

Weekly Commentary 13

State of the Nation, China and America

By prior arrangement (and tradition), the two economic superpowers of the world, China and the United States, held their annual assessments of their own economic status, during the last week. In China, they did it at their “liang hui” or two sessions, which is the nickname for the National People’s Congress conference, held in Beijing’s Great Hall of the People, from March 4. The NPC, consisting of elected parliamentarians, is China's national legislature and in principle the most powerful state body under the constitution. More than five thousand delegates attended.

The highlight was the work report by Premier Li Qiang. It has been reported that the Chinese government was forward looking and put GDP growth target for 2024 at 5%. Most of the work reports were on economic strategies to get there.

Across the Pacific, the Americans heard their president, Joe Biden, give a speech on the State of the Union to their legislature. All they got was a 67 minute political message that covered everything from the need to confront Russia, and a commitment to the Ukraine proxy war to how America was at risk of losing its democracy because of the threat posed by Donald Trump. It was mostly self serving with Biden, evidently on steroids or stimulants preventing any slipups that may allow the whole world to suspect his senility, shouting at the top of his voice against his imagined enemies.

There were no economic strategies announced. What did you expect from Joe?

The structure of the lianghui is analysed below:

China's parliament, the National People's Congress (NPC), kicked off its annual session on Tuesday, with all eyes on plans to support growth in the world's second largest economy.

A property crisis, deepening deflation, a stock market rout, and mounting local government debt woes have pressured China's leaders, so that the stakes for this year's session, loom large for international investors and companies operating there.

Here are key details and issues that emerged (as usual, I have added emphasis or new analysis in red):

WHAT ARE THE "TWO SESSIONS"?

Parliamentarians and political advisers gather in Beijing every March, after the Spring Festival, for two parallel sets of meetings called the Lianghui or "Two Sessions".

Fanfare surrounds the week,-long meetings in the Great Hall of the People, a cavernous building south of the Forbidden Palace, which state media publicises

widely to send a message that policy and personnel decisions made there express the will of the people.

The Chinese People's Political Consultative Conference (CPPCC), a top advisory body of experts, business leaders and representatives from other political parties, was also in attendance.

In practice, both the NPC and CPPCC answer to the Chinese Communist Party led by supreme leader President Xi Jinping.

No bill or personnel decision proposed by the party has ever been rejected by the parliament in a typical Confucianist manner.. In China, there is no confrontation, no shouting matches and work gets done in a civil manner.

WHAT ARE THE HIGHLIGHTS?

When the NPC opens, Li Qiang, who was named premier at last year's session, will deliver his first government "work report", an annual speech of policy priorities that has been compared to the U.S. president's State of the Union address.

In past years, the speech has set economic targets and outlined plans to reach these goals.

As parliamentarians have the power to appoint senior government officials, some diplomats expect that Liu Jianchao, now the de facto foreign minister for the Communist Party, could be named China's foreign minister at this year's meetings.

WHAT ANNOUNCEMENTS TO LOOK OUT FOR?

Li's work report will review the past year before outlining key economic objectives, expected to include steady growth for 2024 at about 5%, and a budget deficit of 3% of gross domestic product.

Analysts expect him to unveil moderate stimulus plans to stabilise growth but stop short of bold reforms to fix deep structural imbalances. That would be covered in five year plans.

Li may also elaborate more on how the state wants to leverage "new productive forces", a concept first raised by Xi last September describing steps to promote strategic industries including artificial intelligence.

China will also announce its defence budget, which has grown at a faster pace than GDP since Xi came to power 11 years ago. *This year the budget goes up by 7.2 percent.* The South China Morning Post has reported that China is building another two aircraft carriers simultaneously, both of 100,000 tons (the same size as USS Ford, America's most advanced ship which demonstrates its impressive ship building capabilities and a rising confidence in carrier operations in the western Pacific. As China aims to equal US naval strength in that theatre, its first domestically developed carrier, the Fujian, begins final assembly process. Type 002 vessels will have

advanced electromagnetic aircraft launch system allowing faster and more frequent take-off.

Analysts say continuation of the trend, despite a purge last year of several generals in charge of military procurement, would underscore the emphasis Xi, as commander-in-chief, puts on national security amid strategic competition with the United States.

Other state bodies will also lay out plans for the year ahead in work reports. For example, the parliament might outline what laws it aims to pass in 2024.

WHO WILL BE THERE?

About 2,960 parliamentarians from all over China, including Hong Kong, will meet.

There are also 13 delegates selected by China to represent Taiwan, which Beijing regards as its territory.

Most will come wearing dark suits, while others don colourful ethnic costumes. Many will be in military uniform, reflecting a sizable contingent from the People's Liberation Army.

Also in attendance are 2,200 political advisers.

Delegates will discuss the policy objectives figuring in work reports and suggest tweaks. Parliamentarians give their stamp of approval by voting on the last day of the meetings. Political advisers have no right to vote.

Li's speech, which reviews the nation's economic health while setting new goals and targets, proved to be an almost carbon copy of his predecessor's last year, down to the same projected growth target of "about 5%." Although he unveiled a 7.2% increase in military spending, \$139 billion in "ultra long-term" special bonds, and \$1.4 billion towards upgrading industries and modernizing manufacturing, the tone was very much business as usual. Stability is emphasized.

"Digital technology is really top of the agenda," says Nis Grünberg, lead analyst for politics and society at the Berlin-based Mercator Institute for China Studies. "China is trying to develop its way out of being second to America."

That sets the stage for more conflict with the U.S. Despite a thawing of bilateral ties since Xi and President Joe Biden met on the sidelines of the APEC summit in San Francisco in November, the White House has continued to expand export controls on sensitive technology. It was a topic that prompted the most colorful language from Foreign Minister Wang Yi during a press conference on Thursday, when he accused the U.S. of "devising various tactics to suppress China" via a "unilateral sanctions list reaching bewildering levels of unfathomable absurdity."

