

Seminar Report - 2008

Linkages between Trade, Development & Poverty Reduction

National Economic Research Institute
November, 2008

The 4th seminar under the joint NERI-CUTS project *Linkages between Trade, Development & Poverty Reduction* was held in November 2008 in Beijing. This meeting invited relevant officials from government agencies, economists and researchers from universities and Chinese research institutions.

The purpose of this meeting was to discuss the macroeconomic situation in China, the global economic crisis, and how it affected the economy in world as well as in China, and how it affected trade in particular.

Discussion were actually around several issues, but following two issues were the common concerns among participants and became the focus of discussion, i.e. i) the ongoing global economic crisis that not only hit major developed countries such as the United States, Japan and major European countries, but also many other developing countries in the world. As a result, more countries and economies would either be seriously affected or enter into recession; and ii) reduced world trade and dramatic drop of China's total export.

Participants expressed concerns over trade situation in China, because the total trade volume dropped dramatically in the last few months. For example, the figure

showed that from January to September of 2008, China registered a drop of 4.8% in total export. Such rate of reduction in export volume certainly brought about negative economic problems to various sectors, to different areas and enterprises, especially to those manufacturing exporting products in southern part of China.

Meanwhile, the reduced export volume also caused China's industrial growth rate to fall by substantial margins. For instance, the industrial growth rate for the first three quarters of 2008 were 16.4%, 15.9% and 13.9% respectively. Obviously, such a slow-down in growth rate affected all types of enterprises in China, either stated-owned or private enterprises. Therefore, China's exporting industry and many enterprises were facing the serious challenge ever in history.

Participants also discussed relevant policy recommendations, and they all agreed that the government should take necessary policy measures as early as possible, so as to stabilize and readjust the current situation. Possible policy suggestions include adjustments on the tax rebate policies for exporting products, reduction of unnecessary administrative costs and fees for export enterprises, and stabilization of the Chinese currency, in order to ensure that the China export industries and the economy as a whole to survive the difficult times.

Agenda for Seminar #4

Trade, Development and Poverty Reduction

November 1 , 2008

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| 10:00 | Registration of participants |
| Venue | 1 st Floor |
| 10:30-11:15 | <u>Global Economic Crisis and Impact on China</u> |
| | Speaker: Prof./Dr. FAN Gang, Director
National Economic Research Institute |
| 11:15-12:15 | Open discussions, questions & answers |
| 12:15-13:30 | Working Lunch |
| 13:30-14:15 | <u>Latest Economic Figures of China and Implications to the Economy</u> |
| | Speaker: YU Genqian
National Statistics Bureau |
| 14:15-15:15 | Open discussions, questions & answers |
| 15:15-15:45 | Coffee / tea break |
| 15:45-16:45 | Continuing discussions, questions & answers |
| 16:45 | Closing remarks, by Dr. TANG Min
Deputy Secretary-General
China Development and Reform Foundation |
| 17:00 | End of seminar |

List of Participants

November, 2008
Beijing, China

1. Prof. FAN Gang Director, National Economic Research Institute,
China Reform Foundation
2. Dr. WANG Xiaolu Deputy Director, National Economic Research Institute
China Reform Foundation
3. Prof. CHEN Dongqi Vice President, Academy of Macroeconomic Research
National Development and Reform Commission
4. Dr. XIE Ping President, Central Huijin Investment Ltd.
5. Dr. TANG Min Deputy Secretary-General, China Development and
Reform Foundation
6. Prof./Dr. HE Fan Assistant to the Director, Inst. of World Economy and
Politics, Chinese Academy of Social Sciences
7. Prof. WANG Zhile Director, Center of Multi-national Coporations,
Academy of Foreign Trade Studies
Ministry of Commerce
8. Prof./Dr. HE Liping Head, Department of Finance
School of Economics and Public Administration
Beijing Normal University
9. Prof. ZHANG Xiaojing Chief, Department of Macroeconomic Research,
Chinese Academy of Social Sciences
10. Mr. YU Genqian Analyst & Researcher
National Statistics Bureau
11. Dr. LIU Peng Senior Researcher, Ministry of Commerce

12. Dr. DUAN Bing Deputy Division Chief, Risk Management Division
Agricultural Bank of China
13. Dr. SU Ming Research Fellow, China Center of Economic Research
Beijing University
14. Dr. HE Yin Research Fellow, China Center of Economic Research
Beijing University
15. ZHU Saini Director of International Programs, National Economic
Research Institute
16. Ms. LI Aili Executive Secretary, National Economic Research
Institute