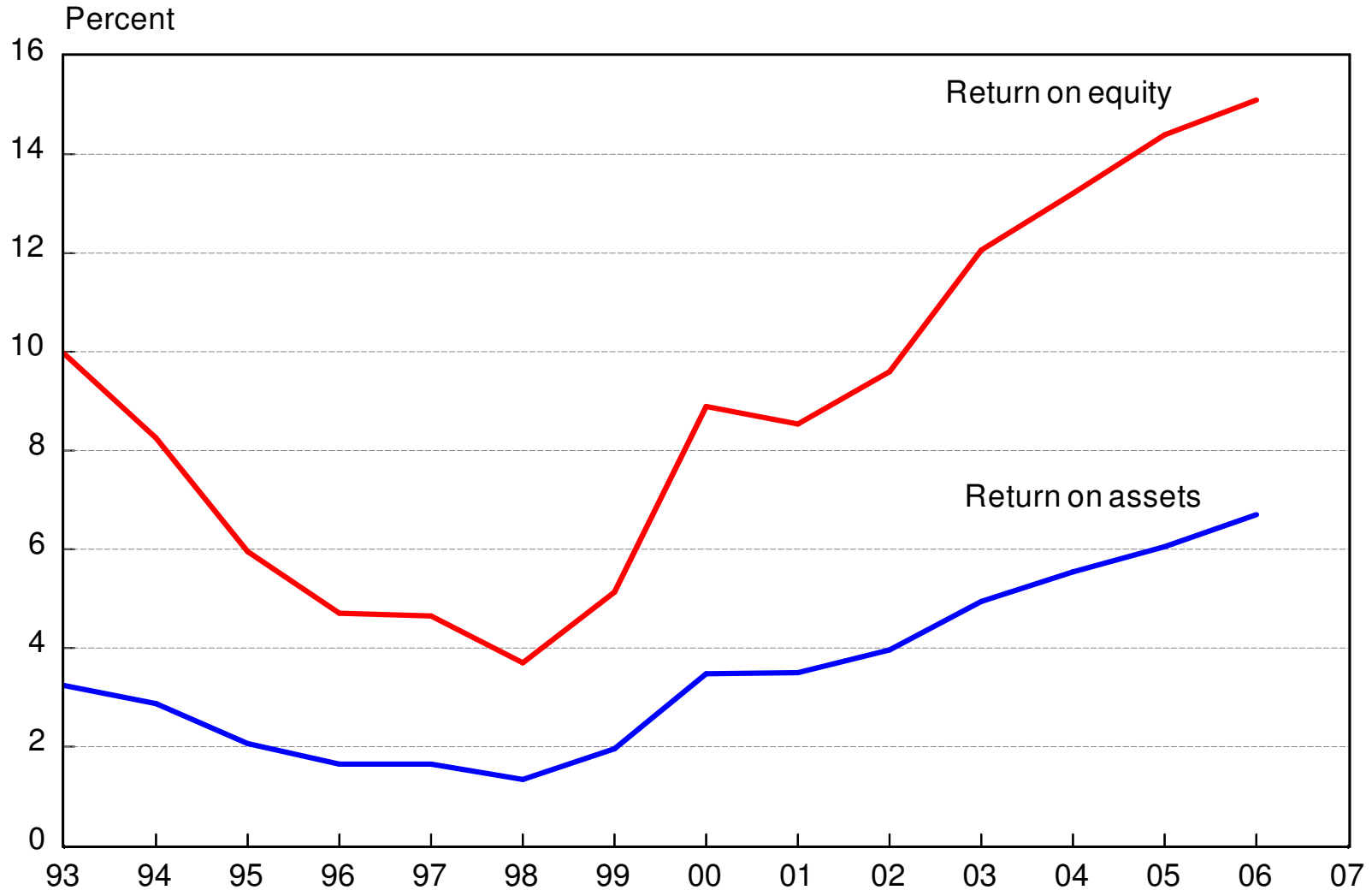
The combined dependency ratio will rise sharply from around 2015



