China's pattern of growth moving to sustainability and reducing inequality

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China’s pattern of growth moving to sustainability and reducing inequality

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ABSTRACT
The objective of this study was to identify the pattern of economic growth of China by identifying the factors that are contributing to sustainability and reducing inequality in the Chinese communities. The role of sustainable development goals has become critical for even the non-democratic country because inequality is also found in China which is rapidly increasing due to overpopulation and other factors. In this study, the questionnaire was developed on the Likert scale to collect the data from the economists to test the relationship between the hypotheses. The sample size for this study was 330 from the selected population of 800 people with a response rate of 45%. The study concludes that there is a critical role of sustainable development goals, sustainable economic policy, and labor productivity in the growth of China’s economy. Further, this study also demonstrates that the Chinese government must focus on sustainability to reduce inequality in society. Significantly, this study provides a detailed insight into the relationship of factors that are contributing to China’s economic growth that was not discussed earlier in the Chinese economic context.

1. Introduction
In modern times, the purpose of the government of any country is to improve the productivity and economic growth of the country to an advanced level (Saifan et al., 2021). In China, the state is developing the strategies and implementing them to improve the economic growth of the country with sustainability (Gissi et al., 2022). In this regard, it is noted that there are different kinds of critical factors that are contributing to the economic growth of China. However, at the same time, the fact of inequality in China cannot be eliminated from the economic concept, because in China inequality is also increasing over time (Vilutiene & Dumciuviene, 2020). Most of the foreign organizations believe that China is not a democratic state and this is
the reason that the Chinese people are not provided with equal opportunities to perform the activities and the ability to contribute to economic growth (Dabbous & Tarhini, 2021). Besides, the government of China is not the system of inequality, but it is overpopulation and the lack of implemented policies to improve the economic growth to the advanced level (Obaideen et al., 2022). Moreover, according to the Chinese media, the level of inequality in China is growing over time, as the Chinese people are not provided with equal opportunity but are forced to live with their limited resources. Also, the income inequality of China is presented in Figure 1.

Sustainable development goals refer to the goals set by the United Nation to ensure that the member countries should work effectively and efficiently to reduce inequality and work to support the economic growth in the member countries (Matsui et al., 2022). It is important to understand that these sustainable goals are being implemented in the modern and as well as backward countries, to get prosperity in the term of strong economic growth and productivity of labor to reduce the equality and work sustainably by not compromising on the resources (Fanea-Ivanovici et al., 2020). The economic policy of any country is a policy that is designed with statistical implementation and forecasting to ensure that the economy of that country should be implemented to the appropriate level with the concept of development under the umbrella of sustainable development goals (Sharp et al., 2022). In this regard, the countries that are working on the pattern of sustainable development goals, these countries are improving productivity to the advanced level. Labor productivity refers to the ways that are important for the economic growth of any country in which labor is provided with the opportunities and scheduled to improve productivity with minimum input and provide greater output Lim (2022). The sustainable development goals demand to improve the productivity of labor because the productivity of labor is directly responsible for the economic growth. Sustainability refers to the maintenance of all the operations and functions of the organization including the economic policy in a productive way, to provide the best results by not wasting the resources (Serikawa et al., 2022). The modern business policies are developed on the way of sustainability to improve the progress productively. Reducing inequality is a concept that was highlighted in the sustainable development goals under the
umbrella of the United Nations because it is considered that inequality is the social evil that is leading to different social problems at the same time (Mahajan & Singh, 2022). In this regard, the countries are working with joint ventures and formal joint ventures and formulating economic policies in a way to reduce the inequality for getting prosperity in the integrated globalized world. Economic growth refers to the growth of any country in a productive way that would be ultimately beneficial for the traders and the country at a prosperous level (Lei et al., 2022). It is understood that the countries that are working on the pattern of the economy, these countries are developing the policy to improve the economic growth productively by forecasting the problems and developing the strategies to solve those problems (Burgul Adiguzel, 2021).

This study aims to identify the strategic ways in which China is working on sustainability and improvement in economic growth. In this regard, the study is designed to understand the role of sustainable development goals, economic policy, labor productivity to understand the influence of the factors in sustainability and the reduction of inequality from the economic system of China (Donmez, 2021). In this regard, it is critical to understand that the strategies that are developed by the economic policies of China are influencing the economic growth of China to what extent, and this study would highlight the critical factors that are influencing this growth. Additionally, this study is based on the theoretical framework that is considered as critical in the study to identify the relationship of economic policy, labor productivity, sustainable development goals, sustainability, and reduction of inequality in the government system of China that is responsible to make strategies for implementation in a productive way (Torres, 2021).

