

Islamabad's Informal



CHINA STUDY CIRCLE



Nineteenth Session

Neelum javed



AGENDA

1- Networking of Participants and special guests of the session

2-Monthly Update on CPEC and OBOR: Projects, Perceptions, Periodicals/Literature

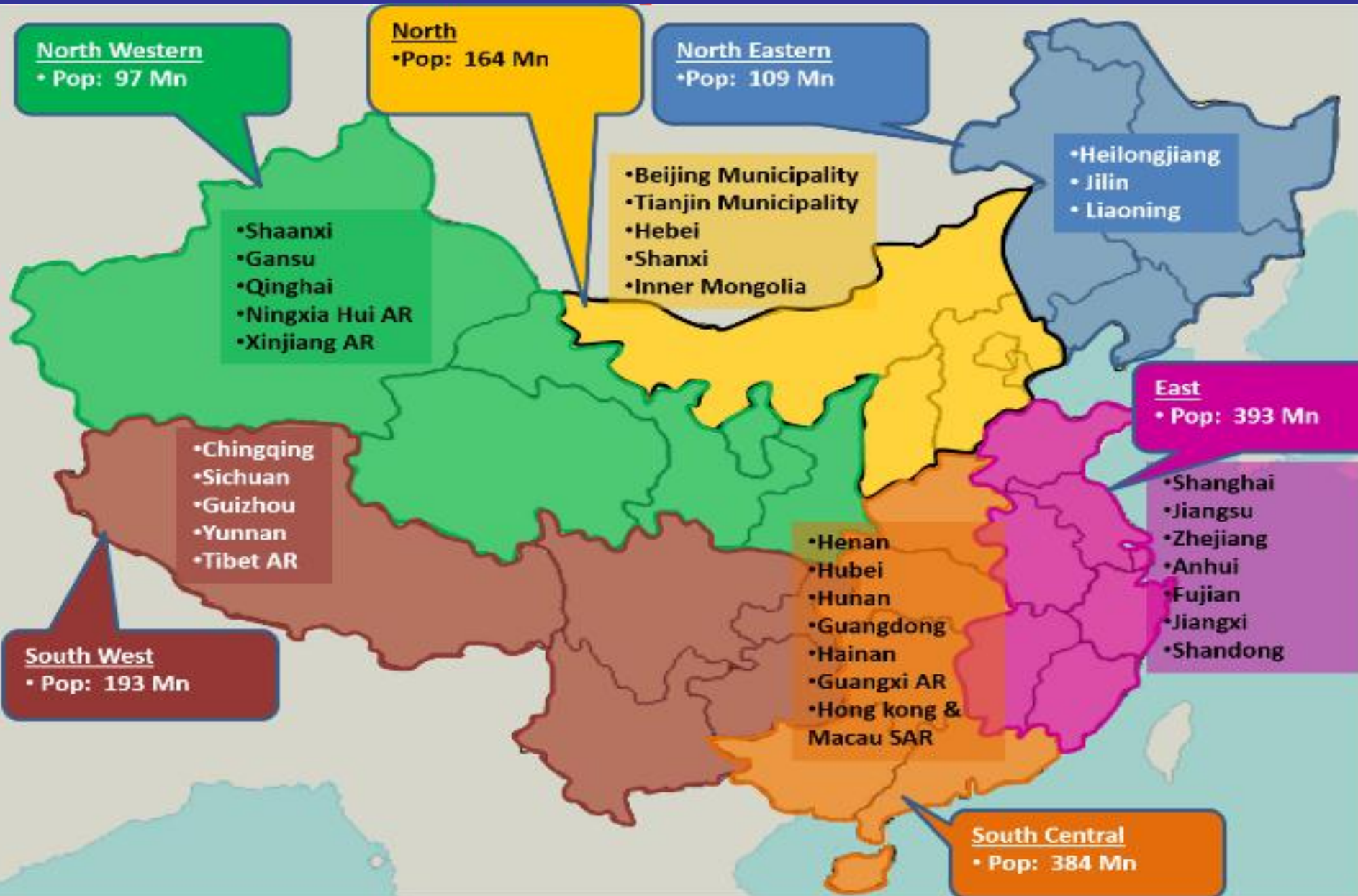
3-Selected Item of the Fundamentals to Study China

4-Formal and Informal Discussion Period



POPULATION MAP OF CHINA





Belt and Road Initiative

NOTABLE PUBLICATIONS

and Sources

Neelum Javed



OBOR - NOTABLE PUBLICATIONS OF THE LAST QUARTER

Belt and Road Big Data Report 2018

China issued the Belt and Road Big Data Report 2018 at the World Economic Forum's (WEF) Annual Meeting of the New Champions, also known as the Summer Davos, on Wednesday in Tianjin.

The report, conducted by the State Information Centre, is based on more than 50 billion pieces of data collated from 71 countries along the Belt and Road initiative (BRI), as well as 31 domestic provinces, more than 1,000 think tanks and 2,400 media organisations.