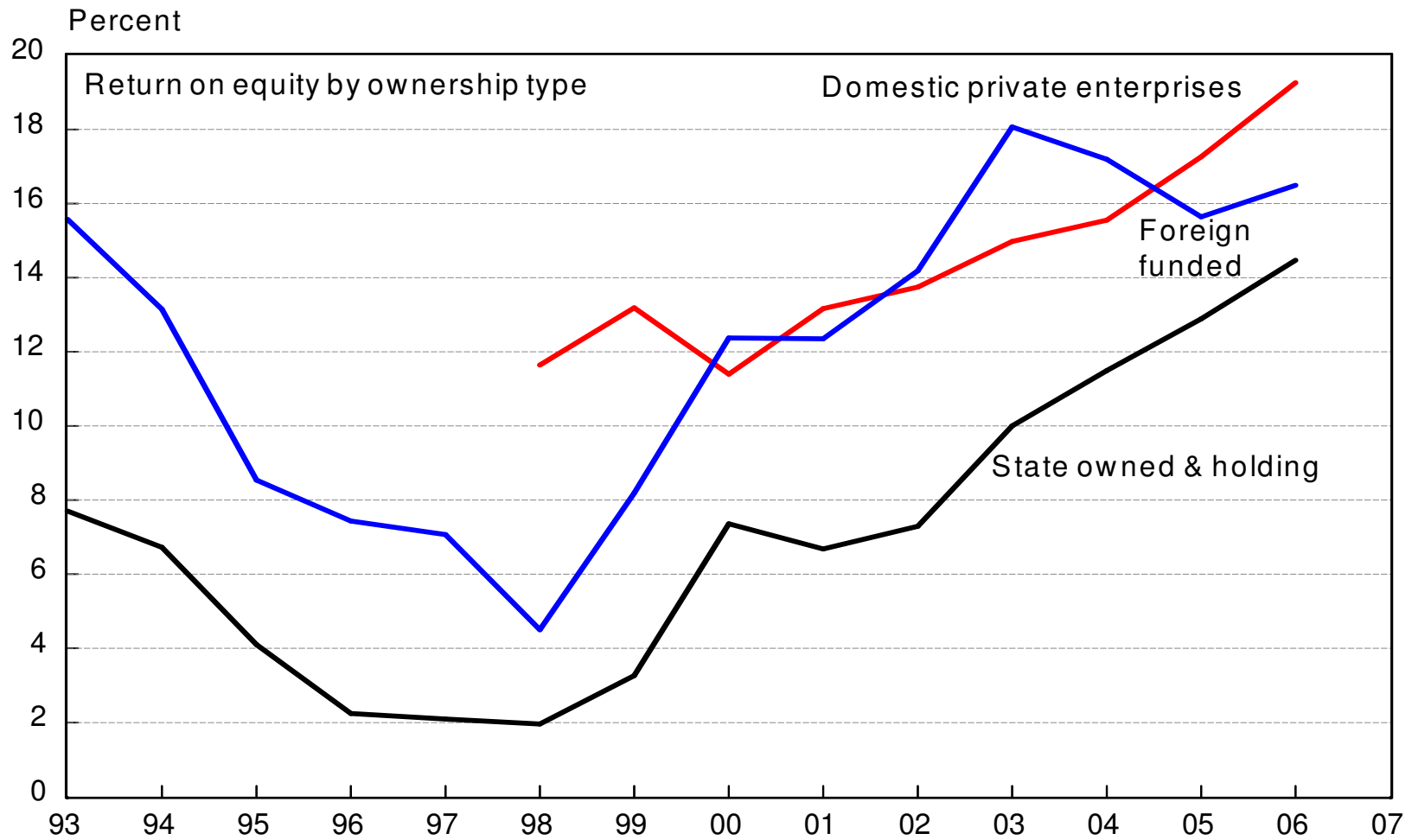
Manufacturing employment fell sharply from 1996-2002, period of intensive restructuring



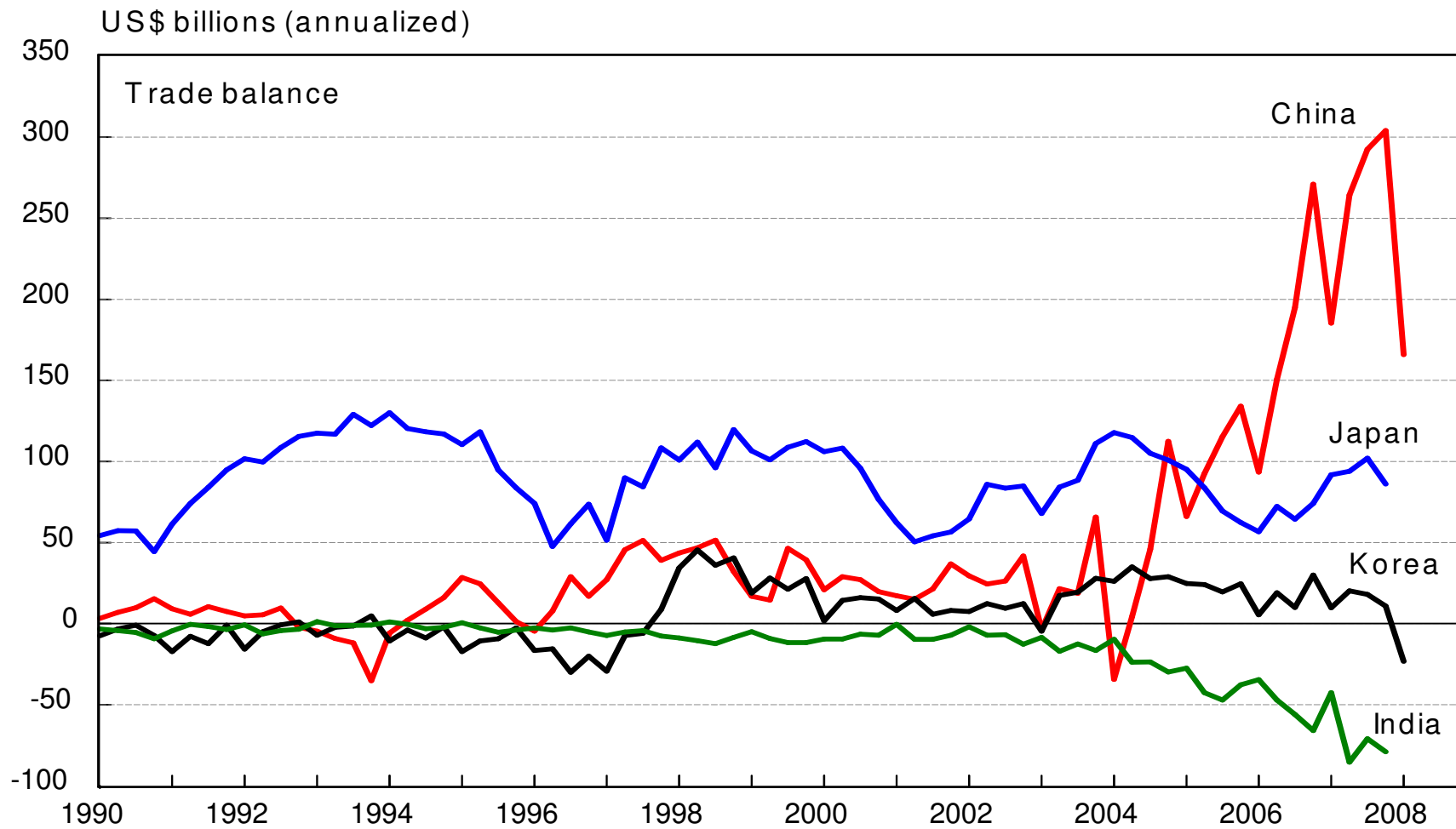
Corporate returns improved sharply since turn of the century



