

## Macro Roundup Article

**Headline:** [The New Money Laundering Network Fuelling The Fentanyl Crisis](#)

### Article

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**Tweet:** [@Brad\\_Setser](#) argues that as of Q1 2024 private capital flight from China was running at \$516B per year, equivalent to Norway's entire GDP leaving the country. Prior to the pandemic, the rate was \$94B.

**Summary:** “The levels of capital flight in the past three years have been quite alarming,” says one senior Chinese official, who declined to be identified and who says that a lot of billionaires and multimillionaires are trying to leave China and take their money with them. “Some wealthy private entrepreneurs are losing confidence in China’s future. They feel unsafe so they are finding ways to get their money out. Calculating the extent of capital flight from China is not straightforward. It requires forensic analysis of China’s balance of payments data to work out how much money is leaving the country through informal or illicit channels. Brad Setser, a former US Treasury official and an expert on global capital flows at the Council on Foreign Relations, a US think-tank, estimates that as of the first quarter of this year, private capital flight from China was running at an annualised rate of about \$516bn. It was even higher in the third quarter of 2022 when it hit nearly \$738bn. These levels are well above outflows in the last quarter of 2019 — before the pandemic struck early in 2020 — which were taking place at an annualised rate of \$94bn.

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**Primary Topic:** China

**Topics:** China, Financial Markets, GDP, News article

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