OBOR - NOTABLE PUBLICATIONS OF THE LAST QUARTER

Salient features

- According to the report, the countries involved in the most cooperation projects with China under the BRI umbrella are Russia, Kazakhstan, Pakistan, South Korea and Vietnam. Russia is ranked first for the third consecutive year.
- In terms of policy exchanges, the top three countries are Russia, the Philippines and Cambodia.
- The report also said that the proportion of positive public opinion worldwide regarding the proposal had increased from 16.5 percent in 2013 to 23.7 percent by the end of 2017.

Source: https://eng.yidaiyilu.gov.cn/info/iList.jsp?cat_id=10073

China Belt and Road Initiative, Five Years In

Salient features

- Despite its success in the developing world, Beijing's approach to the Belt and Road Initiative has raised concerns over corrupt practices and financial sustainability in several recipient countries.
- Beijing's ambitious outreach, and its hidden agenda for strategic expansion riding on the initiative, will continue to fuel uncertainty, doubts and resistance among core powers.
- Ultimately, given the sheer scale of the Belt and Road Initiative, problems, delays and cancellations are to be expected.

Source: <https://worldview.stratfor.com/article/chinas-belt-and-road-initiative-five-years>



Salient features

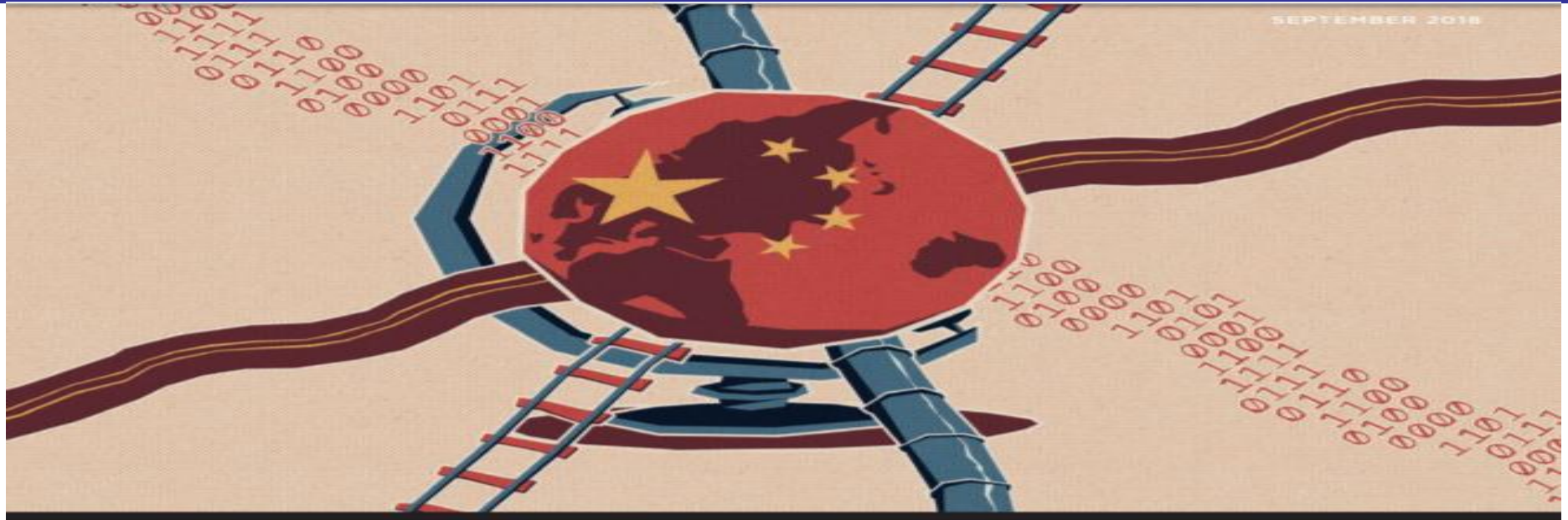
- The developing countries have weak economic foundations and governance.
- Domestic Complications in the recipient States like, financing capabilities and political instability.
- Kazakhstan, Bangladesh, Myanmar and Pakistan, Afghanistan and Yemen,

Source: <https://worldview.stratfor.com/article/chinas-belt-and-road-initiative-five-years>