Unpacking China's 2024 growth target and economic agenda

By **Hung Tran**, the Atlantic Council

At the opening of China's fourteenth National People's Congress (NPC) on March 5th 2024, Premier Li Quang delivered his first Government Work Report, setting the key economic and social policies and targets for this year. The NPC meeting will be followed by that of the National Committee of the Chinese People's Political Consultative Conference. Together those meetings constitute the "Two Sessions"—an important annual event where political and policy decisions made earlier by the Politburo of the Chinese Communist Party (CCP) are formally endorsed and publicly announced.

Economic targets for 2024

The 2024 Government Work Report sets this year's economic targets, which are virtually identical to those made in 2023. GDP growth is planned to be "around 5 percent", with a central government budget deficit of 3 percent of GDP in continuation of a proactive fiscal policy and a prudent monetary policy.

In particular, China plans to issue one trillion yuan of ultra-long special government bonds to support the budget; and to raise the special local government bond quota to 3.9 trillion yuan from 3.8 trillion yuan in 2023. The urban unemployment rate is set at around 5.5 percent with twelve million new jobs to be created.

More interesting than the targets are the government's priorities as reflected in the increases in spending. Total central government expenditure is projected to increase by 3.8 percent to 28.5 trillion yuan (almost \$4 trillion), with debt interest payments topping the list rising by 11.9 percent; followed by science and technology at 10 percent; stockpiling of grains, edible oils, and other necessities at 8.1 percent; national defense at 7.2 percent (same as last year); diplomatic activities at 6.6 percent; and education at 5 percent.

The planned fiscal deficit at 3 percent of GDP—declining from the realized deficit of 3.8 percent in 2023—along side the commitment to "prudent" monetary policy have disappointed many analysts and financial market participants who had hoped for a "big bazooka" stimulus plan to kick start the lackluster economy. Furthermore, they point out that this year will not benefit from the base effect resulting from earlier slow growth due to Covid-19. As a consequence, most analysts are keeping their estimates for 2024 growth below 5 percent, with the IMF expecting 4.6 percent. Or growth can be expected to generate more goods and services than a 5% growth would imply.

The key factor in this year's growth prospects is whether the property sector starts to stabilize, having been in a sharp decline over the past three years. In particular, after suffering the worst price fall in nine years—a drop in investment of 9.6 percent and in new construction starts of 20.4 percent in 2023—home sales and prices have increased modestly in recent months. If this trend gains traction, it would set the stage for the series of moderate support measures implemented so far to show some positive results.

Developing the "New Three" for high-quality growth

In any event, more important than the exact GDP growth estimates is the NPC's endorsement of the decisions made earlier by the CCP Politburo. These decisions reflect Xi Jinping's emphasis on developing new quality productive forces, through

strengthening capability in science and technology to form the foundation for high-quality growth. This has emerged as Xi's main strategy to develop a new engine of growth for China. It is also a way to stay competitive with the West in science and technology, not the least to sustain the modernization of the Chinese military. **Two new supercarriers to project power into the Western Pacific makes five of these ships in total, with three of them having the ability to match the three American carriers which are typically rotated into theatre to confront China.**

New quality productive forces refer to new clean energy technologies and products—dubbed the “New Three” by the Energy Intelligence Group. **These include electric vehicles (EVs), lithium ion batteries, and renewable energy products such as solar panels, wind turbines, storage facilities and other infrastructures—all together accounting for 11 percent of China's GDP.** These sectors were targeted in the 2015 “Made in China” plan as well as the 14th Five Year Plan adopted in 2021. Last year, with state guidance and support, the New Three sectors have experienced a surge in investment of 6.3 trillion yuan (\$890 billion)—40 percent higher year-on-year. According to Finland's Center for Research on Energy and Clean Air (CREA), without that investment, China's growth in 2023 might have been 3 percent instead of 5.2 percent. The Energy Intelligence Group has estimated that the **new clean energy sectors will continue to grow, accounting for 18 percent of China's GDP by 2027**—in contrast to the property sector shrinking to a smaller but more sustainable 15 percent from its former peak of 25 percent of GDP.

Overcapacity problems

The problem with this approach is that it has created substantial overcapacity in those sectors, leading to a surge in export at low prices to Europe, the United States, and the rest of the world.

For example, China accounts for 75 to 96 percent of the global production of various components of solar panels but demands only 36.4 percent of the output. The rest has to be exported. **And China's export of EVs has increased by 1,500 percent in the past three years, helping China replace Japan as the largest exporter of automobiles. All together, exports of New Three products increased by almost 30 percent in 2023, exceeding one trillion yuan (\$139 billion) for the first time.**

Alarmed at the prospects of their markets being swamped with Chinese green energy products enjoying state support, the EU has started an anti-dumping investigation into EV imports with a possibility of imposing countervailing duties. The United States has opened an investigation into the data security risks of Chinese vehicles using “connected car technology”. China has reacted strongly to such moves, threatening retaliation. And China will try to export those products to countries in the Global South, many of which having no domestic manufacturing and would welcome competitively priced goods for their climate transition efforts.

In short, one of the biggest implications of the Government Work Report is that the development of clean energy industries has been identified as a strategic focus to promote high-quality growth—a new Xi catchword. The chosen strategy serves China's strategic and economic interests but has created serious overcapacity problems, distorting world markets and raising trade tensions with the West. This

adds another dimension to the geopolitical rivalry between China and the United States, making it more intractable and difficult to diffuse.

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The Associated Press summarised the proceedings of Two Sessions this year as follows:

Economic plans, Taiwan and other things to know from the opening of China's legislature

China's economic growth target for this year is around 5%, in line with last year's performance despite forecasts for a slowdown. Chinese Premier Li Qiang announced the plans Tuesday, Mar. 5, before the National People's Congress. The ruling Communist Party has said it is prioritizing efforts to encourage consumer spending to help drive the economy.

BY HUIZHONG WU

8, March 6, 2024

BEIJING (AP) — China's Premier Li Qiang promoted an image of confidence as he announced modest economic growth goals for the world's second largest economy, at one of the country's most important political gatherings.

Li addressed a few thousand delegates of the country's rubber-stamp legislature, the National People's Congress, which met in Beijing.

It's a time when the government reviews the work of the past year, and crucially reveals targets and goals for the coming year, especially in its approach to its economy, military budget and Chinese society.

Here are some key takeaways from Li's address Tuesday.

