SWOT ANALYSIS: CHINA

The People’s Republic of China over time has been able to progress in a Capitalist way over time since the death of Mao Zedong in 1976, and the increase of Sino-U.S. Relations: due to increase international trade and less protectionist policies to increase the Gross Domestic Product of the Country. The country’s assessment of real and relevant issues by the SWOT Analysis: Strengths, Weaknesses, Opportunities, and Threats.

Strengths:
- Economy - The Economy of China has been on a perceived expansion that has gained them much political and economic power as well as extreme purchasing power of parity.
- Government – Having a strong, centralized government has greatly improved the stabilization of currency flowing through the economy, thus allowing China to play a major role in international trade relations. (Exports)
- Population – The large population helps to form a big labor force, more government tax revenue, and increased productivity over international competitive markets.

Weaknesses:
- Ghost Cities – These excess urban developments are being over built and many cities go left unused. This failed use of economic development has a great low point to China’s perceived economic growth.
- Reliance on Cheap Labor – China’s economic boom has been linked to their cheap labor costs. However, now more laborers are forming unions to fight for higher wages, which brings the reliance a huge problem as higher labor costs.
- The China’s Model of “Import/Assimilate/Re-innovate Model” – which is used as the modelling to make an invention cheaper but not actually invent it. Now the country is moving for more Research and Development (R&D) as to make new inventions. However this brings much corruption as the funding and grants given by the Chinese Government to their Universities is being held with Academic Dishonesty as they are wishing for the extra grants, but without the inventions.

Opportunities:
- Foreign Investment in Private Sector – China has asserted to increased protection for foreign investors so they have gained more economic benefits and political power by making this assertion. Foreign Companies have come in to join the private sector and many officials have moved from State Sector to Private Sector for this reason.
- Improvement of Relations in the Middle East and Africa – China has began to make more economic and political ties in the areas of these regions with ways of cooperation, additional aid, backing up international rights, and helping gain sustainability. This is economically beneficial for oil purposes and the possibility of emerging markets.
However, it is a political power play as China has marked its territory as being the “well-wisher” for the area that could come in handy to the country in the future.

Threats:

- **Rich to Emigrate** – More than half of the rich in China are wishing to emigrate the country to the U.S. and Europe. The factors for the longing to leave include: Exam-based school system, education, improving their future job prospects, a better economic situation, health care, and social services

- **Perceived Corruption** – The world sees China as full of the corruption and this perceived corruption hurts for future deals and presents a threat to the future of China. For that reason, China needs to be more transparent in order to work towards removing this perceived corruption.

- **Alternative Labor Competition** – As noted as a weakness of the reliance on the cheap labor, the higher labor costs has caused other cheaper markets to form as a better solution for some international trade. Vietnam is becoming a real competitor in terms of textiles and clothing.

5-Year Greatest Challenge – Big and Unequal Population

- The huge population can be a big strength but also is a huge population due to the cultural prejudice. Also, the One-Child Policy caused the disproportion of males and females. Sometimes it is 4 Grandparents and 2 Parents and all 6 members taken care of by one child because of the policy. This is problematic now for family structure sustainability. Also, many males are available for marriage, but few females because of the patriarchal society that made female children as less desirable if not heinous. The government of China will have to wait out the effects of the gender gap, but in the mean time can provide aid to the one young member working families that have 6 elders at home.