



Delhi Policy Group

Advancing India's Rise as a Leading Power



China Monitor

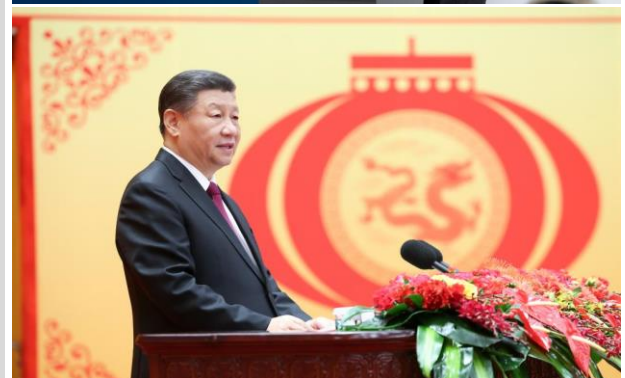
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ABOUT US

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China Monitor

The DPG China Monitor features developments related to China during the month and is compiled by our research team comprising Brig. Arun Sahgal (Retd.), Senior Fellow, Dr. Angana Guha Roy and Sanket Joshi, Research Associates, from open-source reports and publications.

Cover Photograph:

Chinese Foreign Minister Wang Yi and US Secretary of State Antony Blinken met in Munich on February 17, 2024.

Source: [Secretary Antony Blinken/Official X Handle](#)

Chinese Foreign Minister Wang Yi addressed the 60th Munich Security Conference in Germany on February 17, 2024.

Source: [Munich Security Conference Official Website](#)

President Xi Jinping addressed the Spring Festival reception at the Great Hall of the People in Beijing on February 8, 2024.

Source: [Xinhua/Ju Peng](#)

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Abstract

India and China held the 21st Corps Commander Level Meeting on February 19, 2024. India sought complete disengagement in the remaining areas along the LAC in Eastern Ladakh as an essential basis for the restoration of peace and tranquility in border areas. China, on its part, maintained that the situation along the India-China border remains “stable” and called upon the two sides to “enhance mutual trust” and “properly settle differences”.

On February 10, 2024, India’s Home Minister, Amit Shah, in a statement to Parliament, stated that China had attempted a repeat of the 1962 war through its incursion in Ladakh, and that “India did not lose any territory” in the present standoff. Meanwhile, on February 23, 2024, External Affairs Minister, Dr. S. Jaishankar, stressed the importance of achieving and maintaining “equilibrium” in India-China relations, noting that India's strong military posture at the LAC was central to that equilibrium. Dr. Jaishankar described the rise of India and China as a “significant” development in the global geopolitical scenario.

China is reportedly pressing ahead with the construction of border villages in territory disputed with Bhutan, in disregard of the ongoing border talks between the two countries.

Following general elections in Pakistan on February 8, 2024, Pakistan's Ambassador to China reaffirmed the national consensus regarding strengthening relations with China. To help Pakistan during its financial crisis, China has agreed to roll over a USD 2 billion loan due in March 2024 by one year.

On February 17, 2024, China’s Foreign Minister, Wang Yi, addressing the 60th Munich Security Conference held in Germany, asserted that China would remain “a staunch force for stability in a turbulent world” despite increasing protectionism, abuse of the economic security concept, unilateralism, and bloc politics.

During his visit to Europe, Wang Yi held meetings with his counterparts from the European Union, Germany, France, and Spain. He conveyed that China remains committed to working with Europe to promote a multipolar world that is equal and orderly, adding that there is no fundamental conflict of interest between the two sides. Nevertheless, the European Union has launched an anti-subsidy investigation into Chinese state-owned train manufacturer CRRC Qingdao Sifang.

Continuing high-level US-China engagements, Foreign Minister Wang Yi and Secretary of State Antony Blinken met on February 16, 2024, on the sidelines of the Munich Security Conference. Wang Yi reiterated that the US should view China's development rationally and adhere to the principles of mutual respect, peaceful coexistence, and win-win cooperation to accomplish the "San Francisco vision". On the issue of Taiwan, Wang Yi asserted that to maintain stability, the US should adhere to the one-China principle and refrain from supporting Taiwan's independence. He also expressed concerns about "de-risking" and called upon the US to lift unilateral sanctions imposed on Chinese companies.

Amidst cross-strait tensions, on February 14, 2024, Taiwan evicted a mainland Chinese fishing boat in waters near Kinmen, resulting in the death of two fishermen. Reacting to the incident, Beijing urged Taiwan to properly handle the fishermen's death and asserted that the China Coast Guard's regular patrols in the waters of Xiamen and Kinmen would continue.

Tensions between China and the Philippines persisted. On February 19, 2024, the US and the Philippines carried out a joint air patrol in the South China Sea. Chinese analysts expressed concern that the Philippines was taking advantage of the US's China containment strategy and observed that coordinating with forces outside the region was akin to "military adventurism".

On February 8, 2024, Chinese President Xi Jinping extended greetings for the 'Spring Festival' (Lunar New Year – Year of the Dragon), noting that the Dragon represents the spirit of self-improvement, hard work, and enterprise of the Chinese nation for the past 5000 years. He called for writing a new chapter in advancing the country's modernisation.