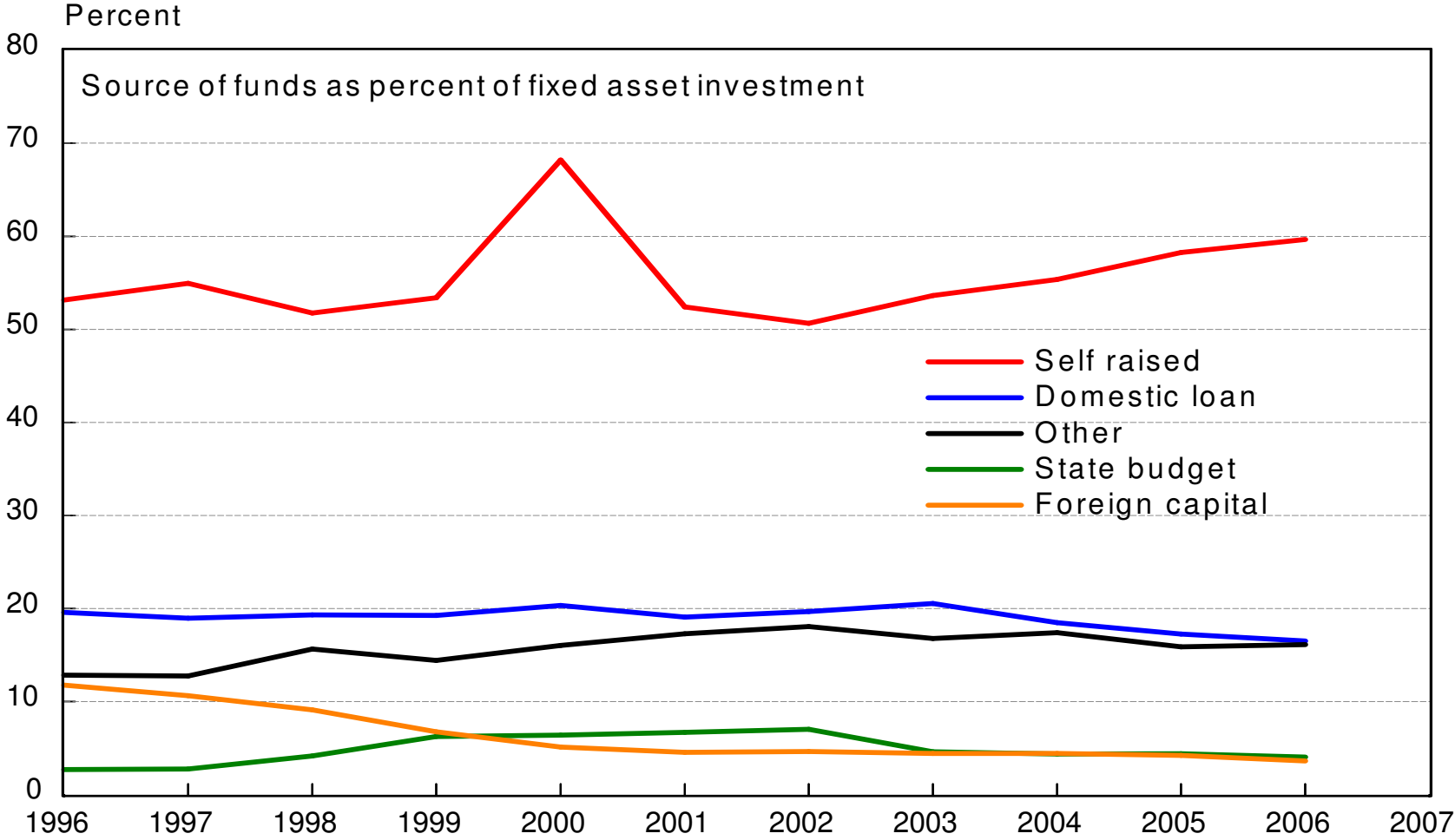
...and this applies to firms of different kinds of ownership