SEPTEMBER 2018



POWER PLAY

Addressing China's Belt and Road Strategy

Daniel Kliman and Abigail Grace



Center for a
New American
Security

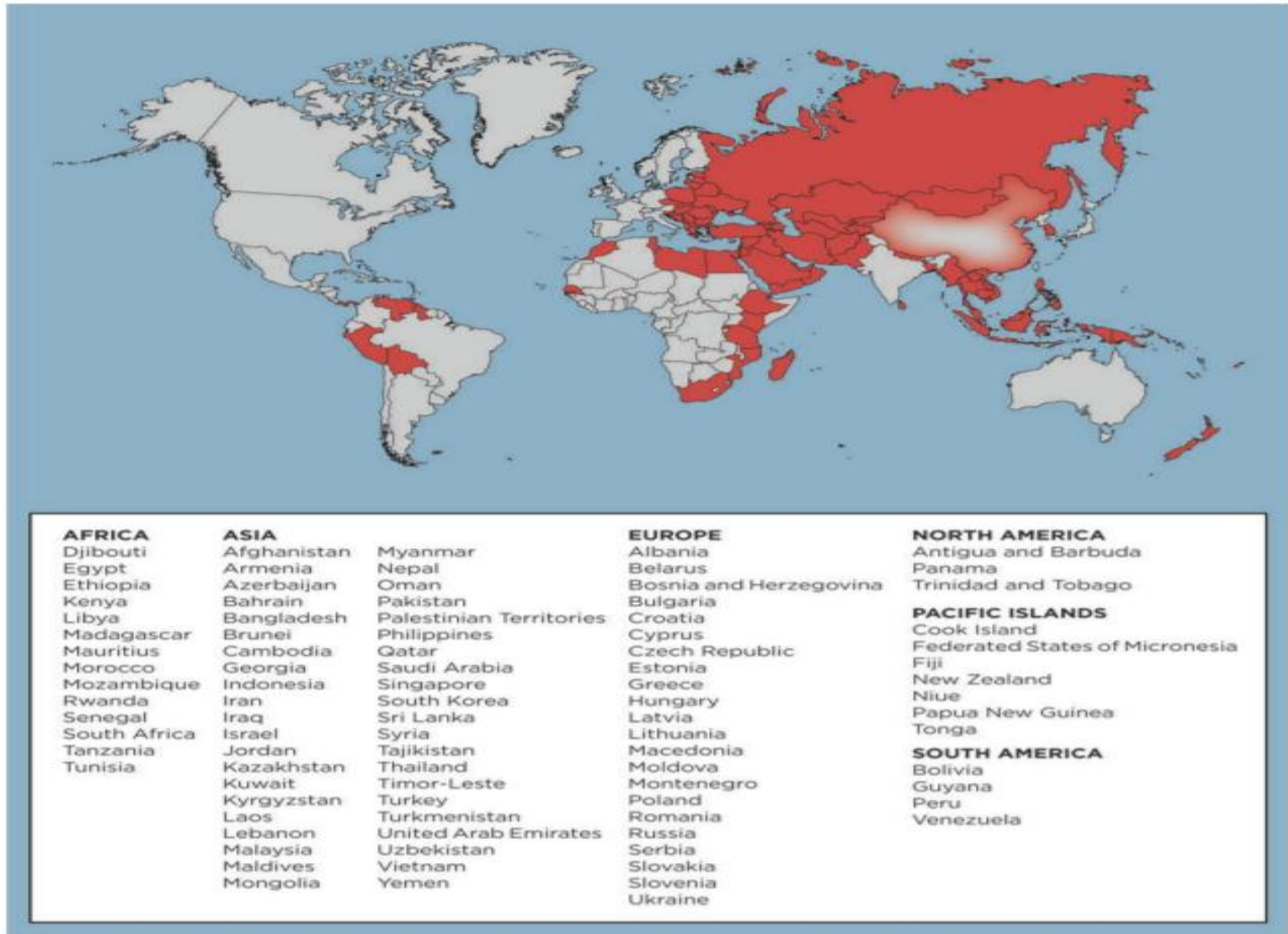


POWER PLAY

Addressing China's Belt and Road Strategy

- 01 Executive Summary
- 04 Chapter 1: Introduction and Background
- 08 Chapter 2: How the Belt and Road Is Reshaping the World
- 14 Chapter 3: The United States and China's Belt and Road
- 17 Chapter 4: Views of the Belt and Road From Select U.S. Allies and Partners
- 21 Chapter 5: Addressing China's Belt and Road Power Play

Source: <https://www.cnas.org/publications/reports/power-play>



These endorsements generally indicate a country's political support for the Belt and Road but do not necessarily correlate with participation in actual projects. Source: YiDaiYiLuWang, One Belt, One Road Portal, <https://yidaiyilu.gov.cn/>; and a comprehensive survey of a large number of official statements.

- The “New Digital Silk Road” has the potential to compromise the networks of U.S. allies and partners.
- The Belt and Road is weakening European unity on China policy.
- The Belt and Road is advancing Beijing’s intention to become the world’s leading information technology power
- As the Obama administration came to a close in January 2017, America’s approach to the Belt and Road remained disconnected.

- Views of the Belt and Road From Select U.S. Allies and Partners.
- Tokyo views the Belt and Road as a Chinese power play.
- India is strengthening its strategic partnerships with other powers and doubtful about China's Belt and Road.
- The GCC has emerged as one of China's primary partners on the Belt and Road.

