

AIRCRAFT CARRIER A FEASIBLE CHOICE

By Wang Baokun

Will China's economy be unduly burdened if the government builds four aircraft carriers, complete with their formations, in the coming decades? Will an aircraft carrier building project be a drag on the national economy or will it be a shot in the arm for the country's industrial and economic upgrade?

A country's GDP is the basic criterion that determines whether it is capable of building or developing an aircraft carrier. In 2011, China's GDP was 47.16 trillion yuan (\$7.55 trillion), a 9.2 percent growth compared with that of 2010. As the world's second largest economy, China's long-term economic prospects are good.

According to my estimate, China will have to spend about \$7 billion to build four aircraft carriers and need another \$30 billion to complete their formations. Many research institutes have projected that China's GDP would cross \$17.7 trillion by 2030. So the overall cost of building and maintaining aircraft carriers will be less than 0.2 percent of GDP in 2030. This means China will not face any difficulty in supporting four aircraft carriers so long as its economy keeps growing.

An aircraft carrier represents comprehensive national strength and signifies the development level of science, technology and industry in a country. It forms the core of the navy and occupies an advanced position in the supporting industry chain.

China's aircraft carrier building project will boost a series of industries such as carrier construction and maintenance, special materials, aircraft and missiles, navigation and combat command system, defense weapons system, radar, electronic information, satellite communication and automatic control system. And since the government will have to

develop aircraft carrier formations, warships, fleet bases and ports, the project will also spawn or boost other sectors.

The aircraft carrier project will create an “aircraft carrier economy”, which will boost the development of the construction and supply industries as well as peripheral service sectors such as social security and logistics. In the long term, the aircraft carrier project is expected to facilitate investments of several hundred billion yuan and help create a huge number of jobs.

Western countries have embargoed the transfer of many core military technologies to China, which is the major technical difficulty the country faces in building aircraft carriers. If it can successfully overcome this technical difficulty by upgrading its high-tech industry to the highest possible level, it will not only boost its military technology and shipbuilding industry, but also help promote military technologies for civil use.

China is working on a series of new- and high-tech sectors to overcome the technological difficulty in building aircraft carriers. These include research in and development of aircraft carriers, and upgrade of existing equipment.



A J-15 fighter jet takes off from the Liaoning as China's first aircraft carrier conducts successful deck-landing exercises.

LI TANG / FOR CHINA DAILY

R&D into aircraft carriers involves a series of scientific studies into production, and maintenance and repair enterprises. The R&D will help improve and upgrade these enterprises' equipment, production and technological processes, leading to technological innovations and patent rights. Such progress is at the base of China's national defense industry, including shipbuilding, as well as other civil industries.

To some extent, the development of the shipbuilding industry, which includes aircraft carriers, could also play a role in stimulating domestic demand, promoting employment and alleviating economic contradictions.

This shows a moderate-scale aircraft carrier building project will not be a drag on China's economy. Instead, it would extend comparative economic aggregate if the government could solve some economic and management problems.

It is important that the government promote scientific and technological progress, encourage innovation, regulate the market, allocate resources appropriately and improve efficiency in resource utilization. China has the economic power to build an aircraft carrier without sacrificing people's basic needs such as housing, education, healthcare and social security.

Aircraft carrier building and economic development are complementary at the economic stage that China is in. On one hand, economic development offers a sound financial base, and advanced industrial, scientific and technological levels provide the material foundation for building aircraft carriers. On the other, an aircraft carrier building project of a proper scale can stimulate economic development and scientific and technological progress.

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