President Xi, in a group study session of the Political Bureau of the CPC Central Committee, affirmed the need to accelerate the development of "new productive forces" to promote high-quality development. This term reportedly refers to increased productivity, freed from the traditional economic growth model, and based on high technology such as new energy and quantum technology.

In the wake of reports that China's inbound foreign direct investment (FDI) fell in 2023 to its lowest level in 30 years, Premier Li Qiang called upon the State Council to stabilise foreign investment and reduce the risks associated with debt. Meanwhile, the International Monetary Fund (IMF) forecast that China's economy will grow at 4.6 percent in 2024, down from 5.2 percent in 2023, due to continuing property sector woes.

Foreign and Security Policy

I. China-India Relations

India and China held the 21st round of Corps Commander Level Meeting on February 19, with both sides emphasising maintenance of peace and tranquillity on the LAC. The two sides highlighted their perception of the meeting in respective press releases. As per India's Ministry of External Affairs, the discussions sought complete disengagement from the remaining areas in Ladakh, as an essential basis for restoration of peace and tranquillity along the LAC.¹

Chinese statement on the other hand contended that the overall situation along the India – China border as "stable". Further, it hoped that India will work together with China to enhance mutual trust, manage differences appropriately, and jointly maintain peace and tranquillity in border areas. The two sides also reportedly discussed the prospects of improving various confidence-building measures by having regular talks and interactions at all levels. The issue of limiting the construction of infrastructure close to the LAC and further increase in troop levels was also discussed but without any tangible outcome. There is a possibility of another round of military talks taking place soon, preferably before the onset of summer.²

A video showing Chinese soldiers intercepting Indian shepherds in the Kakjung area of Ladakh and claiming the area belongs to China was circulated on social media earlier in the month. Shepherds threw rocks at the intruding Chinese personnel during the confrontation that occurred on January 2, 2024. The incident transpired near Patrolling Points (PPs) 35 and 36 at Kakjung under the Nyoma constituency in Ladakh. As per Ishey Spalzang, Councillor of Nyoma, the disputed area aligns with India's perception of the Line of Actual Control (LAC).³

According to reports, Chinese personnel have begun occupying some of the 628 Xiaokang (well-off) border villages constructed some five years ago along the LAC. China sees these villages as strategic assets serving both civil and

¹ "India, China hold military talks on Eastern Ladakh border row; no indication of any breakthrough," The Economic Times, February 21, 2024

² Ibid.

³ "Chinese soldiers clash with Indian Shepherd in Ladakh's Kakjung Area," Mint, January 31, 2024

military purposes. Chinese actions appear to be aimed at asserting claims over specific disputed areas, exacerbating tensions.⁴

In an important statement in the Parliament, Home Minister of India, Amit Shah, remarked that the India-China border dispute along the LAC in Ladakh was a Chinese attempt to repeat the 1962 war with India. He reiterated that India has "not lost out on any territory" in the ongoing military standoff against China.⁵

External Affairs Minister Dr. S. Jaishankar, in his remarks at media summit held that India and China are two rising countries who are in the process, of changing the world order. Citing talks between leadership of the two countries in Mamallapuram and Wuhan, he reiterated that while India tried to maintain an "equilibrium" in bilateral relations through diplomacy, the relations took a different turn following China's military build-up along the Line of Actual Control in 2020 in violation of laid down norms. Dr. Jaishankar described the rise of India and China as a "significant" development in the global geopolitical scenario. He underscored that "If you were to list three or four really big things which have changed in the last 20-25 years, most people would agree it would be the rise of China and the rise of India". "You can say China started it much earlier while our politics delayed the era of reform. That's okay. What's done is done. But there is no question, both countries are rising and for world politics, this poses a very interesting problem," he said.⁶

II. China-South Asia Relations

China rolled over USD 2 billion loan to Pakistan following the latter's struggle to deal with ongoing financial crisis. The rollover will support the State Bank of Pakistan's (SBP) depleting foreign reserves which stand at USD 8 billion. Reportedly, caretaker Prime Minister Anwaar-ul-Haq Kakar reached out to Chinese Premier Li Qiang, seeking the rollover.⁷

During an interview with the Global Times, Pakistan's Ambassador to China, Khalil Hashmi stressed that a national consensus existed across political parties and various segments of society on further strengthening bilateral ties with China. Pakistan's Ambassador further remarked "with recent elections, a new government is being formed, and he was confident that it will play a role in

⁴ "China's Xiaokang Border Defence Villages along LAC, The Indian Express, February 15, 2024

⁵ "Beijing tried to...': Amit Shah likens LAC standoff to 1962 Indo-China war in Lok Sabha," Mint, February 10, 2024

⁶ "China moved military forces in disregard of agreements: Jaishankar on border row in eastern Ladakh," The Indian Express, February 26, 2024