Source: <https://www.cnas.org/publications/reports/power-play>

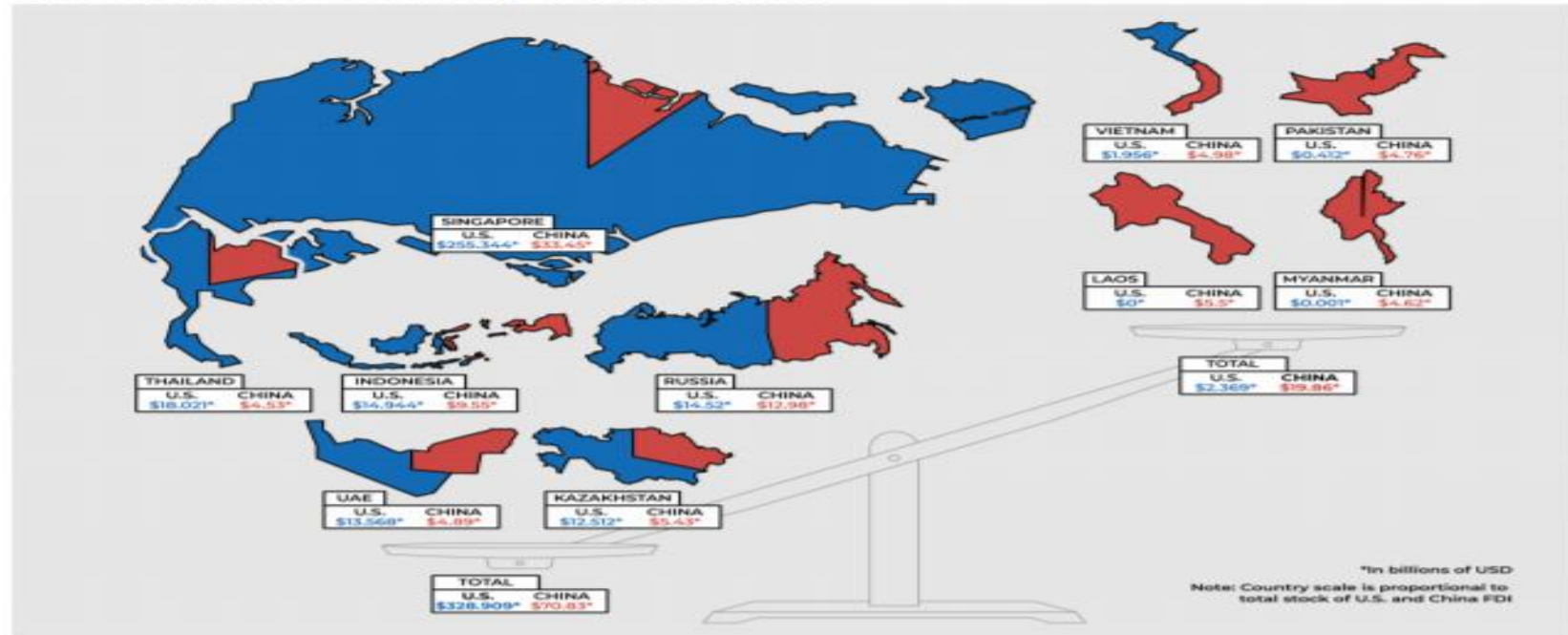




Power Play: Addressing China's Belt and Road Strategy

Envisioning a U.S. Counternarrative

Demonstrate America's Enduring Economic Centrality



It is imperative to demonstrate America's enduring economic centrality in regions now looking to China. This image depicts that America's total stock of foreign direct investment (FDI) across 10 countries prioritized under the Belt and Road remains larger than China's.

Source: U.S. Direct Investment Abroad: Direct Investment Position on a Historical-Cost Basis by Detailed Country, 2009-2017, (U.S. Department of Commerce, Bureau of Economic Affairs, 2017), <https://apps.bea.gov/international/xls/usdia-current/usdia-detailedcountry-2009-2017.xlsx>; and Chinese Ministry of Commerce, "Di Qi Zhang: Yi Dai Yi Lu Zhuyao de Guojia [Chapter 7: Important Countries in the 'One Belt, One Road' Region]," Zhongguo Duiwai Touzi Hezuo Fazhan Baogao [China's Foreign Investment, Cooperation, and Development Report], 2017, 125.