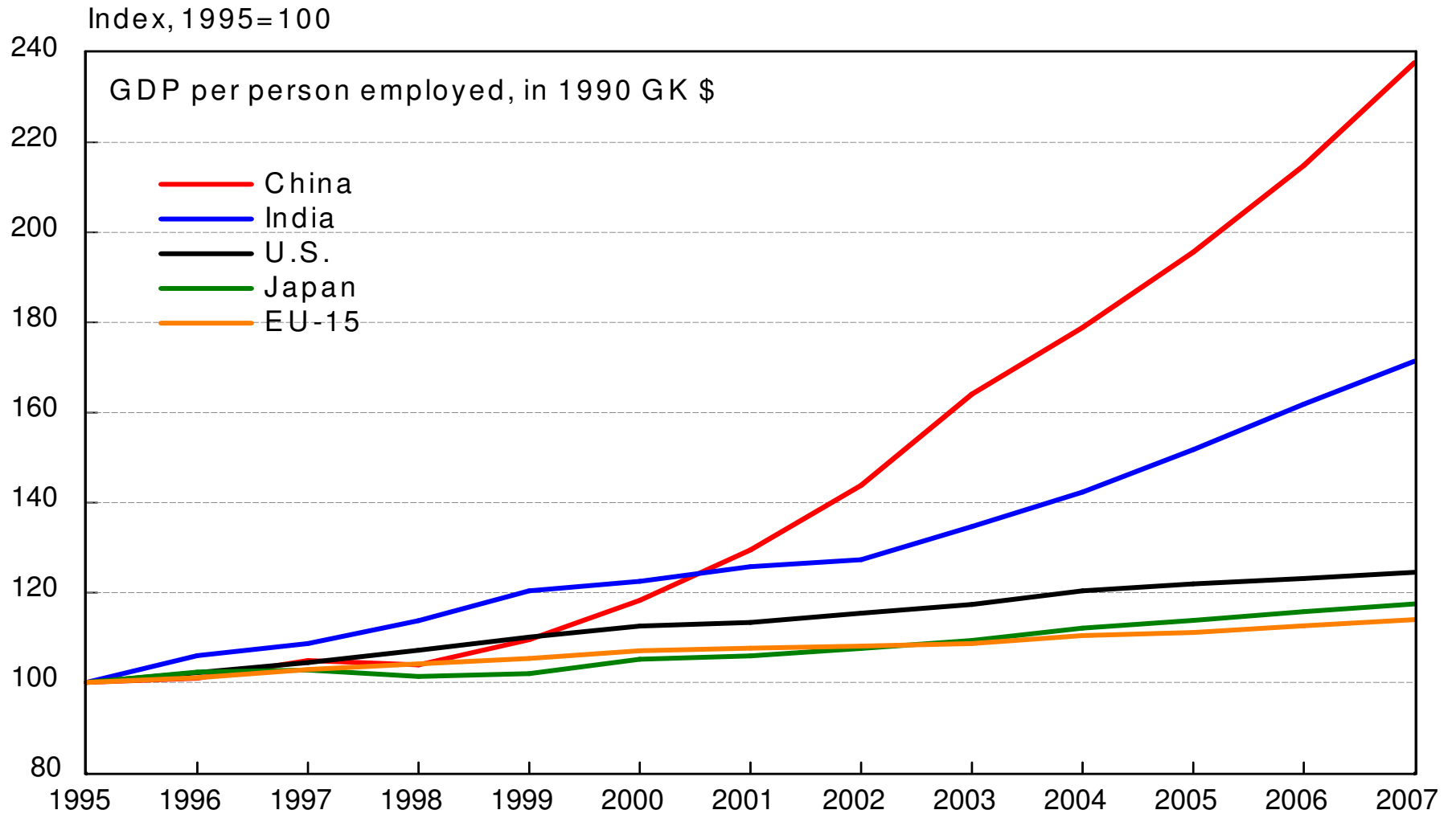
China's trade surplus with ROW exploded from around 2004 and is now shrinking