⁷ "China 'rolls over' \$2 billion loan to Pakistan amid 'difficult economic situation'," Geo TV, February 28, 2024

further bolstering strategic cooperative partnership with China". To a question about new areas where China and Pakistan can enhance cooperation, he remarked cooperation between Pakistan and China is already very multi-dimensional, covering almost every area. He gave the example, of just completed 10 years of multidimensional cooperation under the China-Pakistan Economic Corridor (CPEC), the pioneering project of President Xi's Belt and Road Initiative (BRI). Elaborating Pakistan's plan for the next decade of development within the CPEC, he said, "I would use three terms: connectivity, infrastructure, and industrialisation. Connectivity, according to him, was a multidimensional concept including but not limited to physical, digital, and people-to-people ties. In terms of physical connectivity, he underscored the optimization of the Mainline-1 railway project."⁸

After President Xi's acceptance of Afghanistan Ambassador's credentials, reports indicated that Beijing's ambitions regarding Afghanistan's raw minerals and natural resources were largely behind this move. The burgeoning partnership with Taliban-led Afghanistan is being seen as part of Beijing's economic and strategic goals in this tumultuous region. The strengthening of Taliban's nexus with China will have far reaching implications for regional security.⁹

In Bhutan, China is reportedly pressing ahead with the construction of border villages in the disputed territory, despite the ongoing border talks between the two countries. At least three villages have been built in the mountainous region. The rapid expansion began as a poverty alleviation scheme, but morphed into a national security scheme, as per the ruling Chinese Communist Party officials.¹⁰

Nearly seven years after the two neighbours inked an agreement to undertake ambitious Beijing-backed infrastructure projects in the Himalayan nation, Nepal and China are slated to sign the implementation plan of the Belt and Road Initiative "very soon", as per Deputy Prime Minister Narayan Kaji Shrestha.¹¹

⁸ "Strengthening cooperation with China the national consensus in Pakistan: ambassador, Global Times, February 27, 2024

⁹ "China's Growing Support for Taliban Has Grave Implications for Regional, Global Security", News 18, February 28, 2024

¹⁰ "China building villages on disputed border with Bhutan amid talks to reach boundary settlement: Report, The Economic Times, February 19, 2024

¹¹ "Nepal, China to sign implementation plan of Beijing-backed BRI projects," The Hindu, February 19, 2024

III. China-United States Relations

On February 16, 2024, Chinese Foreign Minister Wang Yi and US Secretary of State Antony Blinken met in Germany on the side-lines of the Munich Security Conference.¹² Wang Yi reiterated that the US should view China's development rationally and adhere to the principles of mutual respect, peaceful coexistence, and win-win cooperation to accomplish the "San Francisco vision".¹³ On the issue of Taiwan, Wang Yi asserted that to maintain stability across the Taiwan Strait, the US should adhere to the one-China principle and refrain from supporting Taiwan's independence.¹⁴ Moreover, he expressed concerns about "de-risking" and called upon the US to lift unilateral sanctions imposed on Chinese companies.¹⁵

On February 23, 2024, the Office of the US Trade Representative (USTR) released its annual report on China's World Trade Organisation (WTO) Compliance.¹⁶ The report noted that, China still adheres to a state-directed, non-market approach to economy and trade, even 22 years after joining the WTO, which remains one of the greatest challenges to the international trading system.¹⁷ Adding that, China's so-called "socialist market economy" has turned decidedly "predatory".¹⁸ China's Commerce Ministry rejected these accusations, urging the US to abandon unilateralism, protectionism, and bullying trade practices that undermine international trade.¹⁹

US House Republicans introduced legislation to counter the Chinese Communist Party and to address threats posed by the People's Republic of China. The legislation also known as the Countering Communist China Act covers a number of policy fronts, including trade, intellectual property, defence and the promotion of human rights amidst calls for a free-trade agreement with several countries in the region, including Taiwan, the Philippines, New Zealand, Malaysia, and Indonesia.²⁰

¹² "Chinese FM calls for sound, steady, sustainable development of China-U.S. ties", Xinhua, February 17, 2024

¹³ Ibid

¹⁴ Ibid

¹⁵ Ibid

¹⁶ "USTR Releases Annual Report on China's WTO Compliance", Office of the US Trade Representative, February 23, 2024

¹⁷ Ibid.

¹⁸ Ibid.

¹⁹ "US urged to correct unilateralism, bullying trade practices amid key WTO meeting", Global Times, February 27, 2024

²⁰ "US House Republicans add Pacific nations deals to bill 'countering Communist China'", South China Morning Post, February 29, 2024

The number of round-trip passenger flights between China and the United States is slated to increase to 100 per week from March 31, 2024.²¹ The reciprocal policy by the Civil Aviation Administration of China (CAAC), which allows American airlines to increase their weekly round trips from 35 to 50, came three days after the US Department of Transportation announced the same flight volume growth from China. The measures will bring the number of flights back to one-third of the pre-pandemic level, following promises by two Presidents during their November meeting in San Francisco “to work toward a significant further increase in scheduled passenger flights”.²²

