Global China (Winter 2020)  
Instructor: Professor Yuen Yuen Ang  
Design a Module  
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Made in China 2025  
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I: Made in China 2025

As a topic, I’ve chosen Made In China 2025. I hope to carry out this research assignment to not only showcase the research I’ve completed for this project, but also to demonstrate how I would carry out a lecture if I were to deliver a lesson on the Made in China 2025 initiative.

II: Poll (5 Questions)

In the event that I would be carrying out a lecture on Made in China 2025, I would provide my students with this link at the beginning of class. This is a Google Form poll, and it features the following questions—four multiple choice questions and one short-answer question—for the students to fill out (I have highlighted the correct answers of the multiple choice questions):

1. The Made in China 2025 Initiative, introduced in 2015 by Premier Li Keqiang, is a blueprint of China's goal to enhance manufacturing tactics in order to create more technologically-advanced, higher quality products, veering away from lower-quality goods that China has been known for producing in the past.
   a. True  
   b. False

2. By 2025, China aims to domestically produce ___ percent of the core materials used for content, allowing Chinese companies to become more self-reliant.
   a. 20  
   b. 40  
   c. 70  
   d. 90

3. The United States, particularly the Trump administration, approves of China's efforts to kick-start Made in China 2025 and believes MIC 2025 will enhance trade in the United States as a result.
   a. True  
   b. False

4. In areas like hydraulic and digital control components, China is barely dependent upon foreign production, meaning the majority of these product components are produced in China.
   a. True  
   b. False
5. In a few sentences, write what you know about the Made In China 2025 strategic plan. If you have no prior knowledge, write about what you think this plan might entail.

III: Frequently Asked Questions about Made in China 2025

Below are some of the primary questions and concerns that circulate about the initiative Made in China 2025:

1. How will this impact trade with the United States, and more broadly, global trade as a whole, in the event that the goals of MIC 2025 fully come to fruition?
2. Is China’s intention to become an equal global trading partner, or is the goal to become the world leader in trade and infrastructure, surpassing the United States?
3. What kind of threat does MIC 2025 pose to the global liberal order?
4. How will this initiative change the role and function of the private and public sectors in China?
5. What will “smart” manufacturing facilities look like? How will artificial intelligence affect the use of humans for labor in these manufacturing facilities, and is China close to achieving factories that do not rely on human labor?
6. What kind of criticism does China face for this initiative from countries other than the United States?
7. How will COVID-19 affect the goals of MIC 2025?

IV: Background

Think about the phrase “Made in China.” Think about where you have seen this phrase and how often you see it. Think about the notions that are attached to the phrase. What kind of product do you associate with the phrase “Made in China,” and why do you think that is? An article in The Economist touches on this phrase, stating that “Made in China” has served as a “byword for gimcrackery” ever since China was reduced to a “technological bystander” due to revolution. With the state’s help, Chinese technology is booming, The Economist, last modified January 2, 2020, https://www.economist.com/technology-quarterly/2020/01/02/with-the-states-help-chinese-technology-is-booming.

However, the term has an opportunity to achieve a new, heightened connotation thanks to the initiative Made In China 2025.

What is Made In China 2025? In its essence, Made In China 2025—introduced in 2015 by Premier Li Keqiang—is a blueprint of China's goal to enhance manufacturing tactics in order to create more technologically-advanced, higher quality products, veering away from lower-quality goods that China has been known for producing in the past. Elsa B. Kania, “Made in China 2025, Explained,” The Diplomat, last modified February 1, 2019, https://thediplomat.com/2019/02/made-in-china-2025-explained/.

manufacturing through ten key sectors, which include “...new-generation information technology; advanced numerical control machine tools and robotics; aerospace technology, including aircraft engines and airborne equipment; and biopharmaceuticals and high-performance medical equipment.”³ The image above from FocusEconomics displays these ten key sectors with more detail. In addition, China hopes to advance this initiative in areas like Shenzhen, which already serves as a technology powerhouse and has the capacity to carry out many of MIC 2025’s goals thanks to manpower and accessible equipment.⁴

**Why is Made In China 2025 important?** Because of China’s position as a middle-class economy and the competition it faces with the United States to become a world power, this initiative can be summed up in one word: controversial. Many ideas and questions surround this initiative, including the probability of China’s aspirations coming to fruition and the question of how MIC 2025 will affect trade and manufacturing on a global scale. Perhaps most important is the question of how this will affect China’s global power as the potential tech leader and the implications this may have for China’s biggest competitor, the United States.