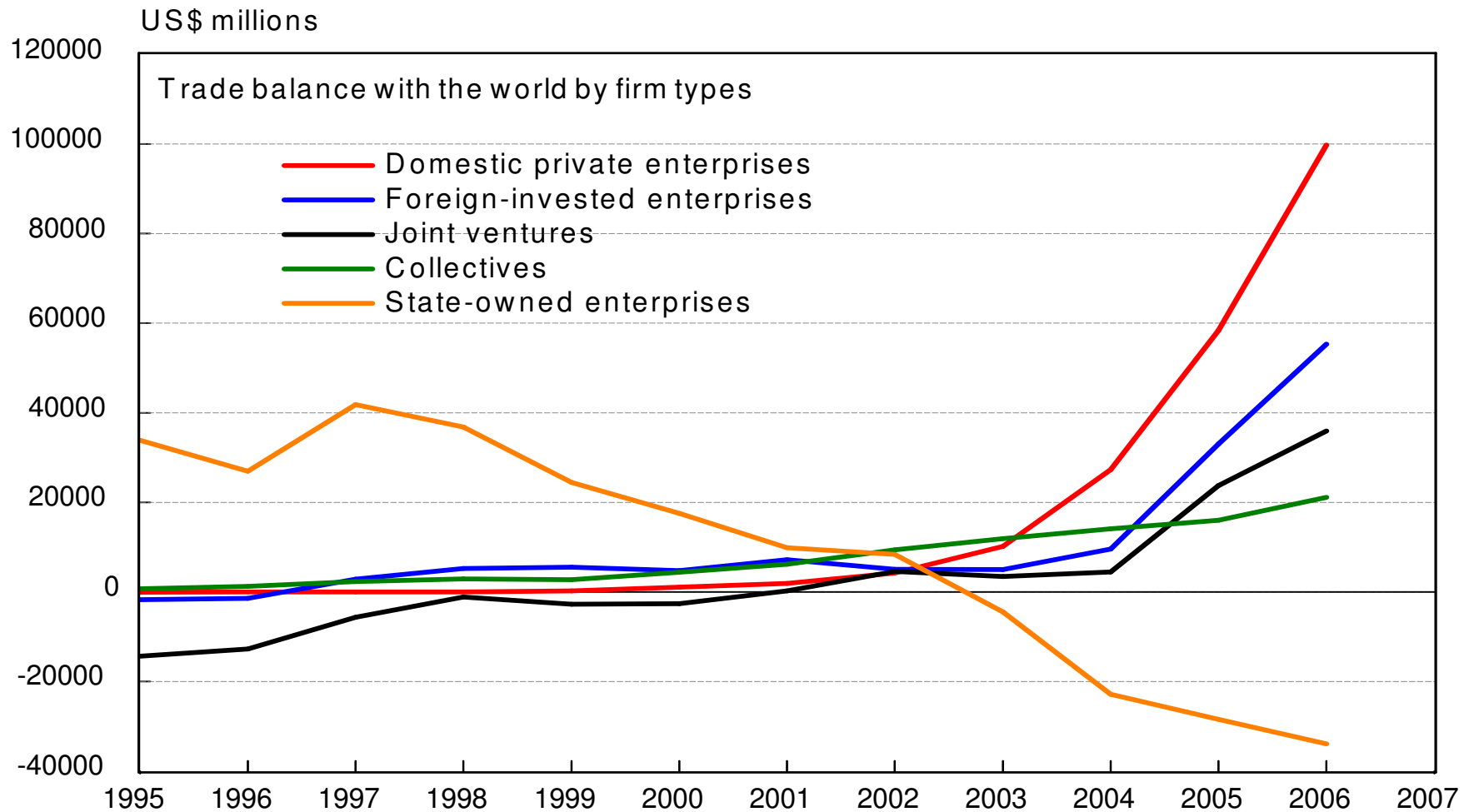
Corporate investment is mostly financed with “self-raised” funds, not state budget or bank loans



