

《中国经济减速不可避免（双语）》

The great China growth slowdown is coming. If history is any guide, and if economists Barry Eichengreen, Donghyun Park and Kwanho Shin have read the numbers right, the sustainable Chinese growth rate is set to decline by at least two percentage points some time around 2015.

Barry Eichengreen, Donghyun Park, Kwanho Shin

In a paper, the trio identified 58 growth tipping points at which the long term growth rate of gross domestic product drops by at least that amount. For developing countries like China the slowdown generally came when GDP per capita was in the \$13,000-\$18000 range. The median was \$15,058.

"58%" (GDP) 1.3% 1.8% 15058

The precision is spurious, but the idea is sound. The easy and fastest phase of growth lasts as long as unskilled workers can be hooked into a rudimentary industrial economy. The next phase involves less dramatic changes in industrial productivity and a shift towards less productive service businesses. Japan's economy grew by 9.5 per cent a year from 1963 to 1970; in the following decade the growth rate slowed to 5 per cent a year. In South Korea, the slowdown was from 8.7 to 5.8 per cent.

1963 1970 9.5% 5% 8.7% 5.8%

Although Chinese incomes are still four years away from reaching the average tipping point, the government seems to be getting ready, lowering the planned growth rate to 7 per cent (down from the current planned 7.5 and the actual almost-10 per cent). There is also more talk of relatively low-growth goals such as improving the welfare net and reducing pollution.

4% — 7% 7.5% 10%

If all goes well, the slowdown could be almost painless. A 5-6 per cent GDP growth rate is still fast enough to improve lifestyles quickly. But the change of gear could be very tough on the financial system if too many lenders and investors are counting on more. Even more worrying, fast growth can be followed by almost no growth, if conflicts (war, internal discord) or weak institutions (corruption) prove to be obstacles. Many countries in Latin America and the Middle East spent a generation or more stuck in a social-economic rut. Some have not yet emerged.

5% 6% GDP