Key Themes to Communicate

America's Vision

- CREATING ALTERNATIVE CHOICES
- UPHOLDING SOVEREIGNTY
- AMERICA'S ENDURING CENTRALITY

- FOCUSING ON LOCAL NEEDS
- GENERATING LONG-TERM VALUE
- EMPOWERMENT

China's Reality

- DEBT TRAP DIPLOMACY
- SURVEILLANCE CITIES
- UNFAIR PLAYING FIELD

- CORRUPTING LOCAL ELITES
- CHINA FIRST APPROACH
- QUESTIONABLE FOLLOW-THROUGH



McKinsey Global Institute



March 2011

Urban world: Mapping the economic power of cities





Executive summary	1
Urban world: Mapping the economic power of cities	7
The City 600 will drive global growth to 2025	10
Middleweights will gain ground on megacities	10
Almost three-quarters of the City 600 are in emerging economies	17
The City 600 population will expand 1.6 times as fast as the global population	18
Declining household size expands demand for housing and other household durables	22
By 2025, emerging market cities will have more higher-end middle-income households than developed ones	25
Regions vary in the economic role of the largest cities	28
Companies should look at clusters of cities for market opportunities	32
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- **Productivity improvement from urbanization has delivered substantial economic growth and helped to reduce poverty in countries such as China.**
- **The expansion of cities has the potential for further growth and poverty reduction across many emerging markets.**
- **Urbanization will be one of this century's biggest drivers of global economic growth.**
- **We present in this report one scenario of how the urban world is evolving that provides a sense of direction to companies and policy makers**



The City 600 today . . .*

1.5 billion

people live in these 600 cities —
22 percent of global population

\$30 trillion

of GDP in 2007 — more than half of
global GDP

485 million

households, with average per capita GDP of

\$20,000

The top 100 cities generated

\$21 trillion

of GDP in 2007 — 38 percent
of the global total



... and tomorrow

2.0 billion

people will live in these 600 cities in 2025 —
25 percent of the global population

\$64 trillion

of GDP in 2025, nearly
60 percent of global GDP

735 million

households will live in these cities, with
average per capita GDP of

\$32,000

... of which

235 million

households in developing world
cities will have income above
\$20,000 per annum



Growing cities ...

From 2010 to 2025, the GDP of the City 600¹ will rise by over

\$30 trillion

... or nearly **65%** of global growth

The Emerging 440² cities will contribute

\$23 trillion

... or **47%** of global growth to 2025

Over

\$10 trillion

in additional annual investments needed in cities by 2025

1 billion

new consumers in emerging market cities by 2025

¹ The top 600 cities by their contribution to global GDP growth 2010–25.

² Emerging market cities in the City 600.



of key measures included in the MGI Cityscope.

Exhibit E1

Top 25 hot spots by 2025

Cityscope 2025 city rankings

Bold text Developing regions
Normal text Developed regions¹

Rank	GDP ²	Per capita GDP ²	GDP growth ²	Total population	Children ³	Total households	Households with annual income over \$20,000 ⁴
1	New York	Oslo	Shanghai	Tokyo	Kinshasa	Tokyo	Tokyo
2	Tokyo	Doha	Beijing	Mumbai	Karachi	Shanghai	New York
3	Shanghai	Bergen	New York	Shanghai	Dhaka	Beijing	London
4	London	Macau	Tianjin	Beijing	Mumbai	São Paulo	Shanghai
5	Beijing	Trondheim	Chongqing	Delhi	Kolkata	Chongqing	Beijing
6	Los Angeles	Bridgeport	Shenzhen	Kolkata	Lagos	New York	Paris
7	Paris	Hwasong	Guangzhou	Dhaka	Delhi	London	Rhein-Ruhr
8	Chicago	Asan	Nanjing	São Paulo	Mexico City⁵	Mumbai	Osaka
9	Rhein-Ruhr	San Jose	Hangzhou	Mexico City⁵	New York	Delhi	Moscow
10	Shenzhen	Yosu	Chengdu	New York	Manila	Mexico City⁵	Mexico City⁵
11	Tianjin	Calgary	Wuhan	Chongqing	Tokyo	Rhein-Ruhr	Los Angeles
12	Dallas	Al-Ayn	London	Karachi	Cairo	Paris	São Paulo
13	Washington, D.C.	Edinburgh	Los Angeles	Kinshasa	Lahore	Kolkata	Seoul
14	Houston	Charlotte	Foshan	London	São Paulo	Lagos	Chicago
15	São Paulo	San Francisco	Taipei	Lagos	Kabul	Osaka	Milan
16	Moscow	Durham	Delhi	Cairo	Buenos Aires	Dhaka	Mumbai
17	Chongqing	Ulsan	Moscow	Manila	Luanda	Tianjin	Cairo
18	Randstad	Washington, D.C.	Singapore	Shenzhen	London	Shenzhen	Hong Kong
19	Guangzhou	Boston	São Paulo	Los Angeles	Los Angeles	Moscow	Taipei
20	Mexico City⁵	Belfast	Tokyo	Buenos Aires	Colombo	Chengdu	Randstad
21	Osaka	New York	Shenyang	Rio de Janeiro	Baghdad	Cairo	Shenzhen
22	Philadelphia	Grande Vitória	Xi'an	Tianjin	Shanghai	Rio de Janeiro	Istanbul
23	Boston	Canberra	Dongguan	Paris	Paris	Wuhan	Delhi
24	San Francisco	Seattle	Mumbai	Jakarta	Jakarta	Los Angeles	Buenos Aires
25	Hong Kong	Zurich	Hong Kong	Istanbul	Istanbul	Buenos Aires	Madrid

