

A visitor experiences interactive entertainment technology based on facial recognition at the 2018 China National Computer Congress held in Hangzhou, Zhejiang Province, on October 25

Toward Common Prosperity

China continues to support multilateral cooperation for mutual benefits

By Jiang Yuechun

Initiated a decade ago, the Group of 20 (G20) summits have played an important role in response to the international financial crisis. Currently, the global economy is at a crucial juncture as regional economic integration and globalization turn into an irreversible trend recognized by most countries around the world.

Despite some adverse effects, economic globalization has gathered many countries under its framework where they have become interrelated and interdependent.

In his speech at the 2018 G20 Buenos Aires Summit, President Xi Jinping said, "The trend toward openness and integration among countries is unstoppable despite the ups and downs of the global economy." To adapt to the trend, an open global economy should be further pursued.

Win-win outcomes

Adhering to the principle of win-win cooperation, China has been calling for mutually beneficial macroeconomic policies. In his G20 speech, Xi underlined the importance of greater coordination and complementarity among countries. All countries need to work together to ensure strong, balanced, sustainable and inclusive growth of the global economy. "Countries are increasingly becoming a community with shared interests, shared responsibilities and a shared future. Win-win cooperation is the only choice for us," Xi stated.

Against the backdrop of economic globalization, no country can cope with global issues or lead today's complicated world alone. Economic policies of major countries may exert negative spillover effects on the global economy directly or indirectly. Therefore, it is crucial for major countries to cooperatively promote policies on global governance or crisis prevention and control. To this end, multilateralism that values international cooperation is an inevitable choice in the diversified world.

China will continue to support the World Trade Organization

(WTO) in launching essential reforms. Xi said, "China supports necessary reform of the WTO and believes that it is critical to uphold the WTO's core values and fundamental principles such as openness, inclusiveness and non-discrimination and ensure the development interests and policy space of developing countries."

The WTO as a multilateral organization maintaining international trade order conforms to the interests and demands of most countries to some extent. However, it should be noted that current WTO mechanisms are not performing well, especially regarding efficient settlement of international trade disputes. China is ready to work with other countries to support and participate in the reform of the WTO. China also stresses that the reform should take the interests of most of its members, especially of developing countries, into consideration and focus on promoting the stable operation of the WTO through the dispute settlement mechanism, pushing ahead with extensive consultation.

Digital opportunities

The digital economy is a key field of innovation-oriented development and a new driving force propelling the G20 countries to launch economic restructuring and achieve transformation and upgrading. Also dubbed the Internet-based economy, the digital economy is closely related to the development of Internet technologies. As an important driving force for optimizing the economic structure, it can accelerate the transformation and upgrading of traditional industries through integration with the real economy.

With the progress of information, communication and Internet technologies, many new industries, business forms and modes will be generated. The digital economy will inject new vitality into economic and social development. Roughly 22 percent of the global GDP is closely related to the digital economy. For major economies and regions in the world, developing the

digital economy has become a common choice to enhance their economic competitiveness.

In recent years, G20 member states have made great progress in key fields such as the innovation of information and communication technology (ICT), Internet infrastructure interconnectivity, data security, privacy protection, ICT-based entrepreneurship and cross-border e-commerce. Increasing cooperation in these fields has also infused new life into their development. Amid global economic restructuring, the digital economy has become a new driving force for the economic growth of G20 states.

The 2016 G20 Hangzhou Summit approved the G20 Digital Economy Development and Cooperation Initiative. At this year's summit, joint efforts and the pursuit of mutual trust and benefits were promoted. Countries need to carry out more bilateral and multilateral digital economic cooperation projects, pool various resources, complement one another with mutual advantages and optimize the spatial layout of the digital industrial chain. The G20 member states should extend the interconnectivity of infrastructure, improve international rules and standards in fields such as cross-border e-commerce and data flow, and optimize international tax policies in line with the development of the digital economy. Guidelines, policies and operational procedures that can create references for further practices need to be formulated. This can be done by summarizing the successful experiences of coordinated development of the digital economy in member countries.

Mounting challenges

Currently, unilateralism is prevailing in the United States and trade protectionism is looming as President Donald Trump touts "America First," which has posed the greatest challenge ever to the global economy. Wielding the trade protectionism stick, the United States has imposed high tariffs on China as well as the European Union (EU) and Canada. U.S. unilateralism has forced China to take countermeasures and other countries including EU members, Japan and India to sue the United States at the WTO. The United States has also flouted the current global order by upholding "America First" and withdrawing from the Trans-Pacific Partnership agreement, the Paris climate change agreement, UNESCO, the Global Compact for Safe, Orderly and Regular Migration and the Iran nuclear deal framework. Such extreme U.S. practices, rare in the history of international relations, have triggered concerns in the international community.

U.S. unilateral actions have caused adverse consequences worldwide. First, the global economy with a weak recovery momentum is again bearing the brunt as U.S. measures deal a heavy blow to global value and supply chains and increase the uncertainties of economic growth and downward risks. Second, the U.S. move has severely impaired the free and open international trade system with the WTO at its center. Third, the United States has chosen not to strengthen cooperation with other economies but rather to break with them, including its allies, amid great changes and transformation as well as mounting uncertainties around the world. By not uniting with other countries to solve global issues and ensure sustainable growth, the United States has lost credibility in the international community.

On December 1, on the sidelines of the G20 Summit, Xi and Trump reached common ground on not adding new tariffs and urging economic teams to accelerate consultation and reach a

A ceremony is held in Seattle, the United States, on November 30 to mark the delivery of the 2,000th Boeing airplane to China



concrete agreement. The outcome of the meeting has shown that China's efforts to deepen reform and opening up have been recognized by the United States.

The Trump administration has recognized the adverse effects the Sino-U.S. trade friction is having on the U.S. economy. For China, accelerating reform and opening up is needed to boost its economy, meet people's increasing demands for a better life and participate in a new round of international order construction and the establishment of global rules. However, efforts by either party alone cannot resolve the trade imbalance between China and the United States. Based on the consensus reached by the two leaders, China and the United States are to push ahead with joint efforts to improve the well-being of people in both countries and boost the global economy.

The divergence on unilateralism and multilateralism and the tussle between trade protectionism and free trade among different countries have again put the global economy at a crossroads. As a forum seeking to improve dialogue between developed and emerging economies, the G20 should launch full negotiations among its member states to propose development-oriented solutions to ensure sustainable growth of the global economy.

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