

Maintaining Economic Security to Ensure Economic Development



Learning Objectives

- Understand the challenges faced by the national economy.
- Understand the country's plans for maintaining economic security.
- Recognize the importance of strengthening economic security measures to safeguard national economic security.

Related Topics

Module 3.2 Over view of our country's economy and world trade

Chapter 2 (D) Our country's planning for economic development (p.26)



National Economic Security

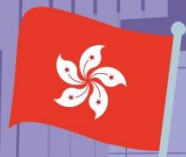
Economic security is the foundation of national security.

The core of maintaining economic security:

- Upholding the fundamental socialist economic system.
- Continuously **improving the socialist market economic system** and insisting on development.
- Continuously **enhancing the overall economic strength, competitiveness, and the ability to withstand various internal and external threats.**
- Focusing on **preventing and controlling various major risks and challenges** to protect the fundamental interests of the country.

Group Discussion :

What challenges is China currently facing in the economic sphere?



Domestic and international challenges

- The global economy is in a downturn.
- Economic globalization is facing headwinds.
- Issues of unbalanced and inadequate development within China remain prominent.
- Innovation capacity does not meet the requirements for high-quality development.
- There are significant disparities in urban-rural development and income distribution.



How does the central government ensure economic security?



Key Points of the 14th Five-Year Plan

The ideas and policies proposed in the 14th Five-Year Plan are based on addressing and resolving domestic and international issues.

National Security (Chapters 52 to 55)

- Strengthening the national security system: taking political security as fundamental task, **economic security as foundation**, military, science and technology, cultural and societal security as means of guarantee, continuously enhancing national security capabilities.
- **Reinforcing economic security** : Ensuring the security of national food, energy resources and finance.
- Protecting the safety of people's lives.
- Maintaining social stability and security.

14th Five-Year Plan

Strengthening Economic Security

Create new momentum for domestic economic development and enhance the smooth-running of economic operations.

Five Key Policy Areas:

1. Research and innovation
2. Market reform
3. Green growth
4. Human resources
5. Balanced Social Development



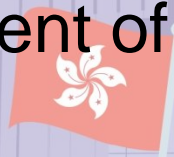
Research and innovation

- Support the formation of **global science and technology innovation centres** in Beijing, Shanghai and the GBA and build **comprehensive national science centres** in Huairou (Beijing), Zhangjiang (Shanghai), the GBA and Hefei (Anhui) .



Research and innovation

- **Nurture advanced manufacturing clusters and foster the innovative development of industries** such as integrated circuits, aviation and aerospace, robotics, advanced power equipment, engineering machinery, pharmaceuticals and medical equipment.
- Promote the integration, clustering, and ecosystem-driven development of strategic emerging industries.





Focusing on basic research while increasing overall research and experimental development funding will enable China's **scientific development** to **possess stronger capabilities** from theory to practice.



On November 4, 2020, a meeting was held in Zhuzhou, Hunan, to promote the construction of the National Innovation Center for Advanced Rail Transit Equipment.



China is committed to developing aerospace technology. In September 2021, the 13th China International Aviation and Aerospace Exhibition was inaugurated.

Video

Robots performing surgery



Aided by 5G-powered robotic surgery technology, a long-distance urologic surgery was successfully completed in China's Xinjiang

<https://www.youtube.com/watch?v=Df5OV8xVaP8>

Source : Xinhua News

Market reform

1. Create a more favorable environment for the development of private enterprises
 - Provide equal protection to the property rights of private enterprises and the rights and interests of entrepreneurs.
2. Improve the policy system for the development of micro-, small- and medium-sized enterprises, and individually-owned businesses
 - Provide more tax and fee concessions and credit support .



Market reform

3. **Reform the production licensing system**

- Simplify the approval process for industrial products.
- Implement list management for business licence items involving enterprises.

4. **Establish a convenient, efficient and orderly market exit system for market entities**

- Simplify deregistration procedures.