STABLE ECONOMIC GROWTH

The government's overall approach to the economy will not change, as the goals by the government for 2024 signal that they want to stabilize growth. Li announced that the GDP growth target was 5% this year — a modest target that is still going to be difficult. China is grappling with an economic slowdown and a real estate market in crisis after a crackdown on excess borrowing led to a liquidity crisis among developers.

“This year's targets are virtually the same as last year, reflecting policy stasis in Beijing as the central leadership delays any significant economic policy decisions until the Third Plenum later in the year,” said Neil Thomas, a fellow on Chinese Politics at the Asia Society.

TOUGHER LANGUAGE ON TAIWAN

Li's report had stronger language on Taiwan, a self-ruled island that China considers a renegade province.

Missing from this year's report was the word "peace." Last year, the premier had called for "advanc(ing) the process of China's peaceful reunification." This year, Li said **they will "be firm in advancing the cause of China's reunification."**

Overall, the language this year was tougher, said Arthur Zhin-Sheng Wang, a professor at Taiwan's Central Police University who's an expert on cross-Straits relations.

Dropping the word "peace" combined with the phrase "resolutely opposing Taiwan independence," is what signals a stronger stance, Wang said. Last year, the work report had more language about promoting the prosperity of both sides as well, while this year only had a brief nod.

Taiwan held presidential elections in January and elected Lai Ching-te to be its next president, giving the Democratic Progressive Party a third term. The party's platform maintains that Taiwan is already independent of China.

Taiwan and China have been ruled separately since 1949, when the Nationalist government of Chiang Kai-shek retreated to the island after losing a civil war on the mainland to Mao Zedong's communist forces.

DEFENSE SPENDING RISING 7.2%

The government announced an increase of 7.2% in the military budget, the world's second-highest behind the United States at 1.6 trillion yuan (\$222 billion). China's defense budget has more than doubled since 2015, but in recent years it has dialed down the increase in defense spending as economic growth slowed.

MIGRANT WORKERS

China's rural and urban populations have long been divided by the hukou, a registration and identification system through which social benefits are allocated, such as health insurance and schools. Cities and urban areas generally have better social benefits than rural ones.

For the first time in recent years, the government's work report mentioned that it would want to make it easier for migrant workers with rural hukou registrations to be able to change their hukous to urban ones. While hukou reform has long been discussed, the mention in the government report signals that it could be higher on the agenda of the central authorities.

CONFIDENCE

In spite of the slowing economy, and U.S. export controls on several tech-related industries, such as semi-conductors, Li struck a note of confidence in his report.

“The Chinese people have the courage, wisdom, to overcome any difficulties or obstacles,” he said. “China’s development will surely endure storms and plough through the waves, (and) the future is promising.”

As would be expected from Chinese media, while the lianghui is on, there are many articles written to provide information intended to showcase various strategies and ideas that the government wants to publicise. Here are a sampling of these articles:

Global Times

Forward-thinking strategies proposed at two sessions as China-proposed

By GT staff reporters, Global Times

Published: Mar 07, 2024 07:04 PM

At the ongoing two sessions, the annual meetings of the National People's Congress (NPC) and the Chinese People's Political Consultative Conference (CPPCC) National Committee, hot topics that relate to both China and the world have been proposed and discussed. **One particular highlight is the discussions over the China-proposed Belt and Road Initiative (BRI)**, which has just marked its decade of anniversary last year and is now embarking on the next decade of a new journey for high-quality development.

Over the past decade, the joint construction of the BRI has delivered prosperous results for participating countries. Thanks to the joint initiative, many developing countries have gained increasing access to global markets, eased their financing problems for much-needed infrastructure projects, filled an "infrastructure deficit," strengthened their comparative advantages, and boosted their capacity for independent economic development, according to a report by the Xinhua News Agency.

Members and deputies of the two sessions, many of whom have direct experience and participation in BRI projects have noted how the initiative has brought about changes to participating countries over the past decade.

On this special occasion, **they have also proposed strategies across various sectors, spanning from personnel training to connectivity and green development, while vowing to embrace high-quality development**, which aligns with the future trajectory of the initiative.

To address these difficulties, Zhang proposed to ramp up support the BRI by increasing the loans of Chinese yuan in better response to the fiscal difficulties faced by many countries and their insufficient foreign exchange reserves.

"By doing so, it will not only help the countries' development but also promoting the internationalization of the yuan," the NPC deputy said.

Stronger connectivity

In jointly building the BRI, connectivity is crucial. Among key projects, railways, as the backbone of integrated transportation systems, are an important component of infrastructure connectivity, as the initiative is deepening its high-quality development, said Liu Zhenfang, chairman of the board of the China State Railway Group Co, who is also a deputy to the 14th NPC, in its proposal read by the Global Times.

The 142.3-kilometer-long high-speed line, connecting Indonesia's capital city Jakarta and the fourth largest city Bandung, serves as a flagship project and successful example of developing countries in the region working together toward modernization.

Meanwhile, the China-Laos Railway, another iconic project, has become a game changer for the Southeast Asian country, opening it up to greater economic opportunities.

Few transportation networks rival the cross-continental China-Europe freight train in terms of its significant transportation capacity and its contribution to economic and trade growth, bridging the East and the West.

As of the end of January, the China-Europe freight train had operated over 84,000 trips cumulatively, reaching 219 cities in 25 countries across Europe, according to media reports, highlighting its role as a stabilizer of the global supply chain, particularly amid the Red Sea crisis.

Liu said in his proposal that in 2024 that China Railway will fully leverage a coordination mechanism linked to the China-Europe freight train, continuously enhance the transportation capacity of key ports and corridors, expand the operation of scheduled freight trains along the entire route, and promote the cross-continental cargo train to develop toward higher quality, better efficiency, and increased safety.

Moreover, Liu pledged to intensify exchanges this year with international cooperation organizations and foreign railway institutions to promote the internationalization of Chinese railway standards.

In addition to connectivity, green is also an important part of the high-quality development for the BRI. Wang Tongzhou, a member of the CPPCC National Committee and chairman of China Communications Construction Co, proposed to further support and encourage research and development and the widespread application of green technologies in order to reduce carbon emissions and energy consumption across the entire industry chain under the BRI. "That includes creating a number of exemplary green projects in promoting green development in the joint construction of the BRI," Wang said.