This study is significant because the factors and critical variables are taken in the study are not discussed by any of the previous studies (Rosenberer & Tick, 2021). In this regard, the theoretical framework of this study was developed by analyzing the previous literature very carefully and identifying the significant gap in literature and mistreatment in practices in the economic growth of China (Lucantoni et al., 2022). However, with the help of previous literature and the relationship between variables provided in the previous noteworthy studies is the critical point of development of the framework of this study (Melhe et al., 2021). Moreover, this study is not designed only to identify the critical factors in the economic growth of China, but at the same time, this study aims to investigate the practical problems in the economic growth of China and provide appropriate solutions for implementation to improve this economic growth to the advanced level (Shibli et al., 2021). In this way, this study would be helpful for the economic-related people who are working to improve the strategic growth of the economy of China, and also those people who are responsible for highlighting the critical success factor in the economies of different countries.

2. Literature review

2.1. Role of sustainable development goals in sustainability and economic policy

Sustainable development goals are the policies framed by the United Nation to implement these strategies to reduce inequality and develop the business entities and economic progress in a sustainable way for the prosperity of the community for a long
time (Modabber Khaknezhad et al., 2022). However, according to Philip et al. (2022) this sustainable development is considered critical for the growth of the economy and the formulation of business policies in different countries. At the same time, it is understood that the countries that are failed to work on sustainable development for getting a better advantage for economic growth, these countries are getting the growth rate rapidly. It is because in such kinds of countries the business policy and the economic policies are designed according to the sustainability-oriented goals in which the ultimate focus is to work productively (Caponio, 2022; Khan et al., 2021). In this regard, the developing countries are also willing to work on the sustainable development goal to improve the performance of the business sector and the other services sector is for the sustainability and integrity of the economic system. According to Ellen and Ben-Sheleg (2022), the economic experts of the World Bank and IMF consider that there is a critical role of sustainability in the development of the destructed economy of underdeveloped countries. No doubt, on the one hand, the developing countries are working to improve their business policy and economic policies for the betterment of the society economically and socially (Csehi & Schulz, 2022; Sadiq et al., 2021). At the same time, on the other hand, the developing countries are working on the implementation of their sustainable economic policy to develop and get better results for economic growth (Lee et al., 2021). The countries are working to provide a guideline to the backward countries for the formation of economic policy and sustainable development to the economic deficiency. Similarly, America and Canada are providing a guideline of economic development to the Asian countries to improve the economy of Asian countries productively (Cui et al., 2022). At the same time, with the help of globalism, the economy of different countries is combining and the joint venture is helpful for the development of a better economic policy with a shared ideology. At the international level, the business firms are working to develop a joint economic policy for the country and in this regard, the support of the International Trade Organization is provided to enjoy that all the business activities are being connected accurately (Wang & Lee, 2022). Furthermore, the developed countries are assisting the backward countries to get economic growth and prosperity. In this regard, sustainable development is the right of every country, and it must be provided with advanced monetary policy and economic policies to facilitate by the economy of the backward and poor countries to boost productively. Moreover, the government of the backward countries should be responsible to work on sustainable economic policies for better productivity effectively (Hilmersson & Hilmersson, 2021). Therefore, the development hypotheses are;

H1. There is a relationship between sustainable development goals and sustainability. H2. There is a relationship between sustainable development goals and economic policy.