In response to this policy, Dai Jun, deputy director of the CAAC’s monitoring centre, said the aviation body would continue to promote the resumption of international flights to “better meet the needs of people travelling to and from China”. Before the pandemic, airlines from China and the US flew about 300 round trips combined per week, but that number was slashed during the pandemic.²³

The American coastguard is slated to push for number of measures to guard against China’s presence in the country’s port infrastructure. President Biden is reported to have signed an executive order to push maritime vessels and facilities to shore up their cybersecurity and mandate the reporting of cyber incidents. Biden administration will be investing more than USD 20 billion into US port infrastructure over the next five years, including an effort to onshore American crane manufacturing. Rear Admiral Jay Vann, Commander of the United States Coast Guard Cyber Command, said that the service will impose cybersecurity requirements on the owners and operators of Chinese-manufactured cranes in the US. US officials have raised concerns that Beijing could remotely operate Chinese-manufactured cranes to disrupt the flow of goods. They are also concerned that data collected from the cranes could reveal information about US military shipments.²⁴

During a meeting on February 19, 2024, Chinese State Councillor and Minister of Public Security Wang Xiaohong and US Homeland Security Secretary Alejandro Mayorkas agreed to implement important consensus reached at the San Francisco meeting between the two Heads of State. During their meeting in Vienna, the two officials had candid, in-depth and constructive

²¹ “China, US flights continue rebound, but weekly round trips still a fraction of pre-pandemic levels,” South China Morning Post, February 29, 2024

²² Ibid.

²³ Ibid.

²⁴ “US moves against cybersecurity ‘risk’ posed by China-made port infrastructure,” South China Morning Post, February 21, 2024

communication, advancing bilateral cooperation in drug control and law enforcement, apart from addressing each other's concerns.²⁵

The China-US economic working group held its third meeting in Beijing between February 5-6. The meeting was co-chaired by Chinese Vice Minister of Finance Liao Min and US Deputy Secretary of the Treasury Jay Shambaugh. Chinese side expressed concerns over the US tariff hikes, two-way investment restrictions and sanctions to suppress Chinese enterprises. The two sides agreed to continue to maintain communication.²⁶

A US Congressional review has revealed that the value of Chinese companies listed on US stock exchanges fell significantly last year. The US-China Economic and Security Review Commission published a report revealing that 256 Chinese companies are now listed on the New York Stock Exchange, Nasdaq, and NYSE American exchanges worth a combined value of USD 848 billion. The value of these Chinese companies slid by 17.5 per cent from their valuation in 2022.²⁷

IV. China-European Union Relations

During his Europe visit, Foreign Minister Wang Yi held meetings with his counterparts from the European Union, Germany, France, and Spain.²⁸ In the talks he reiterated, China remains committed to working with Europe to promote a multipolar world that is equal and orderly, stating that there is no fundamental conflict of interest between the two sides.²⁹ Nevertheless, in addition to electric vehicles anti subsidy investigations, the European Union has launched an anti-subsidy investigation into Chinese state-owned train manufacturer CRRC Qingdao Sifang.³⁰

The European Union backed by its 27 members has agreed to blacklist three mainland Chinese entities including one registered in Hong Kong from doing business with European counterparts. They are accused of helping Russian buyers access goods with dual military and civilian uses that were made in

²⁵ "China, U.S. agree to implement consensus of San Francisco summit", Xinhua, February 19, 2024

²⁶ "China expresses concern over U.S. tariff in 3rd economic working group meeting," CGTN, February 21, 2024

²⁷ "Value of Chinese businesses listed on US stock exchanges dropped significantly in 2023," South China Morning Post, February 14, 2024

²⁸ "Chinese FM's visit to Europe signals China taking active initiative to stabilize ties", Global Times, February 19, 2024

²⁹ Ibid

³⁰ "Worried about a 'lose-lose'? EU should treat CRRC fairly: Global Times editorial", Global Times, February 18, 2024

Europe but banned from being exported to Russia by the EU. Hungary, a close partner of Beijing, decided not to veto the package.³¹ In the month, China and Hungary pledged to deepen collaboration and cooperation in policing and security, signing a series of agreements on improving cooperation in these areas. In a meeting with Hungarian Prime Minister Viktor Orban, Chinese Public Security Minister Wang Xiaohong said the two countries should also “deepen mutual political trust ... and strengthen communication and collaboration in international and regional affairs”. According to a Chinese readout, Wang told Orban that Hungary was “a good friend and companion who has stood the test of time”. “It is hoped that the two sides will deepen cooperation in areas such as counter-terrorism, combating transnational crime, the security of Belt and Road [Initiative projects] and law enforcement capacity-building, and turn law enforcement and security cooperation into a new highlight of bilateral relations”. The two sides also stressed the importance of security and stability as a basis for the development of economic and trade ties.³²

European solar panel producers in a letter to the European Commission, called for “emergency measures” to safeguard the EU supply chain amid “significant oversupply” from China. It claimed that oversupply of PV modules from China late in 2022 and through 2023 had “triggered a drastic reduction in prices”, forcing European manufacturers to reduce production and leaving stocks “languishing” in warehouses. “These stocks remain unsold due to the prevailing market conditions characterised by ultra-low pricing, a situation expected to persist at least throughout 2024,” read the letter from the European Solar Manufacturing Council (ESMC), which represents around 80 companies.³³