1 Developed regions comprise the United States and Canada, Western Europe, Australasia, Japan, and South Korea.

2 GDP, per capita GDP in 2025, and GDP growth 2007 to 2025 in predicted real exchange rate.

3 Population below age 15.

4 Households with annual incomes greater than \$20,000 in purchasing power parity (PPP) terms.

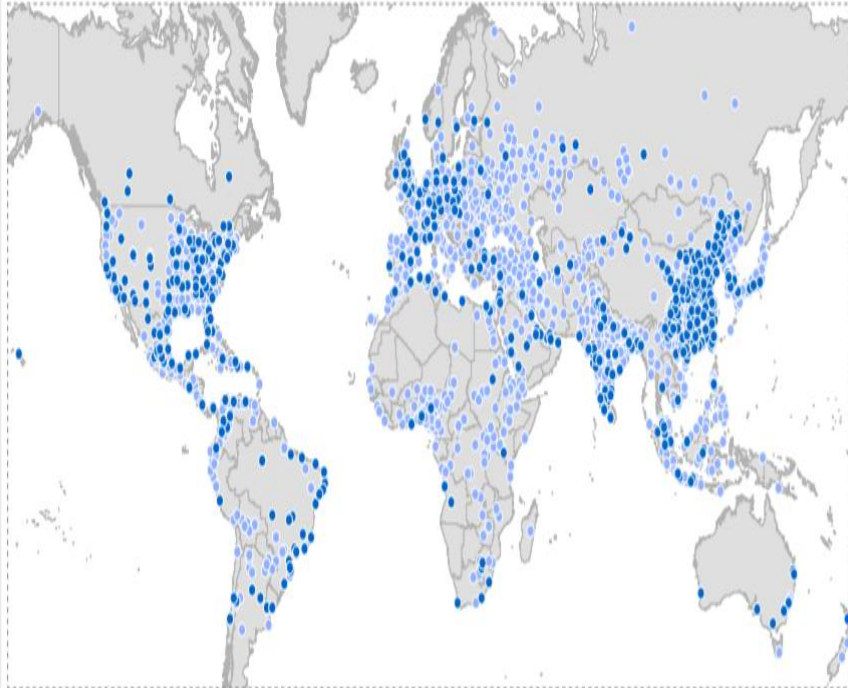
5 Mexico City Metropolitan Region.

NOTE: For metropolitan regions, we use the first name of the region: e.g., New York for New York-Newark.

SOURCE: McKinsey Global Institute Cityscope 1.0

The City 600: MGI's Cityscope identifies the world's fastest-growing megacities and middleweights

- The City 600 (600)
- Additional cities in MGI Cityscope (~1,400)



SOURCE: McKinsey Global Institute Cityscope 1.0

There will be a major shift in urban economic weight from the United States and Western Europe toward Asia

Top 25 cities by GDP, 2007 and 2025¹

- Dropout—included in 2007 but not in 2025
- Top 25 in both 2007 and 2025
- Newcomer—absent in 2007 but included in 2025