This brings up one frequently asked question: How will MIC 2025 impact the United States, and how is the U.S. reacting to this initiative? To begin with, there is no surprise that China and the United States are in the midst of an economic war, using technology races as a form of battle.⁵ Thus, the United States certainly feels threatened, accusing China of “...stealing and spying its way up the technology supply chain...”⁶ China shoots back: “America is unfairly using its existing power to curtail China’s rightful technological return.”⁷ Among the tension and bickering, however, one must keep in mind that while it is possible that China may surpass the United States on a technological manufacturing scale, both economies are tightly integrated and impact one another to the point where both countries could reap benefits from China’s potential tech advantages.

**Takeaways:** Overall, it is safe to say that the Made In China 2025 initiative has sparked thought on how to make manufacturing more efficient in the world of technology, but with that, bumps in the road are ubiquitous. Not only is the initiative controversial for the United States and other foreign firms, but there is also difficulty in carrying it out right in China. An article in The Economist words this problem nicely: “China’s failure to catch up in technologies like internal-combustion engines, civil aviation and, to date, semiconductors shows how hard it is to make humanity’s most complex mechanisms.”⁸ It is difficult to say whether or not the Made In China initiative will come to fruition by 2025, but it has certainly provoked a new global wave of innovative thinking in the world of technology.

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³ Kania, “Made in China 2025, Explained.”
⁴ The Economist, “With the state’s help, Chinese technology is booming.”
⁵ Lecture notes, 3/10/20.
⁶ The Economist, “With the state’s help, Chinese technology is booming.”
⁷ The Economist, “With the state’s help, Chinese technology is booming.”
⁸ The Economist, “With the state’s help, Chinese technology is booming.”
V: Additional Readings and Resources

Forbes: Sara Hsu, “Foreign Firms Wary Of ‘Made In China 2025,’ But It May Be China’s Best Chance At Innovation,” [access this article here]

- This is a great article that covers the main goals of China for the Made In China 2025 Initiative, and it also discusses the criticism that the initiative has received from other countries and the probability of its success. Sarah Hsu is an Associate Professor at State University in New York and teaches economics. She also has multiple publications on the Chinese economy, so she appears to have expertise.

Forbes: Marco Annunziata, “Seven Steps To Success (Or Failure) For Made In China 2025,” [access this article here]

- This article by Marco Annunziata is an intriguing piece that provides an analysis of the steps that China should consider in order to carry out the goals of Made In China 2025. It features discussion of the public and private sector, desired talent, the right mix of rivalry and collaboration, and the ability to keep the economy and finance of China healthy throughout transitions. Annunziata is also an experienced economist, having earned a Ph.D. in economics from Princeton University and served as the Chief Economist of General Electric, although it should be noted that he isn’t an expert on China’s economy.

The Nation: Michael T. Klare, “The United States Is Already At War With China,” [access this article here]

- It is obvious that relations are tense between the United States and China. This article is important in that it aims to address some of these issues, particularly with discussion of trade and technology at the forefront of this competition between the two countries. It touches in Made In China 2025 briefly, which allows readers to see how Made In China 2025 fits into the broader scope of an economic war between the United States and China. Michael T. Klare also has the esteem to discuss U.S.-China relations in terms of peace versus war.

The Economist, “With the state’s help, Chinese technology is booming,” [access this article here]

- This is an important article to read in light of Made In China 2025 because it not only discusses the main logistical framework of the initiative, but it also discusses how the initiative may impact tensions between the United States and China. It also goes into detail on the potential impact of MIC 2025 on China’s economy, and China’s ability to absolutely carry through on the blueprint. Overall, the article is a solid read to discover the progress and aspirations of the Made In China 2025, as the article was published in January of 2020—halfway through the plan that began in 2015.

The Economist, “A threatened trade war between China and America may be on hold,” [access this article here]

- Similar to the aforementioned article by Michael T. Klare, this article presents the perspective of the United States and rising tensions between the U.S. and China due to Made In China 2025 aspirations. This includes the possibility for China to become a technological superpower and surpass the United States.

2025: Charting America’s Future, Jae Ho Chung. [Access this video here]

- While this video doesn’t cover Made In China 2025, it does cover the implications of China surpassing the United States as an economic powerhouse and the possibility of that happening so soon, especially by 2025. As a hypothetical lesson, I think it would be important to ask students these questions after prompting them to view this video: Do you
think that China will surpass the United States as the world’s economic superpower by 2025? Based on what you now know about Made In China 2025, how do you think this initiative will impact the ability for China to become the world’s leader in economic power?

References


Lecture notes, 3/10/20.