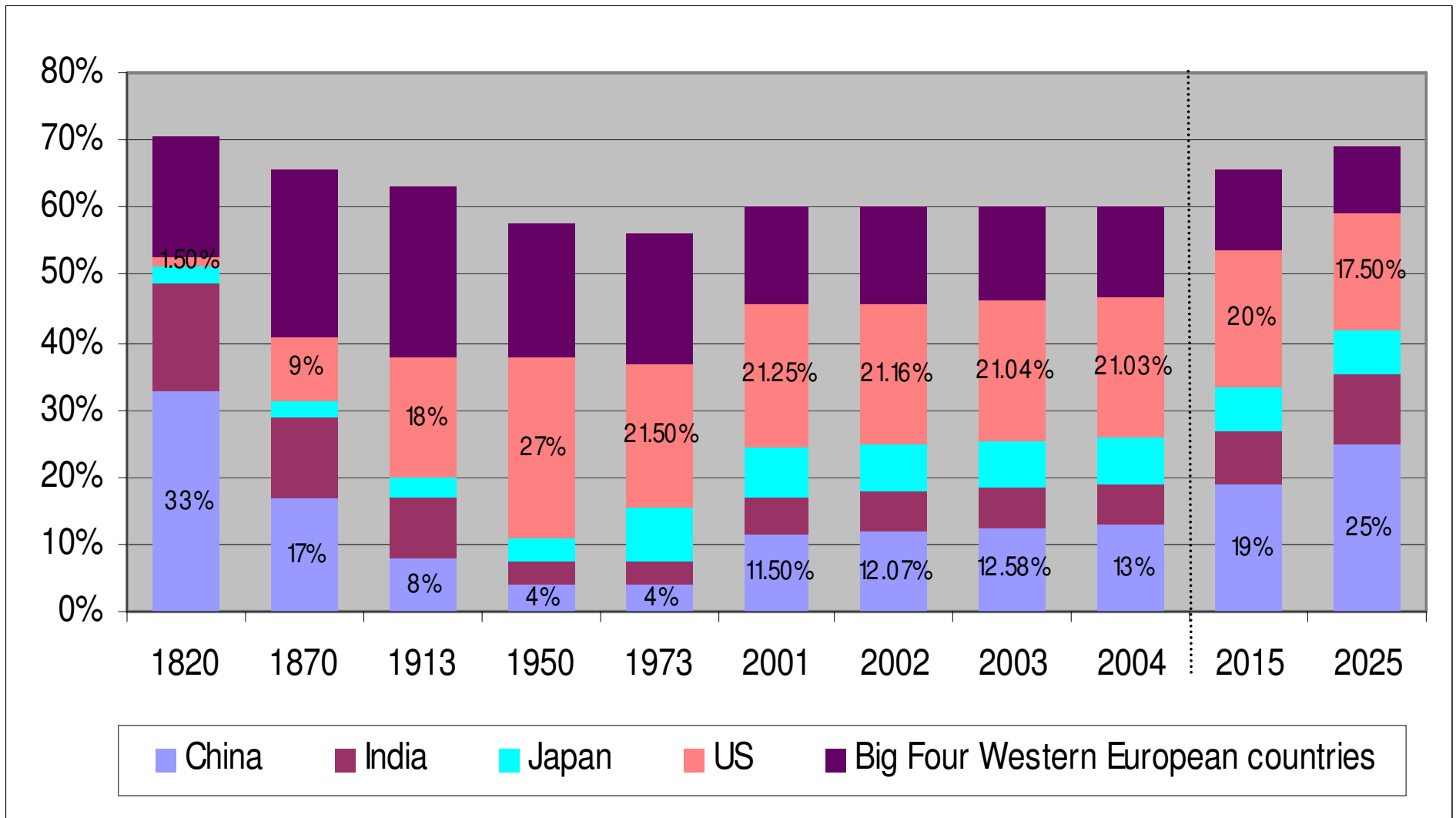
Productivity growth in China is much higher than in any other major economy



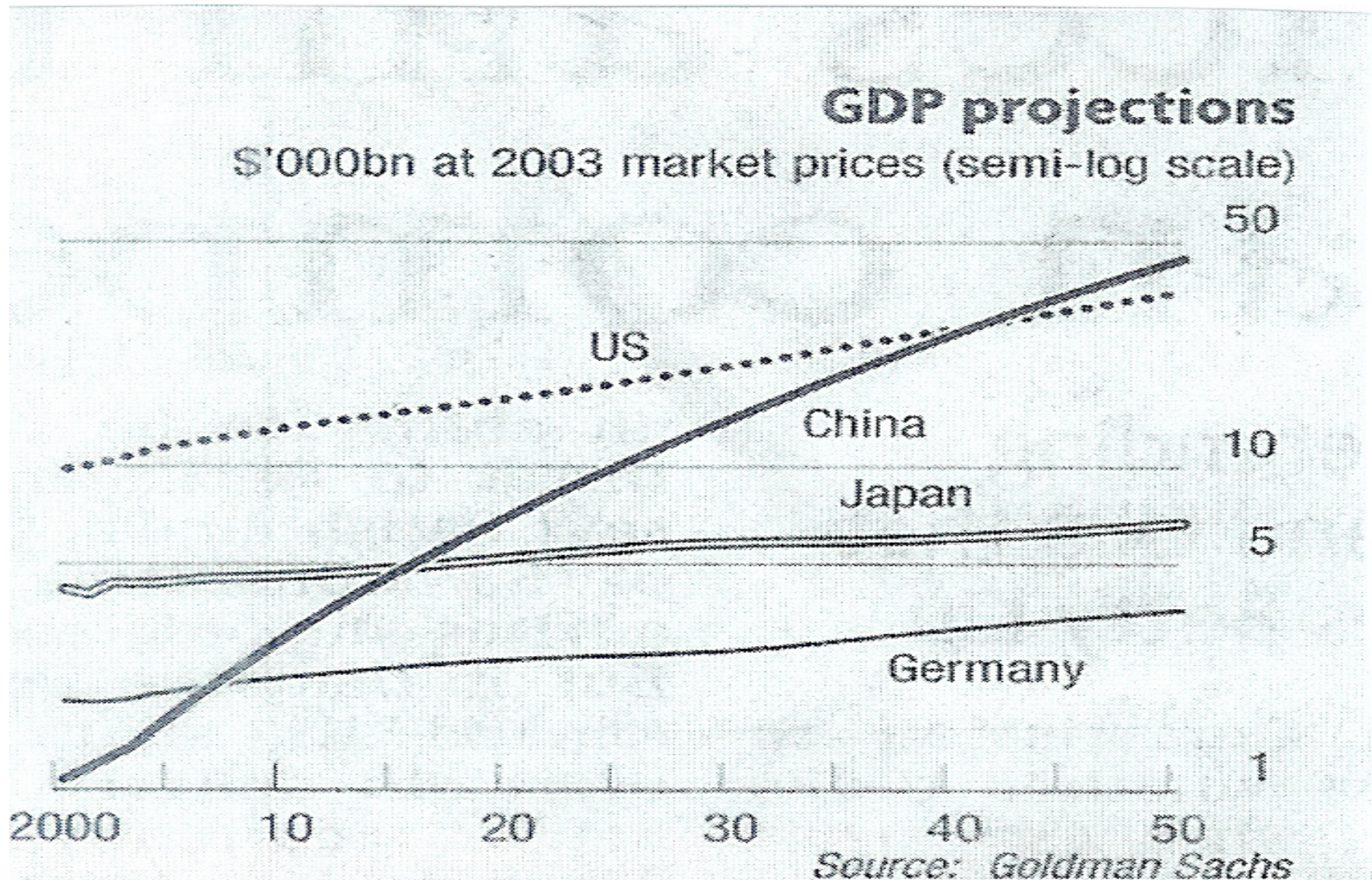
China's domestic private enterprises have begun to dominate net-exports