2.2. Role of economic policy in labor productivity and reducing inequality

Economic policies are developed by different countries to ensure that the economy is going in the right direction with productivity and reducing the rate of inflation (Su et al., 2022). It is important to understand that the countries that are working on sustainable development goals, these countries are framing their economic policies
according to sustainability and integrity for a longer-term. According to the reports of the United States Department of Economics, the developed countries are working on the economic policies continue to improve the process of the economy for the betterment of labor productivity and reducing and equality from the society (Sadiq et al., 2021; Wang et al., 2022). The countries that are working on sustainable development goals, the major objective of these countries is to develop economic policies based on sustainability where the focus of the government is to uplift the backward people and improve their productivity. On the one hand, according to Zahoor et al. (2022), some countries are working to improve the performance of the organization in the economic system to get betterment in labor productivity and reduce inequality (Dlalisa & Govender, 2020). As result, these countries are not only proving their performance but at the same time, these countries are working on the pattern of getting an economic advantage over the other countries (Hotar, 2020). Furthermore, with the help of labor productivity, these countries are improving their exports which is a big contribution to the economic growth and in the trade bill (Wang, 2022). On the other hand, some countries are not working on the sustainable development goal productively but this country is reducing their economic policies and activities to a shorter level in result countries are not getting prosperity and the economy of these countries is on the edge of destruction (Wang & Nie, 2021). In this way, these countries are lower in labor productivity and as result, their imports are increased which is a big loss and effect on the bill of trade. The Asian countries are working on the pattern of your country to formulate the policies and designed the strategies to improve the productivity in the terms of labor and industrial sector and reduce the level of inequality in the society because equality is still found in the modern time (Gong et al., 2022; Su et al., 2021; Wang, 2022). Importantly, according to Li et al. (2022) the government of any country if it is working for a long-term oriented goal, the government of that country is involved in developing the economic policies for increasing level productivity for the industrial sector to increase exports and boost the economy with the concept of economic growth (Jakucionyté, 2020). No doubt, the countries that are working accordingly to develop the economic policies, these countries are getting an advantage not only in the economic sector but at the same time in all other factors because the economic sector is responsible for the prosperity of the other sectors of the country (Boeing et al., 2022). Meanwhile, it is noted that the countries that are helping the other countries to boost the economy of that particular country, in this way these countries are helping to formulate the economic policies on the developed parameter and advanced forecasting to ensure that all the activities are conducted in the right way to develop a strategy for the better productivity (Bolaños et al., 2021). Therefore, the developed hypotheses are;

H3. There is a relationship between economic policy and reducing inequality. H4. There is a relationship between economic policy and labor productivity.

2.3. Role of labor productivity in reducing inequality

It is a fact that in the current time inequality is still found in the developed countries. However, there is a different factor that our contributions to the inequality, and in
this way, this evil of inequality is not only reducing (Mughal et al., 2022), but it is increasing over time in our society. In this regard, Sun et al. (2022) highlights that it is the responsibility of the government and other stakeholders within any country to understand the relationship of these influencing factors of inequality and productively motivate the economic sectors to improve the level of inequality by reducing it. In this way, the government is developing different kinds of advanced and strategic policies that are critical to improving the level of inequality by reducing it and working to eliminate it rapidly (Usman et al., 2022; Zhang et al., 2021). However, at the same time it is also noticed that the countries that are working to reduce the level of inequality, these countries are focusing on the improvement of labor productivity (Sheikhzeinoddin et al., 2022). It is due to the reason that it is understood that if the productivity of the level is increased and, in this way, the economy of any country would be strong, and as result, the inequality would be reduced. However, according to Gao et al. (2022), it is more theoretical than practical because the understanding of inequality is noticed in the developing countries where the strategic implementation of economic policies and productivity of labor is found. On the one hand, some countries are not concerned about the level of inequality because the government of these countries are corrupt and working on malpractices (Mohammed & Al Ani, 2020). However, on the other hand, some countries are working to improve the productivity of labor to influence it for the betterment of equality level by reducing inequality from the society (Johnson & Koyama, 2017; Khan et al., 2022). The government of these countries is formulating the economic policies based on sustainable development goals to ensure that inequality is the critical factor of the sustainable development goals that is a big hurdle for not only the society but at the same time for the productivity of the economy (Xue et al., 2022). Indeed, the developed countries are providing opportunities for the backward countries to improve their level of labor productivity and in this regard, a mutually shared vision is responsible to ensure that the practices of the developed countries are being implemented in the developing countries to improve the level of productivity of these countries (Achim et al., 2021). Indeed, it is not the responsibility of the developed countries to reduce the inequality from the developing countries, but it is the moral and social duty of the advanced countries to protect the economy of the backward countries for the prosperity of the people and better advantage (Coccia, 2018). Moreover, the United Nations Organization demonstrated that the advanced countries should collaborate with the backward countries to develop the economic policies on the sustainable development goal to improve the productivity of the employees (Liu et al., 2022). In this regard, it is understood that if the productivity of the employees of any country is increased in result the economy of that country would be improved and the sustainability would result in a better economic system. Furthermore, in Figure 2 the globalization and economic inequality of China is presented (Kolozi & Lentner, 2020).