V. China-Russia Relations

During the month, senior Chinese and Russian diplomats met in Moscow. The two sides “discussed a range of pressing topics, including the Ukrainian crisis and the situation on the Korean peninsula”. They also agreed to improve coordination in key international organisations, including ‘BRICS’, a bloc of major emerging economies. “A confidential discussion was also held on ensuring security in the Eurasian space, as well as in the Asia-Pacific region,

³¹ “EU agrees to blacklist Chinese firms for first time in latest Russian sanctions package”, South China Morning Post, February 21, 2024

³² “China and ‘good friend’ Hungary shore up policing and security ties,” South China Morning Post, February 18, 2024

³³ “European solar panel makers ask EU for ‘emergency’ steps to block China’s ‘significant oversupply’,” South China Morning Post, February 1, 2024

given the active attempts by the West to create small-bloc military-political associations in the region".³⁴

Following an [EU proposal to sanction dozens of Chinese firms](#) accused of aiding Russia's war in Ukraine, "China firmly opposed illegal sanctions or 'long-arm jurisdiction' on the grounds of cooperation between China and Russia", the Ministry of Foreign Affairs said in a statement.³⁵

Internal Developments

Key Addresses by Chinese Leaders and Developments

On February 8, 2024, Chinese President Xi Jinping extended greetings for the '[Spring Festival](#)' (Lunar New Year – Year of the Dragon).³⁶ In his address, Xi noted that the Dragon represents the spirit of self-improvement, hard work, and enterprise of the Chinese nation for the past 5000 years, and called for writing a new chapter in advancing the country's modernisation.³⁷ A Xinhua commentary stressed that the UN's recognition of the Lunar New Year as a floating holiday underscores the [global significance of Chinese cultural heritage](#), especially its values of unity, harmony, and resilience.³⁸

On January 31, 2024, President Xi chaired a group study session of the Political Bureau of the CPC Central Committee, during which he reiterated the need to accelerate the development of "[new productive forces](#)" to promote high-quality development.³⁹ The term new productive forces refers to increased productivity, freed from the traditional economic growth model and based on high technology such as new energy and quantum technology.⁴⁰ In light of this, a Xinhua report highlighted how new productive forces are [reshaping China's economy](#).⁴¹

³⁴ "Senior Chinese, Russian diplomats talk security, Ukraine as war enters third year," South China Morning Post, February 27, 2024

³⁵ "China Opposes 'Illegal Sanctions' in Response to EU Proposal," [Bloomberg](#), February 13, 2024

³⁶ "Xi Focus: Xi extends Spring Festival greetings to all Chinese, urging efforts to write new chapter in advancing Chinese modernization", [Xinhua](#), February 8, 2024

³⁷ Ibid.

³⁸ "Xinhua Commentary: Chinese New Year: Conveying a message of unity and hope", [Xinhua](#), February 14, 2024

³⁹ "Xi stresses development of new productive forces, high-quality development", [People's Daily](#), February 1, 2024

⁴⁰ Ibid.

⁴¹ "New productive forces reshape China's economic landscape", [Xinhua](#), February 6, 2024

At the fourth meeting of the Central Commission for Deepening Overall Reforms, President Xi called for optimisation of the land administration system in coordination with macroeconomic policies to achieve high-quality regional development.⁴² In his address at the Central Commission for Financial and Economic Affairs, President Xi emphasised the importance of lowering logistics costs and promoting a new round of large-scale equipment renewal.⁴³

Qiushi Journal, a flagship magazine of the CPC Central Committee published an article authored by President Xi on upholding and improving China's People's Congress system.⁴⁴ Xi reiterated that the CPC has continued to make theoretical innovations to the People's Congress system since the 18th National Congress. Adding that, the Chinese system represents a "whole-process people's democracy" that encompasses all aspects of the democratic process with full civil participation.⁴⁵ In another development, a revised set of regulations for disciplinary inspections were issued by the CPC Central Committee to enhance its centralised control over the Party's inspection processes.⁴⁶

On February 26, 2024, President Xi reviewed the work reports of senior CPC officials including leading Party members of the Political Bureau, Standing Committee of the National People's Congress (NPC), the State Council, the National Committee of the Chinese People's Political Consultative Conference (CPPCC), Supreme People's Court, and the Supreme People's Procuratorate.⁴⁷ Xi urged the CPC officials to advance China's modernisation, fully implement the guiding principles of the 20th National Congress, expand Party-wide education campaign, deepen reforms, and fully implement the new development philosophy.⁴⁸

On February 17, 2024, President Xi sent a congratulatory letter to the 37th African Union (AU) Summit held in Ethiopia.⁴⁹ Amidst global uncertainties, Xi observed that the Global South, represented by China and Africa, is booming, and it will

⁴² "Xi stresses enhancing guarantee ability of land element for high-quality development of regions with competitive strengths", People's Daily, February 20, 2024

⁴³ "Xi stresses promoting equipment renewals, trade-ins of consumer goods", People's Daily, February 24, 2024

⁴⁴ "Xi's article on upholding, improving people's congress system to be published", Xinhua, February 15, 2024

⁴⁵ Ibid.

