

Beijing Forum 2019 China's Economic Development in the Reconstruction of Globalization (III) (Group A)

On the morning of November 3, 2019, the third seminar of the Beijing Forum (2019) Economic Sub-forum, themed "China's Economic Development in Globalization Reconstruction", was held in the conference room on the second floor of Wanzhong Building, Langrun Park, National School of Development, Peking University. The seminar was divided into two sessions, chaired by Professor Zhang Fan and Professor Xu Jintao from Peking University, respectively. A total of five scholars delivered speeches at the seminar, namely, Professor Zhang Fan from Peking University, Associate Professor Takuma Kobayashi from Matsuyama University, Japan, Professor Li Changying from Shandong University, Professor Xu Jintao from Peking University, and Haroon Sharif, Chairman of Board of Investment, Pakistan.

First of all, the panel chair, Professor Zhang Fan, made a welcome speech, followed by his own speech, titled "Effects of Hightech Industries on China's Economic Structure". In his paper, Zhang first reordered the industry, calculated the location center of technology, and found that the output center of high-tech increased, while the growth rate of input centers was lower. Second, the econometric approach was used to analyze the contribution of high-tech industries to economic growth. It was found that from 2002 to 2015, the contribution of high-tech industries increased from 2% to 24%. Finally, the paper concluded that the high-tech industry has a higher impact on other sectors.

Professor Kobayashi then made a speech, titled "The Effect of China's Outward Foreign Investment in 'Belt and Road Countries' on Domestic Problems". Kobayashi argued that China's steel companies have comparative advantages over Southeast Asia, and their private steel companies have contributed to the infrastructure construction in Southeast Asia. The Chinese government supports foreign investment in ASEAN countries because it meets the aim of "One Belt, One Road".

Professor Li Changying's speech was titled "Historical Evolution and Regional Characteristics of the Conversion of New and Old Driving Force in China". Using data from 29 provinces from

1998 to 2017, Li used the entropy-TOPSIS method to construct a new and old driving force composite index, and found that six provinces and cities performed better under this indicator. Then the new and old driving force index were constructed respectively, and it was found that both have significant threshold effects on TFP. Li concluded that the transformation of old and new driving force was a long-term process, thus it was recommended that policies be adapted according to local conditions and adjusted timely.

After the coffee break, Professor Xu Jintao made a brief introductory speech, followed by his own speech, titled "Trade Liberalization and Environmental Changes: China's Growth Model Re-examined". In explaining the economic growth after China's accession to the WTO, Professor Xu proposed a "pollution haven" hypothesis. Specifically, Xu used China's pollution emission data before 2002 before synthetic control method to predict the amount of pollution emissions after 2002, and used the gap between it and the real emissions as the WTO's impact on pollution emissions of China. The net impact was found to have been negative before 2002, but then turned positive. Xu expressed his belief that the future should shift from miraculous growth to normal growth. Therefore, it is necessary to correct factor pricing distortions, impose environmental and carbon taxes, and increase total factor productivity.

Finally, Chairman Sharif gave a lecture titled "Industrial Cooperation under the China-Pakistan Economic Corridor (CPEC)". The emergence of the China-Pakistan Economic Corridor has brought a lot of investment opportunities to both China and Pakistan, which will make a major contribution to Pakistan's poverty eradication. Although there are still some differences in the business environment between China and Pakistan, the establishment of some international institutions and national policies will greatly promote the economic cooperation between the two countries. Sharif believes that China-Pakistan economic cooperation should adhere to the people centric development principle and needs to provide policy and financial support through strengthening infrastructure construction, agricultural development and public-private partnerships, setting up knowledge and capacity development funds, and developing local financial markets.