The achievements under the BRI have provided clear evidence, paving an auspicious path toward the high-quality development of the initiative.

Over the past decade, the Chinese government has signed over 240 cooperation agreements promoting the joint construction of the BRI with more than 150 countries and over 30 international organizations. This has resulted in a multitude of cooperative projects, establishing the broadest and largest international cooperation platform in the world, said Liu Jieyi, spokesperson for the second session of the 14th CPPCC National Committee, said at a press conference on March 3.

Looking ahead, the prospects for the high-quality construction of the BRI are promising, said Liu.

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TWO SESSIONS 2024 / OPINION

China's high-quality development centered on the people, not on capital

By **Global Times** Published: Mar 05, 2024 03:44 PM

China's annual two sessions have begun this week. This critical series of meetings in spring is vital to defining China's approach to economic, political and foreign policy issues for the whole year. It also offers observers a window into the latest ideas and practices of China's development in various aspects, including the whole-process people's democracy, high-quality development, Chinese modernization and the wisdom the country provides to global governance.

In the third piece of the series "Two sessions inspirations," Elias Khalil Jabbour (**Jabbour**), Advisor to the Presidency at New Development Bank and an associate professor at the School of Economics of Brazil's Rio de Janeiro State University, shared his views with Global Times (**GT**) reporter Xia Wenxin on his projection for the outlook of the Chinese economy in 2024, the country's high-quality development and its significance to a world striving for steady economic growth.

GT: What are your expectations for this year's two sessions? What do you think about the significance of this event and the decisions to be made?

Jabbour: China has a very peculiar political system that I call "non-liberal democracy," which means that Chinese democracy is a historical construction where the people increasingly have power over the country's destiny - very different from liberal democracies where the power of money and capital supersedes the interests of society.

In this sense, the two sessions have been characterized, in recent years, by decision-making that directly impacts the lives of the Chinese people. For example, major deliberations and institutional innovations deliberated by the National People's Congress and widely discussed in the Chinese People's Political Consultative Conference have enabled China's victory over extreme poverty and the establishment of the world's largest social security system. At the heart of this process are the Communist Party of China and the Chinese people represented by the country's top legislature and top political advisory body.

I believe that **the decisions to be made during the two sessions will have a significant**

impact, for example, on the direction of Chinese industrial policies in a world where attempts at "decoupling" and "de-risking" by the US are a reality. China's socialism is the target of an attempt at "technological suffocation." The decisions to be made during the two sessions should aim to increase efforts for Chinese technological self-sufficiency.

GT: What achievements has China made in realizing high-quality development? What is the concrete connotation of China's high-quality development?

Jabbour: High-quality development can be seen in various ways: A development that, for example, seeks greater harmony between human beings and nature. In this sense, comparisons are fundamental. The high-quality development that China seeks has already realized numerous results. China invests more in green industries and clean energy sources than the US and the European Union combined. China has two times more high-speed train lines than the rest of the world combined. Why? Because socialism with Chinese characteristics allows for such decisions to be made without the pressure from big private industry lobbies of oil and the automotive industry on the socialist state.

The concrete connotation of high-quality development is still a concept under construction, but it already expresses itself in the Chinese government's effort to fight against environmental, social and regional imbalances generated by four consecutive decades of high economic growth. It is development centered on the people, not on capital.

GT: The Chinese economy has long been one of the strongest driving forces for global recovery. In your opinion, will this momentum be maintained in 2024? China on Tuesday has set its 2024 economic growth target at around 5 percent. What is your projection for the Chinese economy in 2024?

Jabbour: The Chinese economy will continue to be the engine of global growth, not only because of its growth rate. There are other elements to be observed. **The financial speculation that dominates the dynamics of accumulation of capitalist economies has been strongly restricted in China. Bank credits that would previously go to the real estate sector now flow to the industrial and high-tech sectors. Labor productivity grows above 4 percent per year, which means something much greater than any economy in the world.**

Moreover, China has reached a stage where it exports its prosperity to the Global South. On top of this, it also delivers to the world the possibility of a productive and inclusive globalization that surpasses the financial globalization sponsored by the US which has led to instability, financial crises, and wars in the global economy.

GT: What lessons can countries such as Brazil and other Latin American countries learn from China's experience in promoting high-quality development?

Jabbour: Before promoting high-quality development, Latin American countries need to consolidate their political independence. The struggle for the "second

independence" of our continent is arduous and long-lasting. We need to overcome the logic of neoliberalism and financialization. Without overcoming these issues, we can do little in terms of high-quality development.

GT: In an opinion piece last year, you said that the West should know more about China's high-quality development. What kind of misunderstandings does the West have about China's economy? What do you think are the reasons behind these misunderstandings?

Jabbour: What the West fails to understand, and has serious difficulties grasping, is that China is not a conventional capitalist economy and, therefore, does not suffer from the same problems that a capitalist economy faces within the financialized logic of the international economy. Western analysts do not understand that the core of the Chinese productive and financial system is public, not private.

There is an understanding that does not attribute the success of the Chinese economy to a peculiar socialism based on large public ownership. It also ignores the fact that China - in extreme opposition to capitalist countries - has used disruptive technological innovations to raise the capacity for predictability and inaugurate new and superior forms of economic planning. **The social sciences and theories produced in the West do not provide possibilities for understanding a new phenomenon like that of China. A new social science must be built to gain a profound understanding of what is happening in the Chinese economy.**

GT: Last year, you said the world now faces a dilemma: continue to struggle under financial and neo-liberal globalization or join the China-proposed Belt and Road Initiative (BRI). Could you please elaborate on this?

Jabbour: There's not much mystery about these choices. **The globalization led by the US has thrown the world into complete chaos, and all capitalist countries in the world live under some type of crisis derived from this globalization.** The Washington Consensus promised development and peace to the world, as long as an agenda of complete financial deregulation and trade openness is adhered to.