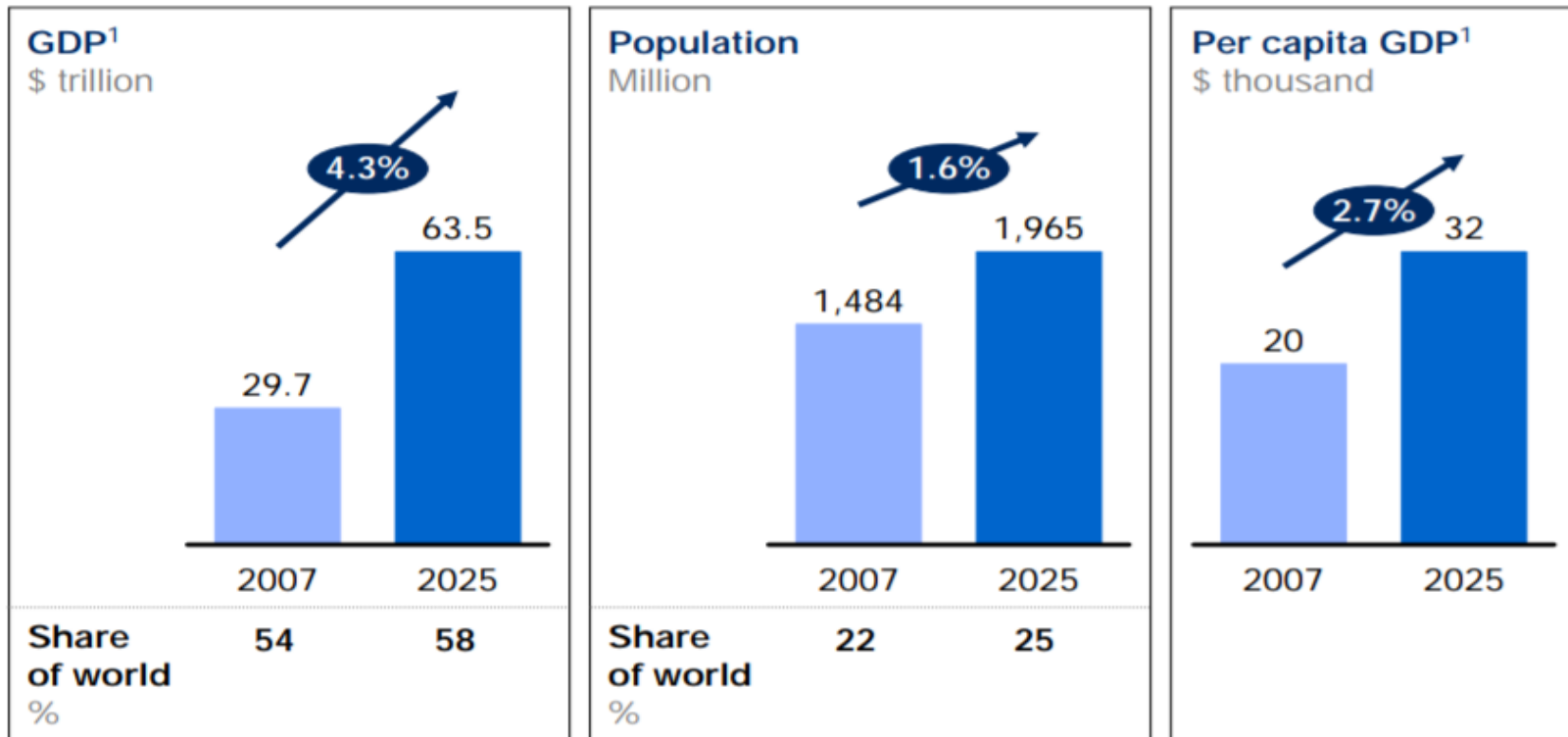
¹ Predicted real exchange rate.

SOURCE: McKinsey Global Institute Cityscope 1.0



The City 600's fast growth is fueled by both GDP per capita and population growth

● Compound annual growth rate, 2007–25 (%)



