

An Inquiry into China's Energy Needs, Strategies and Implications  
Abstract

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Since 1978, systemic transformation in China combined tight political controls with liberalizing economic policies. Within a short span of three decades, China surpassed Japan in 2010 as the world's second largest economy.

Unparalleled growth in energy consumption and needs have been accompanying China's unprecedented economic growth. Though per capita energy consumption is still significantly less than that in the developed economies, China is now already the second largest energy consuming nation in the world. The prospect of sustained economic growth, ongoing industrialization and growing urbanization for a population in excess of 1.3 billion requires a well-crafted energy policy. Viewed from wider perspective, expected continual economic growth being fueled by increased per capita energy consumption for China's still growing population will cast a long shadow over the future of the world's energy market.

Intensified domestic R&D activities on the energy frontier advance in tandem with China's widening energy-interest abroad. China's vast foreign reserves are poised to acquire foreign assets that include energy sources and hi-tech firms. The effect of China's recent energy policy will significantly and invariably influence the future fabrics of global economic relationships and political landscape.

This proposed paper presents a brief overview of the background information on China's energy sources, production, consumption and needs. In lieu of sustained economic growth and parallel growth in energy needs for the foreseeable future, this paper then examines China's new energy policy and practices and their implications for the economies and political entities of the world in the 21<sup>st</sup> century.