What we see today are crises of multiple orders with two of the great challenges that the world faces being issues around peace and climate change. The US opposes policies that would take the necessary changes to their ultimate consequences to ensure peace prevails and the world benefits from the technological innovations required to tackle the environmental issue. Meanwhile, China with the BRI delivers real possibilities for development, exports of production chains, inclusive development and a global pact against inequality and the fight against hunger.

In fact, there are two clear options for the world. We can consider the flourishing of Africa driven by Chinese investments and the possibility of countries like Iran and Saudi Arabia resolving their issues at a negotiating table. Chinese development is fundamental to world peace. The BRI is just the tip of the iceberg of the "new world" inaugurated by the development of Chinese socialism.

Two sessions starting gun for Chinese people's spring of progress: Global Times editorial

By Global Times Published: Mar 04, 2024 12:27 AM

The second session of the 14th National People's Congress (NPC) and the second session of the 14th National Committee of the Chinese People's Political Consultative Conference (CPPCC) will open on March 5 and 4, respectively. 2024 is an extraordinary year shining with multiple commemorative halos, marking the 75th anniversary of the founding of new China, as well as important milestones for the 70th and 75th anniversaries of the NPC and the CPPCC. Additionally, this year's two sessions are particularly noteworthy as the new government will submit its government work report to the NPC annual session for deliberation for the first time and be fully showcased under the global media spotlight. Therefore, this year's two sessions have attracted special attention from all sectors of society.

The collective wisdom and concerted efforts of the two sessions are a manifestation of the spirit of unity and struggle of the Chinese people, and also the most vivid portrayal of the broadest, most genuine, and most effective whole-process people's democracy. During last year's two sessions, deputies put forward 271 proposals and 8,314 suggestions; by the end of 2023, the proposals had been reviewed by nine special committees, and the suggestions had been handled and replied to by 204 organizations. Over the past year, the CPPCC has organized 94 consultations; by the end of 2023, there had been 350 instructions from relevant officials of central and state organs on 139 advisory opinions, and 68 feedback reports from various departments and regions on 59 advisory opinions. These figures vividly demonstrate the vitality and strong execution of Chinese democratic politics that advance with the times.

In this special year, the two sessions are not only a review and evaluation of past achievements, but also a high focus on and practical planning for the well-being of the people and the future direction of national development. In a February survey on the two sessions by the media, "law-based governance," "employment," "rural revitalization," "medical care," "high-quality development," "pension," "education," "community governance," "excellent traditional Chinese culture," and "national security education" were the top 10 hot topics of concern for netizens. Even before the sessions began, the relevant opinions and suggestions put forward by the representatives and deputies had already sparked heated discussions and attention on the internet. As the saying goes, "the aspirations of the people are what the government always strives for." The key topics of this year's two sessions will surely leave a deep imprint on economic, social development and improvement of people's livelihoods.

We have noticed that in the run-up to this year's two sessions, the focus of the outside world is particularly on keywords such as high-quality development, new quality productive forces, and economic growth targets, largely because they outline the future of China. Some foreign media outlets have commented that "China's current goal is to make people's lives better through high-quality development." High-quality development is a hardcore proposition, representing the urgent pursuit of optimizing and upgrading the economic structure, including the deep integration of multiple dimensions such as technological innovation, high-end industrial chain, and green development. And the two sessions are the best window to showcase how

China envisions activating and nurturing new quality productive forces. How the major decisions and arrangements for the economic work in 2024 by the CPC Central Committee will be implemented through the system of the two sessions will greatly shape the development of China in the next stage, and even help drive the global economic recovery process.

The two sessions are a concentrated embodiment and vivid practice of China's whole-process people's democracy. This statement, when placed in the context of history, is both grand and profound. Representatives and deputies from all walks of life gather at the "national conference room" of the two sessions, expressing their opinions freely and connecting the decisions of the Party and government with the needs and expectations of hundreds of millions of ordinary people. This requires meticulous organization and planning, as well as a strong sense of political responsibility and execution. When we carefully think about it, we can't help but feel shocked. Over the decades, the two sessions have continuously adjusted and changed according to the development of the times and practical needs, but the original intention of representatives and deputies to serve the people and hold discussions concerning national policies and principles has remained unchanged. The institutional energy and vitality reflected in this are phenomenal and creative in the history of human political systems.

A year's plan starts with spring. Spring is traditionally the starting point for the Chinese people to begin a year of hard work. The two sessions in modern China also serve as the starting gun for China to move forward in the new year. Just as the harvest in autumn does not come automatically, Chinese modernization will not come from the sky. Our development in all aspects is steady and progressive, but at the same time, we also see that China is facing increasing complexity, severity, and uncertainty in the external environment. Overcoming difficulties and challenges is necessary to further promote economic recovery and improvement. We need to further unite and focus the attention of the whole society on promoting Chinese modernization, igniting the greatest degree of initiative. This is the historical mission that the two sessions undertake at this special juncture this year.

There is also news that the Chinese economy is picking up. This comes from the Economist, which is not a fan of China:

Chinese trade rebounds on electronics and exports to Russia Foreign minister hails 'new paradigm' in relations with Moscow as trade picks up

China's foreign trade grew faster than expected in the first two months of this year, driven partly by electronics and increased exports to emerging markets and Russia, with Beijing's foreign minister touting "a new paradigm" in relations with Moscow. China's exports rose by 7.1 per cent in January and February compared with a year earlier, beating a Reuters poll of analysts that forecast an increase of 1.9 per cent. Imports were up 3.5 per cent, compared with a 1.5 per cent estimate. China reports economic data for January and February together to account for the disruption of the annual lunar new year holiday.

“A big driver of that export recovery has been basically the upswing of the global tech product cycle, basically electronics,” said Tao Wang, chief China economist at UBS. “We have seen that already, that cycle bottoming, in the latter part of last year.”

The improvement in China’s trade, which compares with a 5 per cent decline for the full year in 2023, is good news for policymakers as the country’s politicians gather in Beijing this week for the annual meeting of the rubber-stamp parliament.

China’s economy is struggling to rebound from a property crisis, weak consumer and investor confidence and a fall in export earnings last year, but the government has set what analysts describe as an ambitious target of 5 per cent gross domestic product growth for 2024.