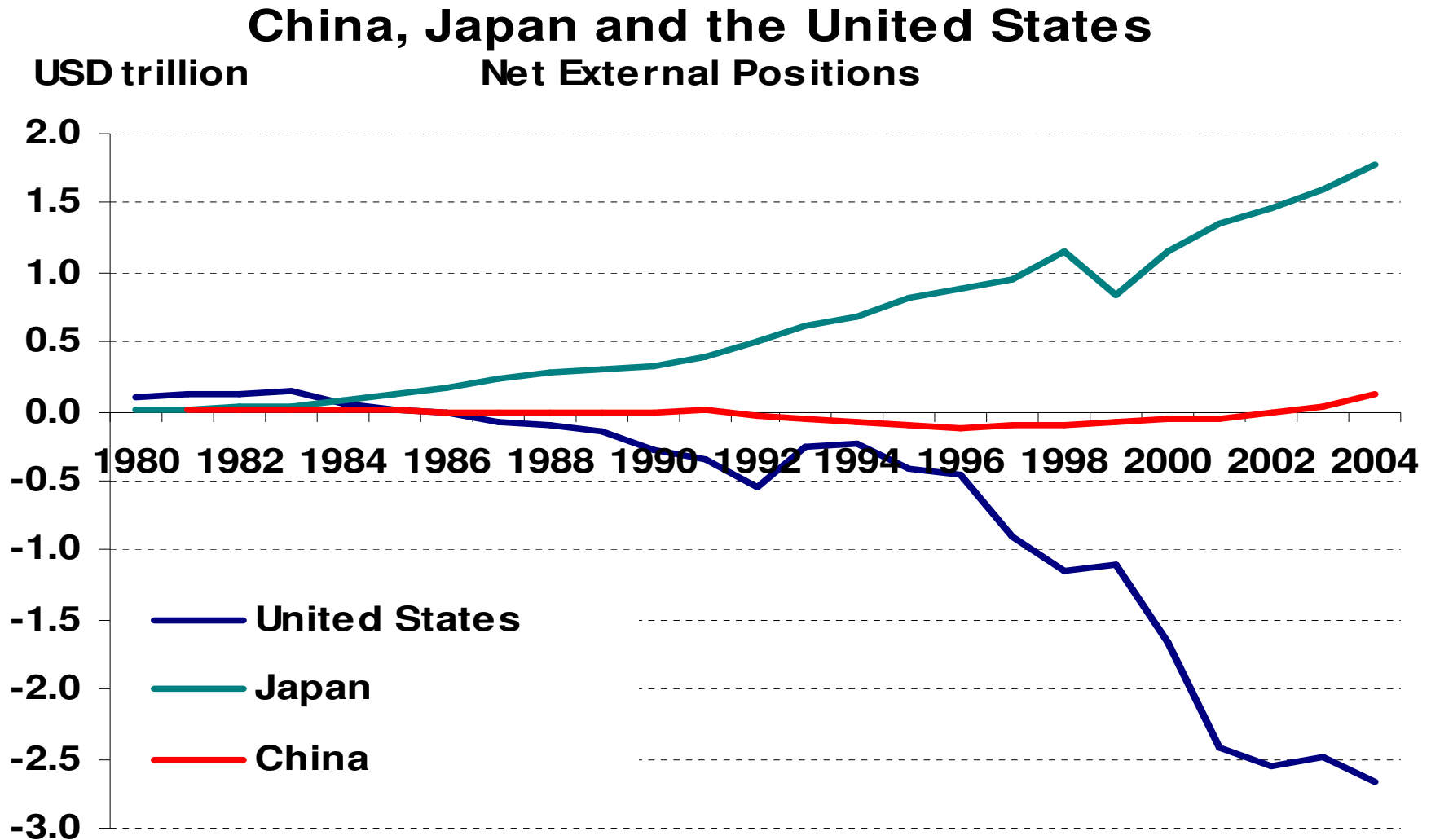
China's share in global GDP, 1820-2025 (on PPP basis) according to Maddison