However, it is the key responsibility of the government of one country to understand the responsibility in and productive way and ensure that all the stakeholders are working on the pattern of activity to improve the performance sustainably and eliminate the social evil of inequality. Therefore, the development hypotheses are;

**H5. There is a relationship between labor productivity and reducing inequality.**
2.4. Role of sustainability in reducing inequality and economic growth

In recent times, sustainability is considered one of the prime objectives of the worldwide economy. It is due to the reason that sustainability is helping to develop strategies accordingly for the betterment of the community and boost the economy in a productive way that would be helpful for the business organization and the society for a long time (Xue et al., 2022). In this regard, sustainability is considered one of the prime objectives of sustainable development goals developed under the umbrella of the United Nation. Similarly, sustainability is considered as one of the prime objectives to reduce the level of equality in the society and the economy where the prime purpose of the sustainable development implementation is to improve the standard of performance by the people (Liu et al., 2022). On the one hand, it is noted that the country that is working on sustainable development goals, these countries are achieving sustainability in the economy and eliminating the evil of inequality from the society (Rostamzadeh et al., 2021). Oppositely, according to Naseem et al. (2022), the developing countries that are still working to improve and implement the strategies for sustainable development goals, these countries are not appropriately working to improve the performance and developed the strategies for better productivity (López, 2020). In this regard, it is noticed that sustainability is helpful for the economy to improve the growth of the country and provide prosperity to the economy (Bhattacharya et al., 2016). Importantly, Zhao et al. (2022) highlights that with the implementation of sustainable development goals, the countries are not only improving the economic growth but at the same time the focus on reducing the level of poverty and improving the level of labor productivity to get better results for the economy along with the term (Ślusarczyk & Pyplacz, 2020). In this way, it has become critical for the developing and developed countries to not underestimate the prime objective of sustainable development goals and provide opportunities for economic growth to improve export and contribute to the bill of trade (Alper & Oguz, 2016). Likewise, the countries that are effectively implementing the strategies with proper improvement and standard of performance these countries are not only reducing the level of sustainability but at the same time, prosperity is the future of these countries (Naseem et al., 2022). Significantly, it is noticed that until and unless sustainable development goals are truly implemented, it would be difficult for the economic growth to boost productively and improve the
production of labor for reducing inequality (Amin et al., 2022). Furthermore, the countries are working on the pattern of improving the performance of economic growth with the help of sustainable development goals to contribute to the prosperity of the country (Meyer & Hassan, 2020). In this regard, the theoretical framework is presented in Figure 3. Therefore, the development hypotheses are:

H6. There is a relationship between sustainability and reducing inequality.

H7. There is a relationship between sustainability and economic growth.

H8. There is a relationship between reducing inequality and economic growth.

H9. There is a mediating role of labor productivity between the relationship of economic policy and reducing inequality.

H10. There is a mediating role in reducing inequality between the relationship of sustainability and economic growth.

3. Methodology

3.1. Prepare questionnaire

For this study, to process data analysis the Likert scale five-point questionnaire was prepared to collect the data from the target population to measure the relationship between the variables effectively and fairly (Mora-Rivera et al., 2020). However, the questionnaire was divided into two distinct parts. In section ‘A’ of the questionnaire, the respondents were required to provide demographic information including age, occupation, and social status (Salas Rueda, 2020). Further, in section ‘B’ of the questionnaire, the scale items for each variable were provided to measure the data to test the hypotheses of the study. In this regard, the scale items for sustainable development goals were taken from the study of Olabi et al. (2022) to measure the role of sustainable development in the economic
policies and sustainability of the economy. These scale items were carefully taken according to the context of the study. Similarly, the scale items for economic policy were taken from the study of Parmentola et al. (2022) to measure the role of economic policy in labor productivity and reducing inequality. These scale items were also taken with careful consideration to measure the role of economic policy. Meanwhile, the scale items for labor productivity were taken from the study of Pizzi et al. (2022) to measure the impact of labor productivity on reducing inequality in the economic system of China. Also, the scale items for sustainability were taken from the study of Yu et al. (2022) to measure the role of sustainability in economic growth and reducing inequality as these scale items were already used by different studies to measure it. Furthermore, the scale items for reducing inequality were taken from the study of Wang et al. (2022) to measure the role of reducing inequality and its effect on economic growth. Lastly, the scale items for economic growth were taken from the study of Lauwo et al. (2022) to measure the reasons behind the economic growth in a productive way.