Examples of private enterprises:

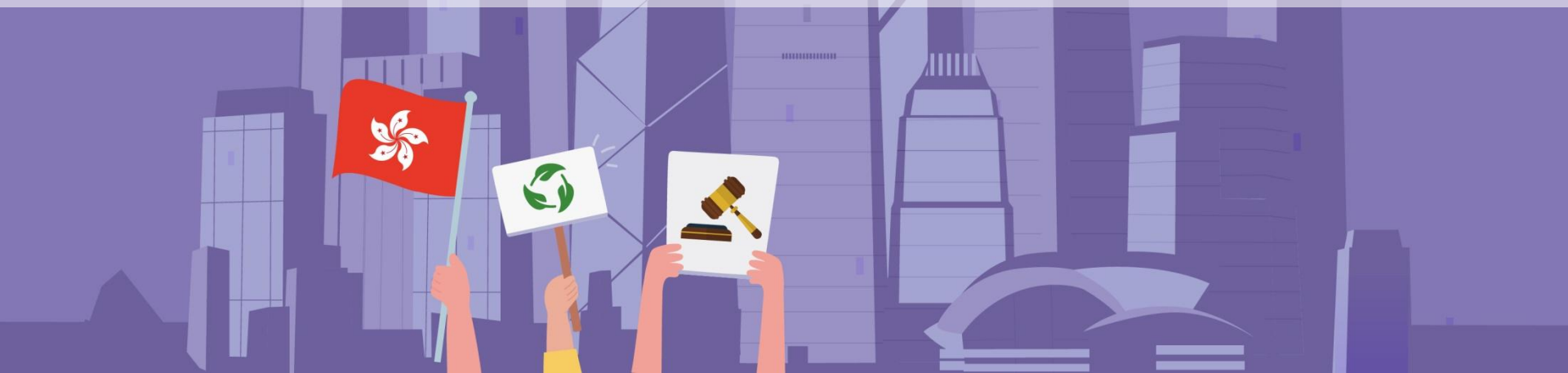


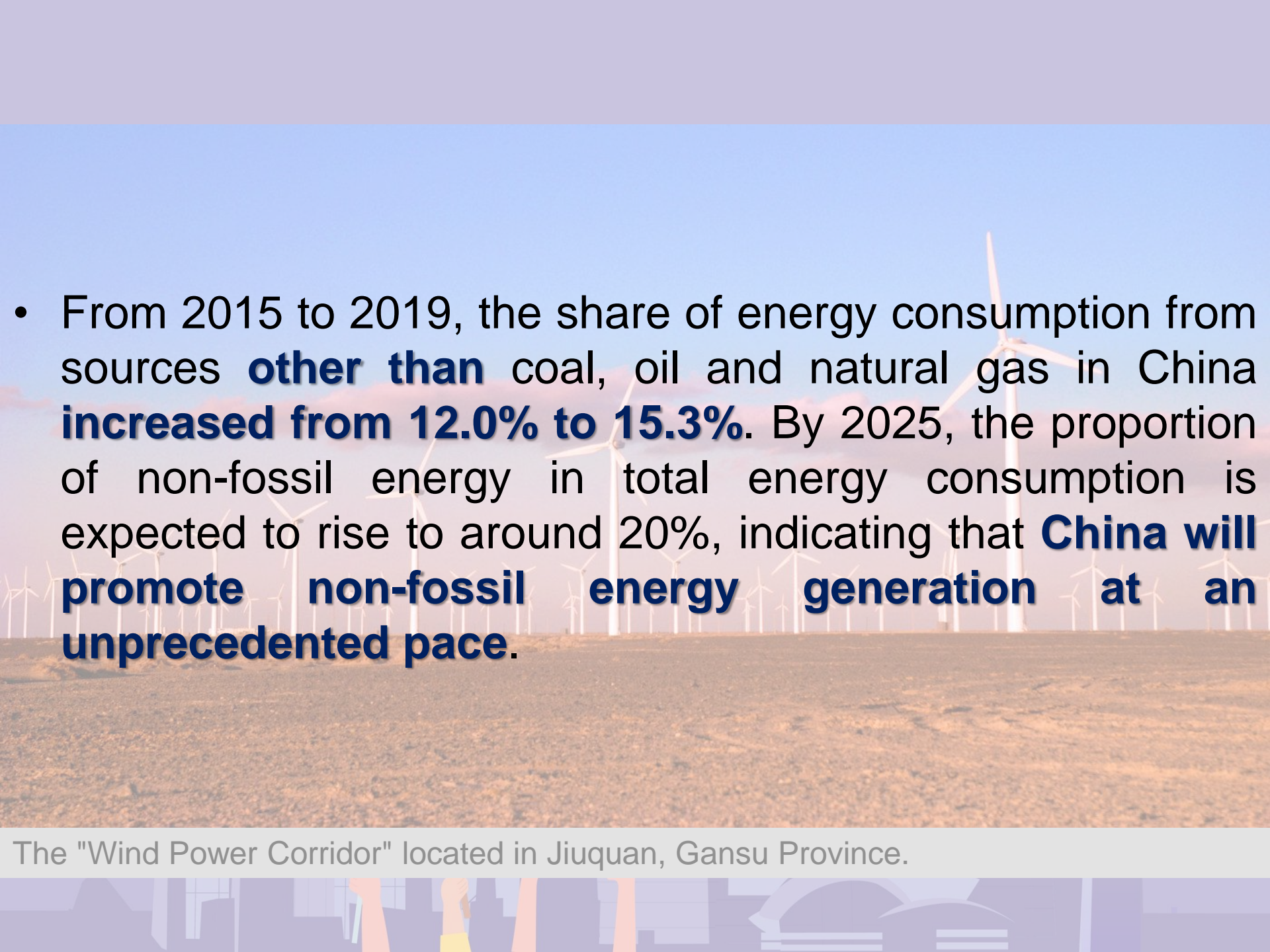
In recent years, the Chinese government has actively pursued market system reforms aimed at reducing various barriers in the market, improving market efficiency, and promoting the continuous progress of the Chinese economy in an open environment.