In the first two months of this year, the Association of Southeast Asian Nations bloc was China’s biggest trading partner, with trade rising 4.8 per cent, followed by the EU, with which trade fell 4.1 per cent. Trade with the US was up slightly, rising 0.7 per cent.

Among China’s single-country trading partners, Russia’s ranking has risen rapidly, with bilateral trade growing 9.3 per cent to a total of \$37bn in the first two months of this year and China’s exports to its neighbour rising 12.5 per cent. Russia became China’s fifth-biggest single-country trading partner last year, up from ninth in 2020, as trade reached \$240bn, exceeding a target of \$200bn. Russia roughly maintained that position in the first two months of this year, losing fifth place only by a fraction to Australia.

Beijing’s foreign minister Wang Yi on Thursday emphasised how the two countries were pursuing trade as part of a strategic relationship, in comments that are likely to increase unease in the EU, which sees China as tacitly supporting Russia’s invasion of Ukraine.

China and Russia have created a new paradigm of major-country relations,” Wang said in a press conference during the meeting of the National People’s Congress. “The two sides’ political mutual trust continues to deepen. Russian natural gas is reaching households in China, while Chinese cars are driving on the streets of Russia.”

European leaders have repeatedly warned Beijing that its support for Russia is eroding China’s popularity in the EU. But Wang said China’s partnership with its neighbour was in its own interests and not directed at any “third parties”. China’s trade with India and Brazil also soared during the first two months of the year, rising 15.8 per cent and 33.3 per cent, respectively.

Zhang Yansheng, lead researcher at the China Center for International Economic Exchanges, attributed part of this rise to “friendshoring” as producers shifted operations away from China to evade protectionist measures by the US and EU. “The impact of geopolitics has accelerated structural changes in trade,” he said.

Moody’s analysts Sarah Tan and Aditi Raman said: “China looks to be increasingly involved in the supply chains powering India’s recent industrialisation wave as it positions itself as the next site of final assembly.” Steel exports also surged 32.6 per cent year on year during the period, while iron ore imports rose 8.1 per cent. This was probably due to overcapacity in China, where the property slowdown has reduced domestic metals demand.

And while the Chinese are almost boring in how they develop strategies for economic growth, we have controversy in the equivalent exercise during the chief executive's interaction with the American legislature. Joe Biden was hollering for a whole hour when he gave the SOTU address, displaying all his rough edges in dealing with his foes. But instead of asking Who wants to be like Xi Jinping? as he did last year, he was trying to show how tough he was with the people he sees as a threat to his re-election prospects.

The first was Putin.

He said that he would not back down from confronting Russia. Ukraine would win the war...

Really? The country which he has used as a proxy to fight the Russians has proven to be incapable of winning – they have no more men, munitions or money. Even if he can get the Republicans to agree to send part of 60 billion dollars to Kyiv, the totally chaotic leadership in Ukraine is a complete contradiction of what he is saying. There is no chance in hell that the weakened Ukrainian army can revive their fortunes in the war. The resignation of Victoria Nuland is a case in point. Bailing out before she gets thrown under the bus?

Here is a viewpoint in The Hill, regarding the proxy war:

Raise your privileged hand if you're willing to 'fight to the last Ukrainian'

BY DOUGLAS MACKINNON, OPINION CONTRIBUTOR - 02/17/24 12:00 PM ET

Hey, what's a million-plus dead and wounded when you live thousands of miles away in a bubble of arrogant privilege?

In August 2023, U.S. officials estimated that approximately 500,000 Russian and Ukrainian troops (of that total, it has been estimated that 90 percent of that were Ukrainian) had been killed or wounded since Russia's invasion in February 2022. Back in November, the United Nations Human Rights Office said more than 10,000 Ukrainian civilians had died.

Recently, a former intelligence official told me that troop casualties are now over 1 million, and that the U.N. estimate of civilian deaths is dramatically higher. Over 1 million dead and wounded men, women and children.

Shouldn't that obscenely horrific death and casualty number shock us? For a comparison, how would we react if every single man, woman and child in Dallas, San Diego, Austin, Jacksonville or San Jose were killed or wounded while large parts of those cities were leveled to the ground by air and artillery bombardments?

Sadly, tragically, but purposefully, there has been very little reporting on the human cost of the war between Russia and Ukraine. Some in the media have seemingly morphed into stenographers for Ukrainian President Volodymyr Zelensky, with each story beginning: "As Ukraine reports..." or "As Zelensky stated..."

Media sites can still be “anti-Putin” while professionally and ethically reporting the absolute facts on the ground. Facts that paint a horribly tragic picture.

If the rationale by our government, the United Kingdom and others in Europe (along with much of the media, academia and various defense contractors) was to use Ukraine and its people as cheap disposable pawns to be sacrificed in a proxy war against Vladimir Putin and Russia, then they are succeeding at a certain macabre level.

However, if the idea of supporting the Ukraine war with Russia was to “save the people of Ukraine” and the country’s infrastructure, then those who advocated for that course of action have failed miserably.

How miserably? Well, as CNN reported recently, the war has devolved into brutal trench warfare: “The frontlines of Russia’s war in Ukraine have become infested with rats and mice, reportedly spreading disease that causes soldiers to vomit and bleed from their eyes, crippling combat capability and recreating the gruesome conditions that plagued troops in the trench warfare of World War I.”

Does any of that matter or register with the privileged and “neocon” class on both sides of the Atlantic who — from the safety of thousands of miles away while enjoying six- and seven-figure salaries — continually advocate for the youth of Ukraine to march into the teeth of the Russian war machine?

If they truly have no regard for the hundreds of thousands of dead and wounded; for the leveled infrastructure; for the 6 million-plus who have fled Ukraine; or for the billions of U.S. tax dollars that seem to have gone missing, then what is their opinion with regard to triggering World War III?

As was recently headlined in Fox News: “Leaked German documents show leaders are preparing should Russia launch World War 3.” Seriously, at what point does ignoring or brushing off that cataclysmic prospect amount to criminal malpractice of the highest order?

As with the CNN report detailing the current “trench warfare” replicating the horrors of World War I, maybe those continually pushing for this war should do a bit of research and remind themselves what triggered World War I in the first place. One seemingly unconnected trip wire led to the next and the next, and before anyone knew what had happened, over 20 million human beings were dead.