3.2. Data collection process

This section of the study has information related to the data collection process. To collect the data from the target population of 800, several 330 questionnaires were provided to the respondents. However, at the start, the introduction and objective of the study were provided to the respondents to ensure that they must be familiar with the purpose of the study. In this regard, the questionnaire was mailed to the respondents, and they were requested to fulfill the questionnaire in an impersonal way to contribute to the worth of the study. In this regard, the email of the researcher was also provided with the questionnaire to address the quarries of the respondents. In this regard, all the quarries of the respondents were addressed accordingly to ensure that they have not remained in any kind of confusion and ambiguity while responding to the questionnaire. After the collection of data, the questionnaire was collected back to proceed with the study. In last, the respondents were apricated for their fair response to the study.

4. Findings

In this study, Smart PLS 3 software was used for data analysis because it is the most recommended software for modern studies. Furthermore, for data analysis PLS Algorithm calculator and Bootstrapping were considered to continue with data analysis. Importantly, the convergent validity was checked with factor loadings, composite reliability, and average variance extracted. Furthermore, discriminant validity was checked with the HTMT method because it is also recommended by Ramayah et al. (2018) for modern studies.

4.1. Convergent validity

This section of the study has results of PLS Algorithm calculations to identify the factor loadings, composite reliability, and average variance extracted (see Figure 4). In this regard, the factor loadings for each scale item were identified, and according to the results all the values of factor loadings were not less than 0.60 is recommended
by Sander and Teh (2014) for the modern studies. In the same way, the value of com-
posite reliability was checked, and according to the results, all the values of composite re-
liability were not less than 0.70 which is also recommended by Ringle et al. (2015)
for modern studies. In last, the average variance extracted value for each variable was
identified, and according to the calculations the value was greater than 0.50 which
was recommended by Wong (2013) for reliability. Importantly, according to the data
analysis and identifying all the values, there is reliability and validity in the scale
items taken for this study (see Table 1).

4.2. Discriminant validity

In this study, the discriminant validity was also identified with the purpose to check
the clear distinction between the variables and scale items. In this regard, PLS
Algorithm calculations were used to identify the HTMT values, because HTMT is the
most recommended software for data analysis in modern studies. According to the
calculations available in Table 2, all the values of HTMT were not greater than 0.90
which is recommended by the study.

4.3. The PLS-SEMs results

This section of the study has the results of direct effects. In this regard, PLS
Bootstrapping calculations were taken with the help of Smart PLS 3 software (see
To begin with, H1 was tested to check its significance and according to the results SDG has a significant effect on SY ($b = 0.765$, $t = 35.934$, $p = 0.000$) and H1 is supported. Secondly, H2 was tested to check its significance and according to the results SDG has a significant effect on EP ($b = 0.770$, $t = 31.907$, $p = 0.000$), and H2 is supported. Thirdly, H3 was tested to check its significance and according to the results, EP has a significant effect on RI ($b = 0.216$, $t = 3.789$, $p = 0.000$), and H3 is supported. Fourthly, H4 was tested to check its significance and according to the results, EP has a significant effect on LP ($b = 0.758$, $t = 34.032$, $p = 0.000$), and H4 is supported. Fifthly, H5 was tested to check its significance and according to the results, LP has a significant effect on RI ($b = 0.259$, $t = 4.747$, $p = 0.000$), and H5 is supported. Sixthly, H6 was tested to check its significance and according to the results

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<td>0.767</td>
<td>0.797</td>
<td>0.817</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>RI</td>
<td>0.762</td>
<td>0.758</td>
<td>0.821</td>
<td>0.8842</td>
<td></td>
<td></td>
</tr>
<tr>
<td>SDG</td>
<td>0.723</td>
<td>0.804</td>
<td>0.806</td>
<td>0.811</td>
<td>0.839</td>
<td></td>
</tr>
</tbody>
</table>


Source: Authors.

