

China Charts a Clear Path Forward at People's Congress

by William Jones

March 10—The March 4 opening of China's "Two Sessions"—the annual meeting of China's National People's Congress (NPC) and of the Chinese People's Political Consultative Conference (CPPCC)—exuded a strong sense of confidence in China's ability to steer its course toward modernization in spite of the "headwinds" which have been placed in its way by the rather hysterical reaction by some in the West over China's emergence as a major world power.

A main theme of the conference was the concept of "high-quality productive forces." The [Government Work Report](#) provides the starting point of the work of the two conferences, and sets China's targets for achievement over the course of the year ahead. The report's targets were a GDP growth rate of around 5%, the creation of 12 million new jobs, and increases in consumer prices to be kept at around 3%—a very low rate of inflation compared to almost all other nations. The notion of "new productive forces" was reiterated often in the one-hour reading of the report by Chinese Premier Li Qiang, and included the concept of lifting the economy to a new platform of development by raising the level of technology throughout the economy.

The necessary funding for this endeavor will be provided by the central government. In the Government Work Report, Premier Li announced that China would issue "ultra-long bonds" for targeted funding of



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The hall where the "Two Sessions" annual concurrent meetings of the National People's Congress and the Chinese People's Political Consultative Conference took place in Beijing, March 5–11, 2024. The main theme was the concept of "high-quality productive forces."

relevant high-technology projects, and that other "special purpose bonds" would be made available as well. This is not some new form of "quantitative easing" or a bailout of private or public debt, but rather a targeted effort to focus on those areas which have the greatest potential for lifting the entire economy to a higher technological platform.

At a press conference of the key economic officials on the sidelines of the NPC on March 5, Zheng Shanjie, Chairman of the National Development and Reform Commission (NDRC), China's main planning body, explained that these "ultra-long bonds" would be focused on science and technological innovation, integrated urban-rural development, high-quality population development, and food and energy security. While domestic consumption has been a main driver of development since the COVID outbreak wrought havoc on global



WEF/Benedikt von Loebell

Li Qiang, Premier of China.

markets, it has also been somewhat in decline. The focus here is to encourage industry as well as consumers to replace their worn and aging equipment or appliances in order to upgrade the fabric of China's industry.

The new concept takes the innovation-driven development policy—which has been the general direction of China's economic policy over the last few decades—to a higher level. Further elaborating this, it was announced that the government's R&D spending would be increased by 10% this year, a significant jump from previous years. Over the course of 2018–2023, government funding of science and technology has increased by 30%. Local and provincial governments as well as enterprises, both state-owned and privately owned, are also encouraged to increase their R&D spending. This will further allow China to domestically develop those high-tech products which the West is trying to prevent China from importing, thereby sidestepping the foolish policy of “technological apartheid” aimed at maintaining Western leadership in high-tech goods. The policy of “high-quality productive forces” also entails creating a highly-skilled labor force which will also contribute to increasing the productivity of the Chinese economy.

A Pillar for the Emerging New World

The chilly winds blowing from across the Pacific have not, however, dampened China's desire to maintain cordial, and hopefully friendly, relations with all countries, including the United States. Foreign Minister Wang Yi, who gave a press conference on the sidelines of the Two Sessions on March 6, made this quite clear:



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From 2018 to 2023, government funding of science and technology increased by 30%. Here, Xi Jinping (left), President of China, visits a research institute of China Electronics Technology Group Corporation, which is carrying out research into computer chips. Shijiazhuang City, Hebei Province, March 5, 2024.

According to the latest Gallup poll, more than 50% of Americans have a favorable view of China, the highest rate in nearly three decades. I hope people will pay more attention to such positive things. As the largest developing country and developed country, China and America working together will benefit not just our own countries, but also the whole world.



UN/Eskinder Debebe

Wang Yi, Foreign Minister of China.

Despite this attitude, Wang Yi noted that the U.S. was still exerting pressure to prevent China from purchasing high-tech products from the West:

The U.S. has been devising various tactics to suppress China and kept lengthening its unilateral sanctions list, reaching bewildering levels of unfathomable absurdity.

The problem, he said, was not with China, but with the U.S., expressing the hope that they would “fulfill their promises” that were made at the San Francisco summit last year between Presidents Biden and Xi.

Wang Yi also rejected the foolish comments by Secretary of State Antony Blinken at the Munich Security Conference last month, who claimed that those countries that “were not at the table” in a U.S. designed “world order” would be “on the menu.” Wang rebutted:

Countries should not be categorized according to their strength. Those with the bigger fist should not have the final say. And it is definitely unacceptable that certain countries must be at the table, while some others can only be on the menu. We must ensure that all countries, regardless of their size and strength, are able to take part in decision-making, enjoy their rights, and play their role as equals in the process toward a multipolar world.

It was also clear from the Work Report, as well as from the press conference of economic officials, that China was welcoming foreign investment, and was instituting the necessary reforms to create a “level playing field” for all participants, domestic as well as foreign. The government will also be opening up new areas for investment by foreign companies.

Despite the geopolitical problems, Wang also was fully confident in the road China has chosen:

China is determined to stay on the path it has chosen, and China’s development and revitalization is unstoppable. This is the consensus of the international community.... A committed and responsible China will adopt a more visionary foreign policy. While securing an enabling environment for its own development, China will be concerned with the welfare of humanity and partner with other countries to build a global community of shared future.

The role China has taken in its attempt to bring a conclusion to some of the most pressing conflicts of our age shows the truth to the words of the Foreign Minister. Whether it be China’s call for a ceasefire in the genocidal conflict in Gaza, its attempts to mediate peace between Ukraine and Russia, or its successful diplomacy in restoring relations between Saudi Arabia and Iran, China is serving as an anchor of stability in a world engulfed in the stormy seas of geopolitical rivalry and conflict.

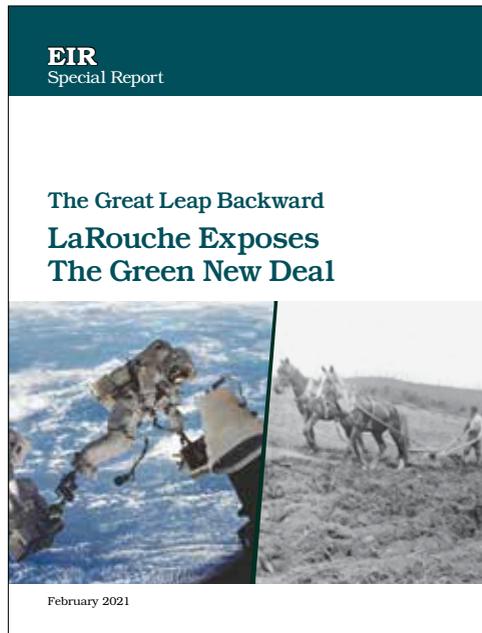
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