What would that number be today if a Russian general ordered the launch of a tactical nuclear weapon into the heart of London? Impossible? Not only have some in Russia articulated just such a response, but as my former high-level intelligence contact told me, under a “combat” designation, Russian generals have the “autonomy” to launch tactical nuclear weapons on their own.

As the CIA reported years ago: “Command posts of the Strategic Rocket Forces (SRF), the service in charge of nuclear missiles, and other units below the level of the general staff have the technical ability to launch without authorization of political leaders or the general staff. Controls over tactical nuclear arms — battlefield nuclear

arms and nuclear torpedoes — also are assessed to be poor. These appear to be the weapons most at risk.”

Leaving aside the chilling prospect of a Russian general simply losing his mind and deciding to strike out on his own, it is easy to see — if you are looking — how the escalation of this war could lead to misinterpreted orders, false assumptions or even computer glitches. Any one of which could end up in the loss of tens — or potentially hundreds — of millions of lives. And for what?

Because people of privilege thousands of miles away from the battlefield and carnage decided to play a boardgame in which hundreds of thousands of real human beings are sacrificed in the guise of “saving a nation from Russia”; for nation-building purposes; or to fight a proxy war leading the world to the razor’s edge of World War III.

As the war rages on, who will acknowledge the hundreds of thousands of men, women and children killed or wounded — or cry out in their defense? When did the outright slaughter of human beings or the very real possibility of igniting the next world war cease to matter to us?

In such a war, even the privileged and profiting, living in bubbles of luxury, wouldn’t be able to escape.

Douglas MacKinnon, a political and communications consultant, was a writer in the White House for Presidents Ronald Reagan and George H.W. Bush

That makes Biden a war monger, if we consider his uncompromising stance in the war he started. And a liar, about the prospects of an American victory against the Russians. And very unpresidential since he made that speech during SOTU when it is traditional to review the economy.

NBC reported on the SOTU speech as such;

Six key takeaways from Biden's final State of the Union before the 2024 election

The president leaned in on themes that will play prominently on the campaign trail, including immigration, abortion and democracy. (Many have criticised him that this is all he cares about.)

March 8, 2024, 11:51 AM +08 / Updated March 8, 2024, 12:39 PM +08

By Sahil Kapur

WASHINGTON — President Joe Biden delivered the final State of the Union of his first term on Thursday, a speech packed with 2024 campaign themes and contrasts he plans to highlight in the eight months before Americans decide whether to give him — or Donald Trump — four more years in the White House.

Biden comes into the speech with an exceptionally low approval rating of 37%, according to recent NBC News polling. That's lower than the approval rating of his predecessors Trump in 2020 (46%), Barack Obama in 2012 (48%), George W. Bush in 2004 (54%) and Bill Clinton in 1996 (46%) in January of their re-election bid years.

"The state of our union is strong and getting stronger," Biden said. (How so?)

Here are six key takeaways from his speech.

Biden didn't take long to zero in on one of his central campaign themes: protecting American democracy. And he looked at Republicans in the crowd and confronted them.

"The insurrectionists were not patriots. My predecessor — and some of you here — seek to bury the truth about Jan. 6. I will not do that," he said. "This is the moment to speak the truth... Here's the simple truth. You can't love your country only when you win."

"As president, my predecessor failed the most basic presidential duty that he owes to American people: The duty to care," he said. "I think that's unforgivable."

Seeking to claim the mantle of foreign policy hawkishness, Biden also pitted President Ronald Reagan's famous "tear down this wall" line against Trump's recent promise to let Russia "do whatever the hell they want" to European countries that don't pay their dues to NATO. (Mr President, if nobody pays their dues, it is not sustainable because America does not have a pile of money set aside to take on the world of dictators, it is all borrowed money. Any sensible man will have to do what Trump will do — America's allies have to help themselves before relying on outside help.)

"My message to President Putin, who I've known for a long time, is simple. We will not walk away. We will not bow down. I will not bow down," Biden said. "In a literal sense, history is watching."

Later, he touted his legislative achievements to make the U.S. less reliant on China. "Frankly for all his tough talk on China, it never occurred to my predecessor to do any of that." (And have any of your sanctions worked??)

"In its decision to overturn Roe v. Wade the Supreme Court majority wrote, 'Women are not without electoral or political power.' Clearly those bragging about overturning Roe v. Wade have no clue about the power of women in America," Biden said as several justices who wrote the Dobbs decision watched. "If you the American people send me a Congress that supports the right to choose, I promise you, I will restore Roe v. Wade as the law of the land again."

He took on Republicans and Trump directly, saying that "many of you in this chamber — and my predecessor — are promising to pass a national ban on abortion"

that could amount to "forcing survivors of rape and incest" to carry the pregnancy to term. (That's not true – abortions can be available for victims of crime.)

What Biden didn't specify was that if Republicans hold control of either chamber, it's a lost cause. At a minimum, codifying abortion rights nationwide would require a Democratic trifecta and 50 votes to pierce the Senate's 60-vote filibuster rule. Biden is betting heavily that a backlash to the GOP's success at overturning Roe v. Wade and attempts to restrict abortion will yield Democratic votes.

The most regular shouter was Rep. Marjorie Taylor Greene, R-Ga., who yelled "Laken Riley!" as Biden discussed immigration.

Riley's murder has been taken up by conservatives pushing for stricter immigration policies. The 22-year-old woman was killed while jogging at the University of Georgia last month; an undocumented immigrant has been charged with her murder.

Biden called her "an innocent young woman who was killed by an illegal" — a term generally avoided by Democrats — and told Republicans to pass the bipartisan border security bill to resolve the situation at the border. He said they're blocking it on orders from Trump to deny him a political win.

"Unfortunately," he said, "politics have derailed this bill so far."

At another point, Greene yelled "liar" as Biden spoke.

Lawmakers had plenty to say, but no microphone to say it. At some points in Biden's speech, a few of them shouted their disapproval through boos. At other times, they used symbolism, and their ability to invite guests, to highlight their causes.