To begin with, H1 was tested to check its significance and according to the results SDG has a significant effect on SY ($b = 0.765$, $t = 35.934$, $p = 0.000$) and H1 is supported. Secondly, H2 was tested to check its significance and according to the results SDG has a significant effect on EP ($b = 0.770$, $t = 31.907$, $p = 0.000$), and H2 is supported. Thirdly, H3 was tested to check its significance and according to the results, EP has a significant effect on RI ($b = 0.216$, $t = 3.789$, $p = 0.000$), and H3 is supported. Fourthly, H4 was tested to check its significance and according to the results, EP has a significant effect on LP ($b = 0.758$, $t = 34.032$, $p = 0.000$), and H4 is supported. Fifthly, H5 was tested to check its significance and according to the results, LP has a significant effect on RI ($b = 0.259$, $t = 4.747$, $p = 0.000$), and H5 is supported. Sixthly, H6 was tested to check its significance and according to the results
SY has a significant effect on RI ($\beta = 0.379$, $t = 7.591$, $p = 0.000$) and H6 is supported. Seventhly, H7 was tested to check its significance and according to the results SY has a significant effect on EG ($\beta = 0.282$, $t = 5.138$, $p = 0.000$) and H7 is supported. Eighthly, H8 was tested to check its significance and according to the results RI has a significant effect on EG ($\beta = 0.526$, $t = 11.472$, $p = 0.000$) and H8 is supported (see Figure 5).

### 4.4. Mediation effects

This section of the study has results for mediation analysis that were measured with PLS Bootstrapping (see Table 4). According to the results, LP mediates the
relationship between EP and RI (β = 0.196, t = 4.706, p = 0.000), hence H9 is supported. Similarly, according to the results, RI mediates the relationship between SY and EG (β = 0.199, t = 6.285, p = 0.000), therefore, H10 is supported. In other words, the mediation analysis is also significant in this study.

5. Discussion and conclusions

According to the results of H1 and H2, there is a significant relationship between sustainable development goals, sustainability, and economic policy. Indeed, sustainability and economic policy are critical if it is developed on the manifesto of sustainable development goals. In this regard, it would be appropriate for the countries to move the economy effectively by utilizing all the sources in the way of sustainability. Similarly, sustainability is not only limited to the concept of sustainable development goal, but if the management is working effectively and developing economic policy in the best way, as result the economy would develop effectively (Amin et al., 2022).

Importantly, the countries in which sustainable development goals are being established according to the standard of the charter, these countries are contributing a lot in the development of strategies for increasing sustainability. According to the results of H3 and H4, there is a significant relationship between economic policy, labor productivity, and reduction in inequality. In this regard, it is important to consider that the developing countries must focus on the development of economic policy in an effective way that could ultimately help to improve the productivity of labor for economic growth. At the same time, if the economic policy of any country is developed strategically then the parameters of inequality would also be addressed effectively (Alper et al., 2022).

Besides, the countries that are failed to develop sustainable economic policies, these countries are not contributing to the economic growth of the world and the productivity of the labor. In this way, the government and the others stakeholders of such countries should focus on the economic policy in an effective way to get a better result.

According to the results of H5, there is a significant relationship between labor productivity and reducing inequality. It is important to understand that in a developing country, the pattern of labor productivity is based on the economic policy, and with the help of labor productivity, the inequality is reduced from the society. However, there are critical factors that are contributing to labor productivity because unless and until the labor productivity is not supported by the economic policies and sustainable development goals, then it would be not appropriate to consider it for the reducing of inequality. Moreover, the government is developing strategies accordingly to understand the role of labor productivity because it is not just the inequality but the other social people are also eliminated with the help of labor productivity (Alper

### Table 4. Indirect effects.

<table>
<thead>
<tr>
<th>Indirect Effects</th>
<th>B</th>
<th>STDEV</th>
<th>T Values</th>
<th>P Values</th>
<th>Decision</th>
</tr>
</thead>
<tbody>
<tr>
<td>EP -&gt; LP -&gt; RI</td>
<td>0.196</td>
<td>0.042</td>
<td>4.706</td>
<td>0.000</td>
<td>Supported</td>
</tr>
<tr>
<td>SY -&gt; RI -&gt; EG</td>
<td>0.199</td>
<td>0.032</td>
<td>6.285</td>
<td>0.000</td>
<td>Supported</td>
</tr>
</tbody>
</table>

SY = Sustainability, EP = Economic Policy, EG = Economic Growth, LP = Labor Productivity, and RI = Reduce Inequality. Source: Authors.
et al., 2022). In the same way, Denmark and Norway are focusing on labor productivity to enjoy that with the help of labor productivity the economic growth would be increased and inequalities of the society would be removed effectively. Similarly, Canada is working to improve labor productivity with the help of economic policies to reduce the inequality from the society that would ultimately result in economic growth. In the same way, China must adopt the strategies of labor productivity to improve the performance of the employees and effectively eliminate the social barrier.