⁴⁶ "CPC issues revised regulations on disciplinary inspections", People's Daily, February 22, 2024

⁴⁷ "Senior CPC officials report work to CPC Central Committee, Xi", The State Council of PRC, February 26, 2024

⁴⁸ Ibid.

⁴⁹ "Xi sends congratulatory message to 37th AU Summit", Xinhua, February 17, 2024

have a profound impact on world history.⁵⁰ Xi noted that there has been a deepening of Sino-African relations, and both sides are supporting each other in their pursuit of modernisation.⁵¹ Meanwhile, a congratulatory letter from President Xi marking the completion of Qinling Station, China's fifth research station in Antarctica, called for better understanding, protection, and utilisation of the Polar regions for the benefit of mankind.⁵²

On February 26, 2024, Chinese Foreign Minister, Wang Yi, addressed the high-level segment of the 55th session of the United Nations Human Rights Council (UNHRC) via video conference.⁵³ He called upon the UNHRC to prioritise development, uphold fairness and justice, reject attempts to use human rights as a pretext to interfere in other countries' internal affairs, and oppose acts of hegemonism and power politics.⁵⁴

Trade and Economy

In the wake of reports that China's inbound foreign direct investment (FDI) fell in 2023 to its lowest level in 30 years⁵⁵, Premier Li Qiang called upon the State Council to stabilise foreign investment and reduce the risks associated with debt.⁵⁶ It is to be noted that, China's debt-to-GDP ratio climbed to a record 287.8 percent in 2023 despite the slow pace of borrowing, reflecting economy's weakening growth.⁵⁷ To boost investor confidence and make China a "financial superpower", the newly established Central Finance Commission promised increased regulatory transparency, stability, and predictability.⁵⁸ Meanwhile, as the country's stock market continued to suffer from a prolonged slump⁵⁹, China's Securities Regulatory Commission (CSRC) pledged prompt

⁵⁰ Ibid.

⁵¹ Ibid.

⁵² "Xi sends congratulatory letter on completion, operation of Qinling Station in Antarctica", People's Daily, February 7, 2024

⁵³ "Chinese FM stresses right to survival, development at UN human rights council", China Daily, February 27, 2024

⁵⁴ Ibid.

⁵⁵ "Foreign direct investment in China falls to lowest level in decades", Financial Times, February 19, 2024

⁵⁶ "Chinese premier chairs State Council executive meeting", The State Council of PRC, February 23, 2024

⁵⁷ "China's Debt-to-GDP Ratio Climbs to Record 287.8% in 2023", Caixin Global, January 27, 2024

⁵⁸ "China's new financial regulator pledges transparency to bring investors back from the brink", South China Morning Post, February 21, 2024

⁵⁹ "Cover Story: China's Three-Year Stock Slump Resists Policy Prescriptions for Rebound", Caixin Global, January 29, 2024

action to address market concerns, risk prevention, and high-quality development of the capital market.⁶⁰

The International Monetary Fund (IMF) forecasted China's economy to grow at 4.6 percent in 2024, down from 5.2 percent in 2023 due to continuing property sector woes.⁶¹ Ahead of the planned 'Two Sessions' in March 2024, to shore up the country's property sector, the People's Bank of China (PBOC) lowered the five-year loan prime rate (LPR), which the commercial banks use as a benchmark to adjust their mortgage rates, from 4.2 to 3.95 percent.⁶²

Despite downward trends, the Chinese state media continued to portray the economy in a positive light, highlighting the consumption (tourism and shopping) boom during Spring Festival holidays.⁶³ Through its visa-free travel policies for certain countries, Beijing is attempting to further increase national consumption.⁶⁴ On the other hand, analysts reiterated concerns about China's economic growth being at risk from "societal stagnation" which constitutes the "most significant crisis of our time".⁶⁵ Adding that, China's growth story is being hollowed out by "formalism, bureaucracy, and a growing sense of resignation from the bottom up".⁶⁶ US-based Rhodium Group's report also warned that "all is not well" with China's economy and that the country will continue to experience slower economic growth in the range of 3-4 percent.⁶⁷

On February 27, 2024, the National People's Congress (NPC) Standing Committee adopted a revised law on Guarding State Secrets.⁶⁸ The revised law reportedly includes a provision that requires authorities to designate as "work secrets" any matters that are not technically state secrets but would affect national security or public interest if leaked. Such provisions could create further uncertainty for foreign businesses in China.⁶⁹

⁶⁰ "China's securities regulator pledges prompt response to market concerns", People's Daily, February 20, 2024

⁶¹ "IMF: China to stay top contributor to growth", China Daily, February 3, 2024

⁶² "China's largest cut to key mortgage rate a 'step in the right direction' to prop up economy ahead of 'two sessions'", South China Morning Post, February 20, 2024

⁶³ "Xinhua Headlines: China cashes in on vibrant Spring Festival holiday spending", Xinhua, February 18, 2024

⁶⁴ "China visa-free travel: relaxing entry restrictions adds up, with 'additional stimulus' eyed from more inbound trips", South China Morning Post, February 6, 2024

⁶⁵ "China's economic growth at risk from societal stagnation, scholar warns of the 'most significant crisis of our time'", South China Morning Post, February 20, 2024

⁶⁶ Ibid.