Democratic women wore white outfits and pins reading "Fighting for Reproductive Freedom." Speaker Mike Johnson, R-La., and other Republicans wore white ribbons that included Riley's name. The Dad Caucus wore pins with Lego blocks to symbolize "building blocks of a better future" on matters like affordable child care and paid leave.

And Rep. Troy Nehls, R-Texas, wore a T-shirt with Trump's mug shot from last summer in Atlanta — when he was booked for alleged election subversion — as a rallying cry for the ex-president.

Republicans invited families of Israeli hostages, while Democrats invited women affected by the recent Alabama IVF ruling.

The president sought to burnish his populist credentials before the audience, painting Democrats as a party on the side of the working class and Republicans as pawns of the super-rich.

"No billionaire should pay a lower tax rate than a teacher or a sanitation worker," Biden said, as Democrats broke out into applause and Republicans barely reacted, many of them looking bored and or staring at their phones.

He also accused Republicans of wanting to cut Social Security, which prompted a few shouts and boos.

"My friends on the other side of the aisle want to put Social Security on the chopping block," he said. "If anyone here tries to cut Social Security, Medicare or raise the retirement age, I will stop you."

He also mocked Republicans in the audience, saying he notices some of them voted against his infrastructure package but are "cheering on" the money that it brings to their districts.

"You don't want that money in your district, just let me know," Biden said, to laughs from his allies.

Toward the end of his speech, Biden alluded to his age: "I know it may not look like it but I've been around a while. When you get to be my age certain things become clearer than ever. I know the American story. Again and again, I've seen the contest between competing forces in the battle for the soul of our nation."

"Israel has an added burden because Hamas hides and operates among the civilian population like cowards — under hospitals, day care centers and all the like. There's also a fundamental responsibility, though, to protect innocent civilians in Gaza," he said. "Thirty-thousand Palestinians have been killed, most of whom are not Hamas," he said, adding that they're "ministers, women and children, girls and boys," while many more are without food or medicine. "It's heartbreaking." (And, according to the ICJ, it's plausibly genocide. — Mr Biden, have you nothing to say?)

Katie Britt gives an intense GOP response

Sitting in a kitchen, Alabama Sen. Katie Britt — a rising star in the Republican Party — delivered an intense speech hammering Democrats on immigration, abortion, crime and other issues.

She talked about how "we are steeped in the blood of patriots" and called Biden "a dithering and diminished leader" who is "not in command."

At one point, Britt seemed to blame Biden for the death of Laken Riley, the 22-year-old nursing student in Georgia. An undocumented immigrant has been charged with her murder, and Republicans used the tragedy in their push for stricter border policies.

"She was brutally murdered by one of the millions of illegal border crossers President Biden chose to release into our homeland," Britt said. "As a mom I can't quit thinking about this; this could be my daughter. It could've been yours."

All in all, there is a world of difference between how the American president makes a review of his economy to his congress and how the Chinese make their assessment to their legislature. Joe Biden cares only about his re-election prospects; admittedly,

nothing wrong with that, if he does not misrepresent the facts. Lying is not the way to do it – there are many articles and videos about his callous interpretation of the facts. Some even say every point he makes and get applause from his sycophants is a lie.

And he harps on all the dissensions with his political enemies – from Putin to Trump to anyone else who has crossed his path. And he says he does not want to back down in Ukraine. What can he do? The Ukrainians have already lost the war, due to incompetent management by the regime in Kyiv. If Biden wants to send more money, it will not work with the current bunch of clowns there. There will just be a future date when the issue of running out of everything will arise again. It has to recognize that all that new money will also be wasted. If I were him, I would let the totally incompetent Zelensky be deposed and allow a new Ukrainian government to make a fresh start. Of course, the best way is to back off and negotiate with Russia, but since he sees that as bowing to Putin, he will have to start with house cleaning in Kyiv.

If you see how the two legislative chambers appeared during the respective speeches, you can see the obvious divide in the American chamber – half the members were cheering (somewhat obsequiously if you ask me, and the other half were sitting on their hands). There were some who jeered their president. There is a clear divide in the land. Without unity, there can be no forward progress.

On the other hand, in the Great Hall of the People, it was all very formal, full of decorum and very respectful, as I think it should be. And they were reviewing the economy seriously. These are small signs, but I think the system is much better in China.

And in the end, there are too many problems in the US state of the union, some of which defy solution. Instead, all the western media you read or watch will tell you that the Chinese economy is not doing well. But this is not how I would read it. There is the humongous debt of 34 trillion dollars increasing at the rate of a trillion every few months. In the end this is unsustainable. Inflation is now endemic in the system.

And when the country pursues a foreign policy of interference in other countries governments, it is bound to engage in endless wars. That has cost 7 trillion dollars in Iraq and Afghanistan. How much more money can the Americans throw at coups and regime change in other people's lands? Color revolutions will turn around to get rid of the men who started it, when MAGA movements arise in America to depose warmongers like Biden.

And the country has its greatest strength in its ability to attract talent through immigration. Formal immigration. Now the immigration policy is a mess. Even the Democrats admit it. This means that they are getting unskilled labour, not the best from the other parts of the world, to come in via the southern border. To quote Biden loosely - if you are talented, why would you want to be an American? Even thirty five years ago, when I had a green card, I didn't.

On the other hand, the Chinese economy is being portrayed by the western media as being broken. This is actually spiteful, and dishonest (out of sour grapes) but they are also using American norms to judge the Chinese. Western media write endlessly about how Beijing does not do enough to react to every twitch in the economy, which the CCP has indeed refused to do. What the Chinese are going through is cyclical or in the case of the property sector, a deliberate action by the government in Beijing to curb excessive speculation. If you react too much to these cyclical forces, you will end up reinforcing them as we have seen in what the Biden administration has done with its economic management, first throwing money from helicopters to stimulate the covid-paralysed economy, and then suffering the highest inflation in 40 years as a result of the prior action. It is better for the Chinese to stick to their proven method of going with detailed five year plans, and if that's on track, just stick with it. China is already better off with its fabulous infrastructure, clean energy initiatives and overall manufacturing and export prowess.

Like I said, give it a few more years, the Chinese will forge ahead. I am sure of it.

By:

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Un-Influencer in a World full of Hubris