China's GDP (at market exchanges rates) 2000-2050 according to Goldman Sachs (2003)

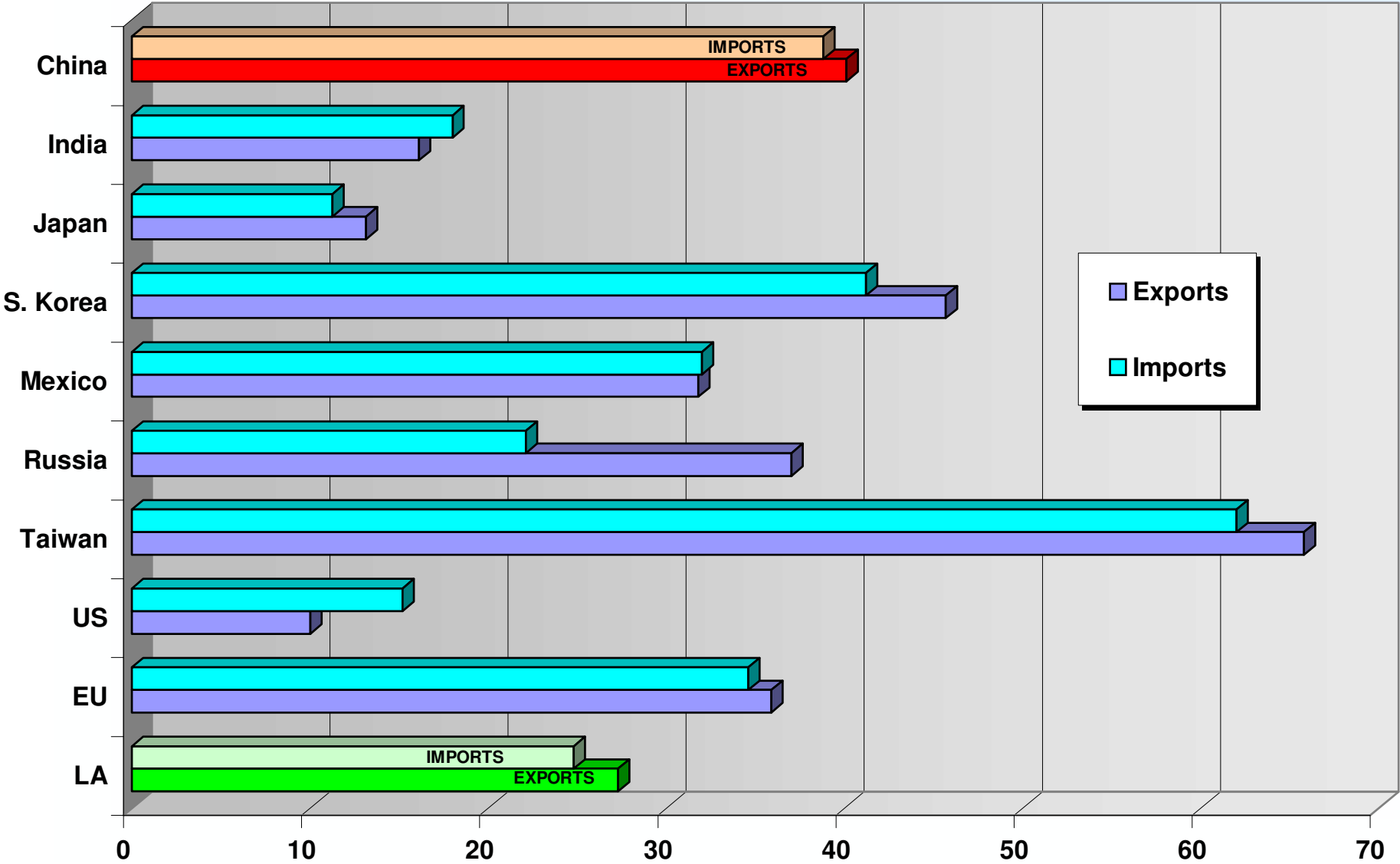


US, China and Japan net foreign asset/liability position 1980-2004 (IMF)



Imports and Exports as % of GDP

2004



Source: EIU (PEXP, PIMP) Exports and Imports of goods and non-factor services as a percentage of nominal GDP at market prices.

World Steel Consumption by Region - Back to Growth