1 Predicted real exchange rate.

SOURCE: McKinsey Global Institute Cityscope 1.0

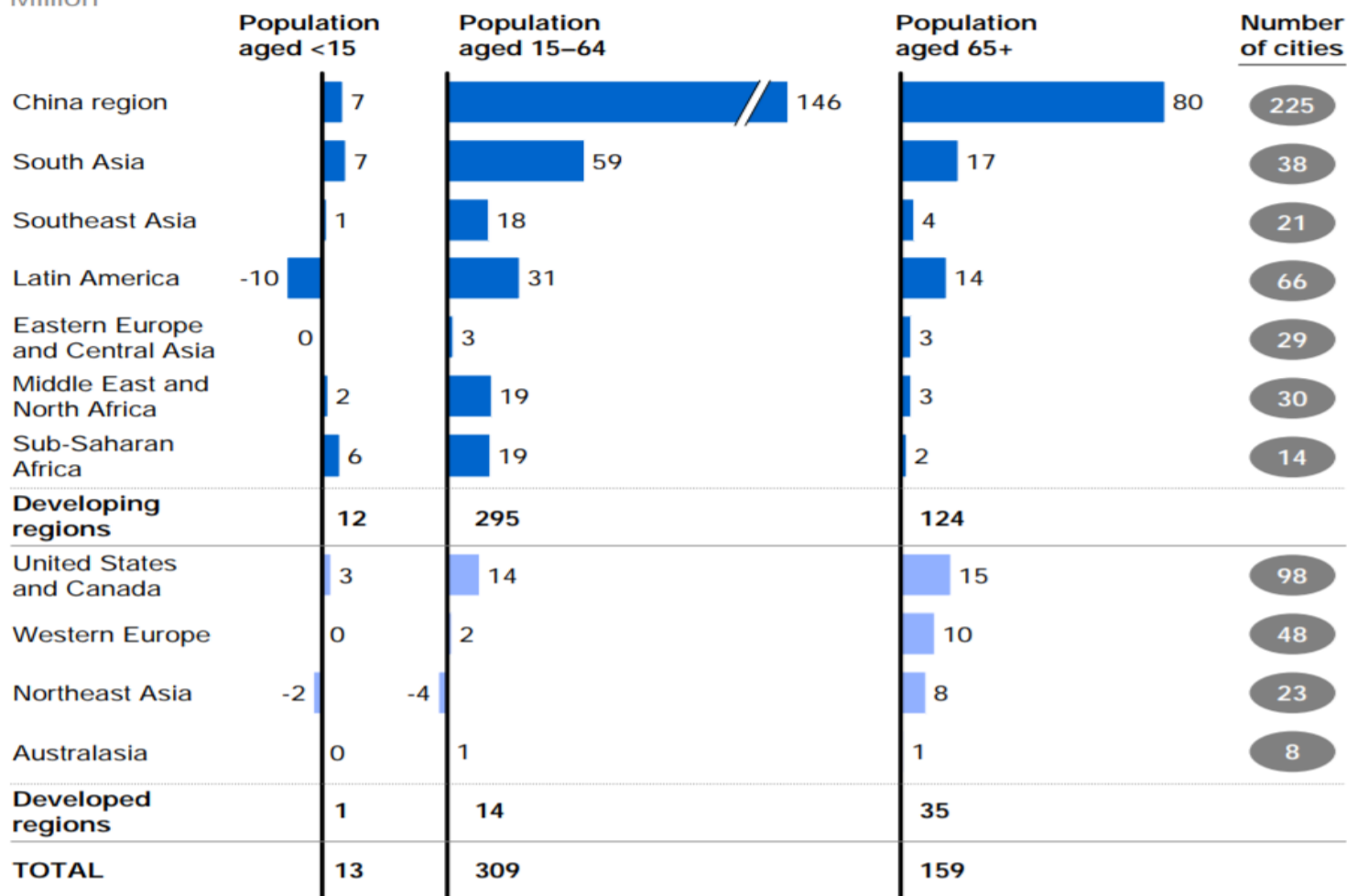




The City 600 will add 310 million people of working age by 2025

Population change in the City 600 by age segment and region, 2007–25

Million



NOTE: Numbers may not sum due to rounding.

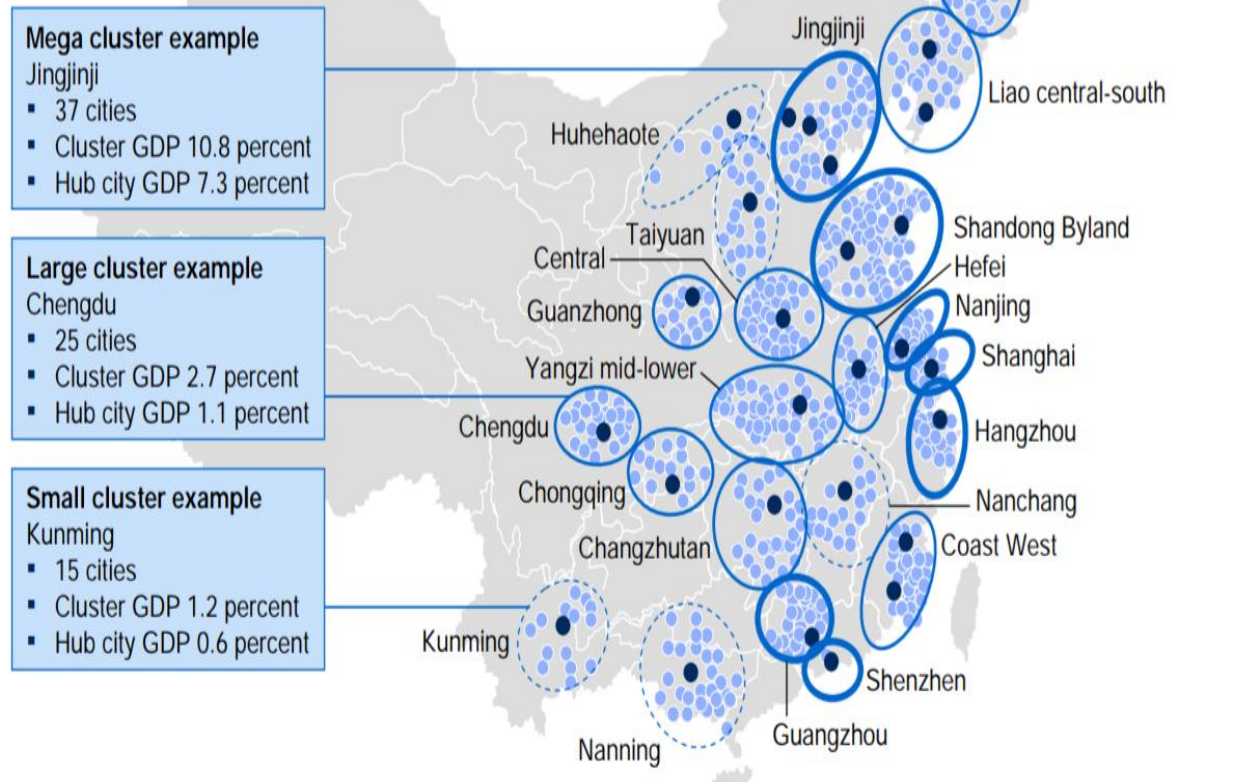


China can be divided into 22 city clusters,
each of which has distinct characteristics

% of region, 2007

CHINA EXAMPLE

- Mega
- Large
- Small



THANK YOU

