

In the report, first the factors that made China the world's second largest economy will be analyzed. In the late 1970s the reforms were made by the Chinese government with the phasing out of collectivized agriculture, gradual liberalization of prices and fiscal decentralization.

Unlike the USA China has weathered the global crisis remarkably well and its importance in the world economy is set to grow further.

Second figures to support the conclusion will be given. China already has the world's second-largest manufacturing sector and is the world's largest exporter of goods.

So the gap between China and the USA is being rapidly narrowed and it's predicted that China will overcome the USA in 2030.

Last shortcomings that China has to overcome in order to beat the USA in the world's economic competition will be analyzed. China is one of the largest economies in the world, although in per capita terms the country is still lower middle-income.

In conclusion, China has launched many reforms which are starting to bear fruit, by supporting domestic demand in the face of the global slowdown, helping to reduce internal and external macroeconomic imbalances and by restructuring China's economy. By stepping up social expenditure even as public infrastructure investment reverts to more normal levels, China will enjoy higher living standards and greater internal social cohesion, and contribute to a more harmonious global economy.

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THE GLOBAL FINANCIAL AND ECONOMIC CRISIS IN BELARUS

The global financial and economic system, which has existed up to today, has already exhausted its potentialities. The financial and economic systems after the global crisis would not be renewable anymore, therefore during the global crises new systems should be formed.

In the past few years consumers have faced the impossibility of paying for the products they wish to buy and the impossibility of an increase in consuming capacity with the help of obtainable credit. Such negative factors as a rule are followed by other aggravating crisis phenomena such as the cessation of production, devastation of economy, etc.

A synopsis of the latest opinion poll (September 2009) conducted in Belarus by the Independent Institute of Social-Economic Problems is significant as it is widely regarded as the most objective survey conducted in Belarus. The survey was based on the answers of 1,505 respondents and the margin of error does not exceed 3 per cent. According to it, the recession affected the majority of the population, 37 percent considered that their living standards had gone down over the past three months and 40 percent professed "fear and shock" over rising prices for various products including such sectors as housing, medicine, and education.

According to this survey, the main culprits held responsible for "deteriorating economic situation in the country" were the following: the president (42,7 percent), the gov-

