

# China targets 7% growth, Back from 11%.

The Chinese government on Friday issued a target growth rate of 7% for the next five years -- still impressively fast, though a comedown from recent years when growth has topped 11%.

China, the world's fastest-growing economy, is trying to avoid overheating: **Inflation there** jumped 4.9% in January, driven by a more than 10% increase in food prices. Some also worry about a building boom that has driven up property prices.

The government also forecasted a big rise in household income, which would gain more than 7% during the next five years.

The forecasts were made as part of the Chinese government's "Outlines for the 12th Five-Year Plan on National Economic and Social Development," a document the government submitted to the National People's Congress for approval.

As Western economies have struggled to regain their footing following the financial crisis of 2008, China plowed ahead, and has helped support the rest of the global economy. China now holds more than \$1 trillion in U.S. Treasuries.

China recently passed Japan as the world's **second-largest economy**, though remains a **distant second** to the United States, at roughly a third of the size.