Green growth

1. Accelerate the development of **non-fossil energy resources**.
2. Develop an action plan to **reach peak carbon emissions before 2030**.
3. Strive to **achieve carbon neutrality by 2060** by adopting more potent policies and measures.



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- A photograph of a vast field of white wind turbines under a clear blue sky. The turbines are arranged in rows, stretching towards the horizon. The ground is a dry, brownish-yellow field.
- From 2015 to 2019, the share of energy consumption from sources **other than** coal, oil and natural gas in China **increased from 12.0% to 15.3%**. By 2025, the proportion of non-fossil energy in total energy consumption is expected to rise to around 20%, indicating that **China will promote non-fossil energy generation at an unprecedented pace.**

The "Wind Power Corridor" located in Jiuquan, Gansu Province.

Human resources

- Improve fertility policies to **promote long-term balanced development of the population.**
- **Improve policies for childcare,** exploring the implementation of parental leave.
- Develop an inclusive childcare service system to support policies for infant and child care services as well as early childhood development.
- **Raise the statutory retirement age.**






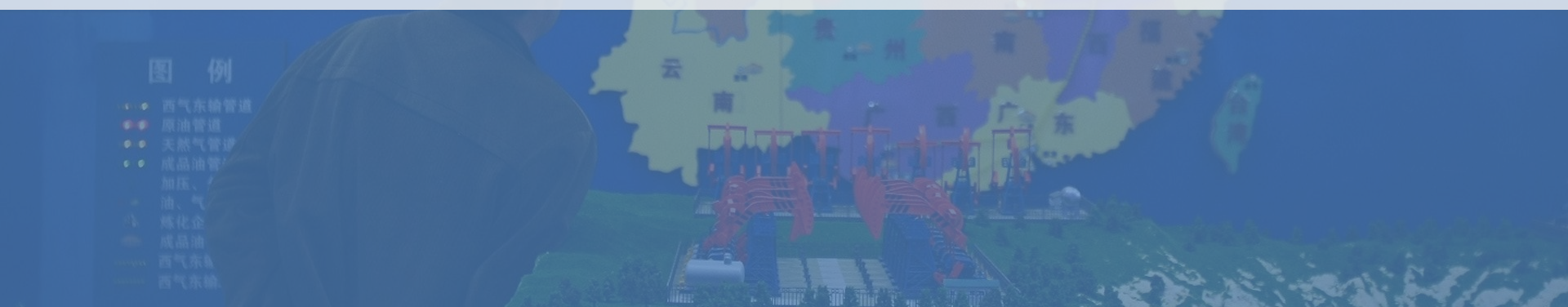
To **maintain the quantity and competitiveness of human resources**, the Chinese government will **improve various systems such as childcare and maternity leave**, providing greater incentives for parents to have children while also striving to **enhance the quality of the new generation of the workforce**.

