

China Has Achieved Escape Velocity: It Is Now Unstoppable

By Pepe Escobar - Strategic Culture Foundation. July 24, 2024

The 21st century is shaping up to be the Asian, Eurasian, Chinese century.

The four-day, twice-a-decade plenum of the Communist Party of China that took place last week in Beijing, designing an economic road map all the way to 2029, was a stunning affair in more ways than one.

Let's start with continuity – and stability. There's no question after the plenum that Xi Dada, or The Big Panda, will stay on the helm until 2029 – the end of the current five-year economic drive.

And if Xi is healthy enough, he stays up to 2035: the fateful and uber game-changing target year for China to exhibit a GDP per capita of \$30,000, with massive around-the-world reverberations.

Here we see the confluence between the progression of “socialism with Chinese characteristics” and the defining contours if not of a Pax Sinica, at least of the non-Hegemon-centric, *multi-nodal* world (italics mine).

The proverbial U.S. Think Tank land / Sinophobia axis has been hysterical on China not being able to sustain a 5% a year growth rate for the next few years – the target once again stressed at the plenum.

A Russian analysis by the Centre for Geopolitical Forecasts makes a crucial point: **“The Chinese themselves have not bothered about the growth rate for a long time, since in 2018 they switched to a strategy of so-called qualitative development, that is, not at the expense of traditional industries, but on the basis of high technologies and the creation of new areas, such as the production of new energy sources and artificial intelligence.”**

The next step will be to attain the status of “modernized socialist power” by That's the rationale behind Made in China 2025 – which is being implemented at breakneck speed: high-tech development leading the way towards a “high-level socialist market economy”, to be consolidated by 2025 and fully constructed by 2035.

2049, at the 100th anniversary of the People's Republic of China (PRC).

The plenum proved once more that “socialism with Chinese characteristics” – or, for the recalcitrant, Chinese-modified capitalism – is “people-centric”. The supreme values are national interest and the people's interests – attested by the fact that large private corporations remain under the strategic control of the CPC.

It's idle to try to find in the final communique at the end of the plenum any restrictions on private capital on the path to "universal prosperity". **The key point is that the role of capital should always be subordinated to the concept of "socialism with Chinese characteristics".**

Watch the reform ship steadily sailing

Everything is explained here in nearly didactic terms, chronicling the birth of the "Decision of the CPC Central Committee on further comprehensive deepening of reforms to promote Chinese modernization".

What is now already referred to colloquially all across China as "The Decision" spreads across 15 parts and 60 articles, divided into three main sections, proposing more than 300 important reforms.

"The Decision", in full, has not yet been published; only the road map of how Beijing planners got there. Of course this is no mere policy paper: it's a quintessentially CPC-style dissertation where the details of economic and political measures are obscured by clouds of images and metaphors.

Take a look, for instance, at this passage:

"To ensure that the reform ship sails forward steadily, the 'Decision' proposes that further comprehensive deepening of reform must implement the "six principles": adhere to the party's overall leadership, adhere to the people-centred approach, adhere to the principle of maintaining the integrity and promoting innovation, adhere to system building as the main line, adhere to the comprehensive rule of law, and adhere to a systematic approach."

Most of the "Decision" – 6 parts in a total of 13 – is about economic reform. Will China pull it off? Of course it will.

Just look at the precedents. In 1979 the Little Helmsman Deng Xiaoping started to transform a nation of farmers and peasants into a well-oiled machine of efficient industrial workers. Along the way, GDP per capita was multiplied by no less than 30 times.

Now the ramifications of Made in China 2025 are turning a nation of factory workers into a nation of engineers. **Of 10,5 million university graduates a year, a third are engineers.**

The emphasis on AI has led, among other examples, to the automobile industry being able to produce a \$9,000 EV in complete automation and make a profit. China is already a global leader in EVs (BYD building plants in Brazil, Thailand, Turkey, Hungary), solar power, drones, telecom infrastructure (Huawei, ZTE), steel, shipbuilding – and soon, also semiconductors (thank you, Trump sanctions).

While the Hegemon spent at least \$7 trillion – and counting – on unwinnable Forever Wars, China is spending \$1 trillion in an array of Belt and Road Initiative (BRI) projects across the Global South: the emphasis is digital/transportation connectivity corridors. Geo-economic imperatives intertwined with rising geopolitical influence.

Hegemon hysteria aside, the fact is the Chinese economy will grow by a whopping \$1.7 trillion only in 2024. That is more than in all but the last three years – because of the Covid effect.

And Beijing borrowed exactly zero yuan for this growth. The U.S. economy, by comparison, may grow by \$300 billion in 2024; but Washington had to borrow \$3.3 trillion for that to happen.

Researcher Geoff Roberts has compiled a very useful list of what China is doing right.

And when it comes to the nitty gritty, the numbers are staggering. Here are just a few, apart from GDP growth:

- Foreign goods trade is up 6.1% to \$2.9 trillion year-on-year.
- **The trade surplus is at \$85 billion, up 12% compared to 2023.**
- ASEAN trade is up by 10.5% to \$80 billion; China is the number one trade partner of individual ASEAN members.
- China had a record crop, 150 million tons, of cereal grains.
- The courier sector handled 80 billion parcels, up 23% year-on-year.
- **SMIC is the world's number two pure-play foundry, after Taiwan's TSMC.**
- China Telecom paid \$265 million for 23% of QuantumCTek, patenter of Micius, the world's first quantum communications satellite.
- Commercial aerospace launched 39% of China's 26 rockets.
- **Invention patents rose 43% to 524,000. China is the first country with 4 million domestic invention patents in force.**
- Baidu's 1,000 robotaxis in Wuhan will break even in Q4, and will be profitable next year.
- **China has 47% of the world's top AI talent. It added no less than 2000 AI courses to school and college curricula since 2019.**

- **On world-class institutions doubling as research leaders, 7 out of 10 are Chinese, including the top one: the Chinese Academy of Sciences, ahead of Harvard.**

Exceptionalist China “experts” believe their own fantasy that the U.S. allied with occupied Japan, Germany and South Korea would be able to match and surpass China’s pull with the Global Majority, because they have more resources and more capital.

Nonsense. Even more nonsense is to believe that the Hegemon’s NATO “partners” – as in vassals – will follow the leader in creating cutting edge technology.

The high-speed train that matters has already left the station. The 21st century is shaping up to be the Asian, Eurasian, Chinese century.