⁶⁷ "All is not well in China's economy, Rhodium Group report warns, slamming Beijing's lack of structural reform", South China Morning Post, February 5, 2024

⁶⁸ "China widens scope of state secrets law", Nikkei Asia, February 27, 2024

⁶⁹ Ibid.

China unveiled its “No.1 central document” for 2024 that charts the roadmap for rural revitalisation.⁷⁰ A major emphasis in the document is on ensuring food security, preventing any large-scale relapse into poverty, and enhancing rural industrial development, rural construction, and rural governance.⁷¹ Among other developments, there has been a discovery of a crude oil field in China’s Henan province with the estimated yield of approximately 107 million tonnes.⁷²

Defence and Security

On February 2, 2024, President Xi extended Spring Festival greetings to the PLA troops stationed in north China's Tianjin garrison command.⁷³ During his remarks, Xi stressed the importance of enhancing combat readiness, safeguarding national security, maintaining social stability, and accelerating efforts to achieve the PLA’s centenary goals by 2027.⁷⁴ Continuing its naval modernisation, PLA Navy’s eight type-055 large guided-missile destroyer has reportedly achieved full operational capability following training in the South China Sea.⁷⁵

On February 17, 2024, Chinese Foreign Minister, Wang Yi addressed 60th Munich Security Conference.⁷⁶ He asserted that China will remain “a staunch force for stability in a turbulent world” despite increasing protectionism, abuse of the security concept, unilateralism, and bloc politics.⁷⁷ Major issues touched by Wang Yi included, China as a force for stability in promoting cooperation between major countries, addressing hotspot issues, enhancing global governance, and promoting global growth.⁷⁸ On the Munich Security Report 2024 expressing concerns about the advent of “lose-lose dynamics” where countries no longer focus on the absolute benefits of global cooperation, Xinhua commented that “true multilateralism is the solution to avoiding a lose-

⁷⁰ “China's No. 1 central document for 2024 charts roadmap for rural revitalization”, People’s Daily, February 4, 2024

⁷¹ Ibid.

⁷² “China boasts bubbling crude discovery – oil that is, 107 million tonnes – in Henan province, adding fuel to energy-security drive”, South China Morning Post, January 30, 2024

⁷³ “Xi inspects troops stationed in Tianjin, extends festival greetings to all servicemen”, People’s Daily, February 4, 2024

⁷⁴ Ibid.

⁷⁵ “PLA Navy’s eighth Type 055 large destroyer achieves operational capability with training in South China Sea”, Global Times, February 18, 2024

⁷⁶ “A Staunch Force for Stability in a Turbulent World”, Ministry of Foreign Affairs PRC, February 17, 2024

⁷⁷ Ibid.

⁷⁸ Ibid.

lose situation".⁷⁹ It claimed that the growth of zero-sum mentality in international affairs is due to the West's Cold War mentality that stifles growth and perpetuates divisions.⁸⁰

At Munich Security Conference, while commenting on a question regarding US-China tensions leading to greater global fragmentation, US Secretary of State, Antony Blinken stressed that "if you are not at the table in the international system, you will be on the menu".⁸¹ A Global Times editorial criticised Secretary Blinken's remarks, asserting that it reveals the US's "worldview characterised by a harsh and chilling perspective in which the strong prey on the weak".⁸² Adding that, in today's world, countries are not destined to become fish on the menu; rather, the international community is seeking peace over war, justice over hegemony, and cooperation over confrontation.⁸³

The tensions between China and the Philippines showed no signs of abating. On February 19, 2024, the US and Philippines held a joint air-patrol in the South China Sea.⁸⁴ Chinese analysts expressed concerns that the Philippines was taking advantage of the US's China containment strategy and noted that coordinating with forces outside the region is akin to "military adventurism".⁸⁵ Adding to Chinese concerns, Admiral Samuel Paparo, the Commander of US Pacific Fleet, highlighted the strengthening of US-Japan military alliance as a major achievement of Washington's Indo-Pacific strategy.⁸⁶ A Global Times report warned that, the US-Japan military alliance is aimed at stirring chaos, division, and conflict in Asia-Pacific and called for vigilance from China, Russia, and other neighbouring countries.⁸⁷ It also expressed concerns about Australia's plans to revamp the country's Navy as "irrational and dangerous", which may trigger an arms race and threaten the stability of the region.⁸⁸

⁷⁹ "Xinhua Commentary: How to avoid lose-lose? True multilateralism gives answer", Xinhua, February 17, 2024

⁸⁰ Ibid.