For example, on May 31, 2021, a meeting of the Political Bureau of the Central Committee decided that China would implement a policy allowing a couple to have three children.

The National Bureau of Statistics has stated that population aging has now become a fundamental national condition in China.

Balanced Social Development

1. Intensify anti-monopoly and anti-unfair competition law enforcement and judicial efforts to **prevent the disorderly expansion of capital.**
2. Advance real estate tax legislation, refine the local tax system and gradually expand the authority of local tax administrations.
3. Develop and expand urban agglomerations and metropolitan areas. **Provide differentiated guidance for the development directions and construction focus of large, medium and small cities** to form a spatial pattern of urbanisation that is appropriately spread out, divided but co-ordinated, and functionally complete.

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- During the 14th Five-Year Plan period, the government will foster balanced social development through a variety of measures such as reforming the tax system, relaxing restrictions on household settlement and emphasising co-ordinated regional development.
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- 图例
- 西气东输管道
 - 原油管道
 - 天然气管道
 - 成品油管道
 - 油、气
 - 炼化企
 - 成品油
 - 西气东输

As early as 2017, the Chinese government emphasized the issue of uneven development.

Greater Bay Area Development

The GBA has to “**provide support for national supply-side structural reform, the implementation of the innovation-driven development strategy and the building of a new open economic system**”.



Greater Bay Area Development

Hong Kong, as one of the four core cities, is the regional centre for international finance, shipping and trade, and is also an aviation hub.

Hong Kong will have more opportunities to provide services and experience to the nation, and its space for deep participation in national economic development will also expand.



Greater Bay Area Development

During the 14th Five-Year Plan period, the Guangdong-Hong Kong-Macao Greater Bay Area will strengthen the collaborative development of industry, academia and research among Guangdong, Hong Kong, and Macao, improve the Guangzhou-Shenzhen-Hong Kong and Guangzhou-Zhuhai-Macao technology innovation corridors, promote the construction of a comprehensive national science center, and facilitate the cross-border flow of innovation factors.



Greater Bay Area Development

It will also accelerate the construction of intercity railways, coordinate the functional layout of ports and airports, and optimize the allocation of shipping and aviation resources.



A background image of the Hong Kong skyline, featuring the International Finance Centre (IFC) tower prominently in the center. The city is viewed from across the water, with other buildings and the harbor visible. The sky is clear and blue.

The "14th Five-Year Plan" proposes several policies to support Hong Kong:

- Supporting Hong Kong in **raising its status as a centre of international finance, shipping and trade, and as an international aviation hub**; strengthening its functions as a global offshore RMB business hub, an international asset management centre and a risk management centre.

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- Supporting the participation of Hong Kong and Macao in contributing to the country's full opening-up, the building of a modern economic system and the creation of a functional platform for the joint development of the Belt and Road Initiative.
 - Deepening economic, trade and technological innovation co-operation between the mainland and Hong Kong and Macao; deepening and expanding financial market connectivity between the mainland and Hong Kong and Macao.

Summary

In the 14th Five-Year Plan, the government plays a planning role to ensure that economic development is not compromised and can continue to grow.

This contributes to strengthening the country's economic power and provides a solid material foundation for national security.