According to the results of H6 and H7, there is a significant relationship between sustainability, economic growth, and reducing inequality. In this regard, it is important to understand that if inequality is found in the society, then with the help of sustainable development and adopting sustainable development goals, the government can reduce the level of inequality. However, in China, the government needs to focus on sustainable development goals and developed economic policies with sustainability to reduce inequality and productively increase the growth of the economy. No doubt, different strategies can be implemented in China to improve the performance of the labor productivity, but until and unless sustainability is not in labor productivity, then it would be difficult for the Chinese economy to boost effectiveness in the future (Alper et al., 2022). In this regard, the more focus of the authority should be to understand the role of economic stability and sustainability to develop strategies for effective development sustainably. According to the results of H8, there is a significant relationship between reduction inequality and economic growth. In this regard, it is important to consider that in the developed country where the strategies are established to improve the performance of the economic sector, at the same time different organizations are utilizing different tactics to improve the productivity of the economy with the support of the government (Li et al., 2022). Significantly, these countries are rich in economic development due to the sustainable economic policies and implementation of the policy fairly. Oppositely, the country that is not appropriately handling the situation of reducing inequality in result their countries are not there in the economy.

According to the results of H9, there is a mediating role of labor productivity between the relationship of economic policy and reducing inequality. In this regard, the countries should focus on the productivity of the labor with the help of fair economic policies that would ultimately help in reducing inequality. Similarly, the results of H10 show that there is a significant mediating role in reducing inequality between the relationship of sustainability and economic growth. In this regard, the economic growth in China could be done with the help of sustainability in the Chinese economic system, which would ultimately help in getting things done in the best way.

6. Implications

6.1. Theoretical implications

The study has significant implications in theory because no study earlier hair discussed the role of sustainable development goals, sustainability, economic policy, labor productivity, and elimination of inequality in the context of economic growth in China. In this regard, this study is based on the hypotheses that are developed by
analyzing the previous literature in detail. In this way, this study demonstrates the significant relationship between different variables that is important to consider when measuring the economic growth of China. Similarly, the study highlights those lawmakers and policymaker in China should understand the important role of inequality and sustainability with the help of influencing factors sustainable development goals, economic policy, and labor productivity to develop strategies and future regulation for the economic growth of China. Moreover, this study highlights that if the labor productivity is increased with the help of economic policy, then it would be appropriate for the lawmakers to develop the strategies effectively for the reduction of poverty and inequality in China. At the same time, the study points out that if sustainability is a major concern in the economic growth of China, then the lawmakers should consider the important role of elimination of inequality because in this way it would be effective for industries and other service sectors to ensure the productivity and economic growth.

6.2. Practical implications

At the same time, this study has practical implications that are critical to understanding by different lawmakers and policymakers in China that are related to economic growth and economic development. To begin with, the study highlights that the trade and economic ministry of China should consider the sustainable development goals for the long-term implementation because with the implementation of these goals it would be appropriate for the business and another service sector to improve productivity. Secondly, this study highlights at the economic policy in China should be made on the role model and framework of sustainable development goals, because the sustainable development goals are critical to understanding if the government wants productivity and efficiency in economic growth. Thirdly, the study points out that there is a critical role of sustainability in economic growth because boosting the economy is not a hard task, but developing it sustainably with continuous protectivity is not an easy task. Also, this study demonstrates that the policymakers should concentrate on effectively developing strategies to reduce and eliminate the concept of equality in the Chinese society to get the productivity in the economic growth effectively. In this regard, if these implementations are according to the sustainable development goals, and sustainable economic policy it would be proper for the economic factor of China to develop strategies accordingly and get the best results in economic growth.

7. Limitations and future directions

This study is limited to understanding the role of sustainable development goals, economic policy, and labor productivity to sustainability and reducing inequality in the economic growth of China. However, other factors are also influencing the economic growth of China. These factors are globalism, the free trade agreements, and one belt one road. In this regard, future studies must focus on the role of these factors to identify their relationship in the economic system of China to understand how these
factors are effective to the sustainability of China’s economic system, and the elimination of inequality from China.

**Disclosure statement**

No potential conflict of interest was reported by the authors.

**References**