⁸¹ "What does Blinken's 'table and menu theory' signify?: Global Times editorial", Global Times, February 22, 2024

⁸² Ibid.

⁸³ Ibid.

⁸⁴ "PLA monitors Philippines-rallied joint patrol in South China Sea", Global Times, February 20, 2024

⁸⁵ Ibid.

⁸⁶ "US commander touts enhanced military ties with Japan; critics decry US of self-deception", Global Times, February 18, 2024

⁸⁷ Ibid.

⁸⁸ "Analysts warn multibillion navy overhaul 'irrational and dangerous' as Australia eyes largest navy buildup since WWII", Global Times, February 21, 2024

In response to the US's first National Defence Industrial Strategy (NDIS), which emphasised preparing for a potential Indo-Pacific conflict by building a strong defence-industrial base, Beijing reiterated that the US is hyping up "a non-existent China threat".⁸⁹ Further, reports in the West that the US is deploying five aircraft carriers in the Western Pacific "in China's backyard" were rejected by Chinese scholars as "unprofessional", stating that the USS Theodore Roosevelt is the only aircraft carrier currently deployed.⁹⁰

Amidst cross-strait tensions, on February 14, 2024, Taiwan evicted a mainland Chinese fishing boat in waters near Kinmen, resulting in the death of two fishermen.⁹¹ Reacting to the incident, Beijing urged Taiwan to properly handle fishermen's death and reiterated its support to China Coast Guards (CCG) regular patrols in waters of Xiamen and Kinmen.⁹² In line with this, on February 25, 2024, the CCG conducted maritime patrols in waters near Kinmen as a warning to Taiwan's ruling Democratic Progressive Party (DPP).⁹³

Earlier, to warn "Taiwan independence" secessionists and their external supporters, the PLA conducted a live-fire missile exercise along the country's south-eastern coast in Fujian Province.⁹⁴ Fujian is accelerating defence mobilisation reforms to increase war readiness in response to Beijing's push for "military-civilian fusion".⁹⁵ Reacting to these preparations, a former US Navy Intelligence Officer, J. Michael Dahm, claimed that the PLA may not be ready for a major amphibious attack on Taiwan before 2030.⁹⁶

On January 31, 2024, Dong Jun, China's new Defence Minister, held a video conference with Sergei Shoigu, Russia's Defence Minister. The two leaders called on Chinese and Russian militaries to boost mutual trust and expand cooperation to elevate bilateral relationship to a higher level.⁹⁷ Meanwhile, during its analysis of the two years of conflict between Russia and Ukraine, a

⁸⁹ "Regular Press Conference of China's Ministry of National Defense on January 25", Ministry of National Defence PRC, February 2, 2024

⁹⁰ "Hype over US deploying five aircraft carriers on China's doorstep slammed as unprofessional", Global Times, February 21, 2024

⁹¹ "CCG capabilities highlighted in intensive law enforcement activities in South China Sea, Taiwan Straits, Diaoyu Islands", Global Times, February 22, 2024

⁹² Ibid.

⁹³ "Mainland's regular patrols send stern warning to DPP", Global Times, February 26, 2024

⁹⁴ "PLA holds live-fire missile drill along southeastern coast, warns secessionists, external forces", Global Times, January 31, 2024

⁹⁵ "China's Fujian province steps up defence mobilisation reforms to improve war readiness", South China Morning Post, February 3, 2024

⁹⁶ "PLA may not be ready for major amphibious attack on Taiwan before 2030: ex-US Navy intelligence officer", South China Morning Post, February 11, 2024

⁹⁷ "China's new defence minister urges 'closest' military relations in first talks with Russian counterpart", South China Morning Post, February 1, 2024

Global Times editorial stressed that this “tragedy could have been avoided if Russia's legitimate security concerns had been addressed properly”. Adding that, “the US-led West’s eastward expansion of NATO has led to this uncontrollable situation”.

Technology

On February 18, 2024, Christopher Wray, Director of the Federal Bureau of Investigation (FBI), warned the US Congress of unprecedented Chinese cyber-attacks on the nation's critical infrastructure.⁹⁸ China's Foreign Ministry refuted Wray's “groundless accusations” and called them irresponsible distortion of facts. Rather, Beijing described the US as the source and largest perpetrator of cyber-attacks against China's critical infrastructure.⁹⁹

Several Chinese chip and artificial intelligence companies were added to the US Department of Defence's blacklist to prevent American technologies from aiding the Chinese military.¹⁰⁰ In light of this, the People's Daily reiterated Beijing’s concerns about the US “overstretching the concept of national security and abusing its state power to restrain the development of other countries enterprises”.¹⁰¹

⁹⁸ “FBI Director Says China Cyberattacks on U.S. Infrastructure Now at Unprecedented Scale”, The Wall Street Journal, February 18, 2024

⁹⁹ “China slams U.S. over slanderous cybersecurity accusations”, People’s Daily, February 2, 2024

¹⁰⁰ “U.S. should stop taking “national security” as catch-all excuse”, People’s Daily, February 7, 2024

¹⁰¹ Ibid.



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