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## FACTORS OF CHINA'S COMPETITIVE ADVANTAGES

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In the past few decades the economic competition between countries has intensified. Most every state aspires to become an influential and important player of international economic relations and take its rightful place at the world economic market. Experience of the world economic crisis has shown that the most vulnerable to external shocks are countries with low levels of national competitiveness. It is advisable to assess the level of competitiveness of the country according to the following indicators: macroeconomic indicators, indicators of industrial development, indicators of sustainable development, indicators of the development of the knowledge economy, indicators of the development of the financial sector, environmental indicators, indicators of the institutional development of the regional economy.

The relationship between China and the rest of the world appears to be entering a new phase. China's economic miracle was fueled by industry and investment, but today domestic consumption is the main driving force of growth. The country is becoming less exposed in economic terms to the rest of the world. However, reflecting China's rise to being the world's second-largest economy and its leading trading nation, the rest of the world is becoming more exposed to China. Recently, comparison of the country indicators of China and the United States has been of greatest interest.

Population. Official data showed that China had 1,4 billion people, 4,3 times the US population.

Diplomatic relations: September 2019, the US had diplomatic relations with 10 more countries than China. By November, China had formed the largest diplomatic network with 276 diplomatic missions abroad, three more than the US.

China's GDP in 2019 equaled 67,8 percent of the US. But GDP growth rate in China was 2,65 times higher than the US. The US' GDP per capita in 2019 was 6,3 times higher than China's.

Labor productivity: the US was 12 times higher than in China

National debt: US federal government debt in 2018 was 14,7 times more than China's debt.

Innovative indicators: China leads with six quantitative indicators, such as the number of researchers. The US leads with seven quality indicators, including research funding. Research focus: the biology (US), information technology (China). High-tech export value: China's was 4,9 times of that of the US. Research Funding: the US received 1,9 times more than China.

Number of top 100 global universities in 2019: the US had 6,7 times more than China.

Education Expenditure in US was 1.3 times of that in China.

Per capita health expenditure: the US – \$11,172 in 2018, 17 times higher than China.

Both nations have unique advantages. Competition among large economies will be more strong, complex, repetitive and long-lasting. For a more complete assessment of the

level of competitiveness, the Chinese Academy of Social Sciences regularly conducts a national study of the competitiveness of regions in mainland China. At the same time, the analysis is carried out in the following areas: intellectual capital and innovation, innovative development of cities, large regional cities - centers of clusters, healthcare and public safety of PRC cities, transport and urban planning, sustainable development and urban environment, culture and quality of life, economic growth of cities, cost of living, ease of doing business.

#### REFERENCE

1. 40 China-US gap indicators: Before and after the trade war [Electronic resource]. – Access mode: <https://www.globaltimes.cn/content/1186234.shtml>. – Access date: 11.05.2021.

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## **ANALYSIS AND FORECAST OF THE LONG TERM TREND OF CHINA'S REAL ESTATE ECONOMY**

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The fluctuation in the real estate market not only involves all levels of society and attracts great concerns from the academic circles, policy makers, economic and financial institutions, but also affects the economy and makes the decision-makers feel anxious. China now is in the process of economic growth and urbanization, the real estate market develops very fast and plays a significant role in the national economic development, so having a good knowledge of the interaction between the real estate market and the macro-economy is of great theoretical and practical importance.

It is generally recognized that, both China and the Western countries take price stabilization as the main goal of monetary policy, but fail to avoid asset price bubbles at the same time. The assets price is not only regarded as the information interference source, but also serves as the information shock transmission channel. The housing as collateral for loans has a considerable effect on the value of other financial collaterals. Therefore, it is important to analyze the effect of the monetary policy on the asset price, especially on the real estate [1].

The real estate market crisis may exert a great influence on the economy, and the housing price crash is a decisive event to many financial crises, so the policy maker shall pay attention to the effect of the real estate market boom and bust on the fluctuations in economic operation. Although the monetary policy affects the housing price significantly, because it is difficult for the Central Bank to identify the real estate bubbles. He suggests that the housing prices for the monetary policy should be limited to their forecast results of inflation and employment. The aim of the research is to predict the cost of housing in