Comparison between the united states, china and iran's economy business plan samp...

Business, Company

ASSIGN BUSTER

Different countries or regions have various similarities and differences that can be used to analyze them. In order to ensure that any such analysis is effective, it is recommended that the scope of comparison be limited to one field. As such, there are various fields through which the United States, Iran and China can be analyzed; an example of these key areas is the countries' national economies.

The United States is recognized as the largest and strongest economy in the world in terms of GDP. In 2011, the country's GDP (per capita) was recorded as $ 48, 300 while its GDP (Purchasing Power Parity) was at $ 15, 290 billion (Central Intelligence Agency 5). The United States' economy is market oriented and hence private corporations and individuals are responsible for a significant percentage of the decisions made. In this economy, both the state and federal governments purchase the services and products they require from the private market-place. However, despite having the largest economy in terms of GDP, the United States has faced tough economic periods such as the recent 2009 credit crunch. During this period, the country's trade deficit declined as well as its GDP. The credit crunch in the United States is mainly attributed to the government's decision to bail out poorly performing banks. As a result, the country's GDP reached its lowest since the Great Depression during the 2009 recession. The United States has a workforce of 795 million with approximately 37% of this workforce employed in the agricultural sector, 29% in industries, and 35% in services related sectors (Central Intelligence Agency 5).

During the last couple of decades, China maintained a centralized marketplace. However, in the last decade the country has focused on shifting to a market-oriented system similar to that of the United States. Whereas the United States is identified as the world's largest economy, China is the current largest global exporter. In the last couple of decades, private corporations in China had less autonomy than their counterparts in the United States. However, over the last decade China has facilitated autonomy of these corporations (Ma and Sheng 47). According to the Central Intelligence Agency's fact book (2012), China's economy is ranked second to that of the United States in terms of GDP. At present, China's GDP (Purchasing Power Parity) is estimated to be about $ 7, 298 billion. As can be noted, China's GDP is half that of the United States. China's workforce is 153. 6 million which is almost 3 times less that of the United States. Also, whereas 37% of the United States workforce is in agriculture, China only has about 0. 7% in that sector (Central Intelligence Agency 2). However, the two countries are similar in that they have a high percentage of their workforce working in industries; though the percentage is higher in China than in the United States.

Iran, on the other hand, does not have a market-oriented economy. This is because the country is characterized by inefficient public service sector, over reliance on oil, and statist policies. Unlike the Chinese or the United States economy, private corporations and individuals have minimal autonomy in Iran. The government applies subsidies and price controls which impede on free trade and the ability of private corporations to make independent decisions. Iran’s GDP (Purchasing Power Parity) is approximately $ 300 billion, which is significantly lower than the United States and also that of China (Central Intelligence Agency 8). Similar to the United States, a large percentage of Iran’s 26. 37 million workforce is employed in the services and industry sectors.

According to the comparison of Iran, United States and China, it is evident that the U. S. is the largest economy of the three countries, followed by China. It is also notable that the U. S. and China have market-oriented economies, whereas Iran has a centralized system. All the three countries, however, have a large percentage of their workforce employed in both the industry and services sector.

Works Cited

Ma, Yan and Shirley Sheng. “ China vs. the United States: Market Connections and Trade Relations.” International Journal of China Marketing 2. 1(2011): 45-57. Print.

Central Intelligence Agency (2012). “ World Factbook.” Central Intelligence Agency. (https://www. cia. gov/library/publications/the-world-factbook/geos/ir. html)