

Translation



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EMERGING TECHNOLOGY

Former PRC Minister of Industry and Information Technology Miao Wei, in a March 2021 speech, contends that China needs 30 more years to develop into a true “manufacturing powerhouse.” Miao states that China needs to devote more time and attention to its manufacturing industry to reduce its dependency on foreign technology and talent.

Title

Miao Wei: Advancing the High-Quality Development of the Manufacturing Industry
苗圩: 推动制造业高质量发展

Author

Miao Wei (苗圩), member of the 19th Central Committee of the Chinese Communist Party (CCP), vice chairman of the Economic Committee of the National Committee of the Chinese People's Political Consultative Conference (CPPCC), and former Minister of Industry and Information Technology. Xinhua reporters Li He (李贺) and Chen Wei (陈为) compiled Miao's remarks.

Source

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The Chinese source text is available online at:

http://www.xinhuanet.com/politics/2021lh/2021-03/07/c_1211054597.htm

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Ben Murphy, CSET Translation Lead

[Xinhua editor's note] The second plenum of the Fourth Session of the 13th Chinese People's Political Consultative Conference (CPPCC) National Committee was held at 9 am on March 7 in the Great Hall of the People. Members delivered speeches at the meeting.



Sound-Bite from
the Two Sessions



**Committee Member
Miao Wei**

**Vice Chairman of the Economic
Committee of the CPPCC National
Committee**

We must maintain strategic determination and strategic clarity, deeply understand the gaps and deficiencies, set goals and not relax, and make greater efforts to promote the high-quality development of the manufacturing industry

**- Remarks issued at the Fourth Session of the 13th CPPCC
National Committee on March 7**



Prepared by Xinhua News Agency reporters Li He and Chen Wei

Miao Wei, member of the 19th Central Committee of the Chinese Communist Party (CCP), vice chairman of the Economic Committee of the National Committee of the CPPCC, and former Minister of Industry and Information Technology

Promoting the high-quality development of the manufacturing industry is a major strategic task in China's economic development at present and in the future. In the four-echelon pattern of global manufacturing, China is in the third echelon, and it will take at least 30 years to achieve the goal of [building China into] a manufacturing powerhouse.¹ In recent years, China's manufacturing industry has made great achievements, but the tendency towards "big but not strong" and "complete but not good" (全而不优) has not been fundamentally changed. Basic capabilities are still weak, key and core technologies are controlled by others (受制于人), and the risk of "bottlenecks" ("卡脖子") and "chain drops" ("掉链子") has increased significantly. The premature and rapid decline of the manufacturing industry's share of GDP will not only drag down current economic growth and affect urban employment, but will also bring potential industrial safety hazards and weaken China's capacity to counter economic risks and its international competitiveness. As we enter the new stage of development, implement the new development concept, and build the new development pattern, it is essential that we accelerate the high-quality development of the manufacturing industry. We must maintain strategic determination and strategic clarity, deeply understand the gaps and deficiencies, set goals and not relax, and make greater efforts to promote the high-quality development of the manufacturing industry. Here are several thoughts and suggestions.

First, we must further unify our ideological understanding of the high-quality development of the manufacturing industry. In the fight against COVID-19, China's manufacturing system as a whole has played an integral role, once again proving the importance of manufacturing to the development and security of great powers (大国). It should be said that in recent years, all parties have greatly increased their attention to and support for the development of the manufacturing industry, but society as a whole has not fully reached a consensus on accelerating the development of the manufacturing industry. There is still a certain market for viewpoints and opinions that ignore the transformation and upgrading of traditional industries, or use service industries to replace manufacturing to drive economic growth. This has caused serious problems for the development of China's manufacturing industry. We must learn deeply the lessons of history, unify our thoughts and actions with Xi Jinping Thought on

¹ Translator's note: CSET has chosen to translate the Chinese term 制造强国 as "manufacturing powerhouse"; an alternative translation would be "manufacturing superpower." For a more detailed discussion of the Chinese word 强国 and its nuances, see: <https://www.newamerica.org/cybersecurity-initiative/digichina/blog/lexicon-wanluo-qiangguo/>

Socialism with Chinese Characteristics for a New Era, further emphasize the strategic position and role of the manufacturing industry, pay close attention to the various tasks of high-quality development of the manufacturing industry, stabilize the fundamental ratio of manufacturing to GDP, accelerate the pace at which we become a manufacturing powerhouse, protect China's most complete industrial systems, enhance the independent controllability (自主可控能力) of the production and supply chains, and protect the foundation that we have built up over the decades.

Second, we must accelerate the improvement of systems and mechanisms conducive to the high-quality development of the manufacturing industry. Although there are many problems that restrict the high-quality development of China's manufacturing industry, the most fundamental issue is that market-oriented reforms are not in place. For instance, the mechanism of fair competition amongst enterprises is not yet sound, and some hidden market access restrictions still exist. The mechanism for marketization of the prices of factors of production (要素) is not perfect, and the prices for energy, land, and environmental protection are unable to fully reflect market supply and demand and the scarcity of resources. The tax burden on corporations is still heavy, and financial support for the manufacturing industry must be bolstered at once. We must continue to be goal-oriented and problem-oriented. We must intensify reforms and accelerate the improvement of systems and mechanisms that are conducive to the high-quality development of manufacturing. We must enhance the endogenous driving force and vitality of development.

Third, we must promote the deep integration of the innovation chain and the production chain. China's manufacturing industry does not excel in innovation primarily because the S&T innovation system is not sound. The problem of "dissonance" ("两张皮") between S&T and industry has not yet been effectively resolved. The allocation of innovative resources is duplicated, dispersed, closed, and inefficient, and the industry's supply system for key general purpose technology has structural defects. We must deepen the reform of the S&T system, scientifically allocate S&T resources, deploy the innovation chain around the production chain, lay out the production chain around the innovation chain, and promote the deep integration of the innovation chain, production chain, policy chain, capital chain, and talent chain. We must accelerate the establishment of a technological innovation system around enterprises, actively explore new ways to give play to the advantages of the new nationwide system, and strengthen coordination between ministries and departments of S&T, industry, and so forth.

Fourth, we must accelerate the construction of a talent cadre that supports the high-quality development of the manufacturing industry. China is rich in labor resources and has a substantial talent cadre. However, there is a large talent gap in emerging

industries and interdisciplinary cutting-edge fields. The proportion of high-quality talents such as innovative and high-skilled personnel is clearly low. As this has become a major constraint on the high-quality development of the manufacturing industry, we must attach great importance to it. We must thoroughly implement the "Pilot Reform Program for Strengthening Enrollment in Basic Academic Disciplines"² in education to cultivate talents in science, technology, engineering, and mathematics (STEM) fields. We must penetrate the growth channel and development path of “technology workers-skilled talents-high-skilled talents-craftsmen of a great power” so that employees have a path to excel. We must attach great importance to the recruitment of talent, grasp this rare opportunity and window of time, and attract more top international talents and ethnic Chinese (华人) scientists to serve China’s S&T innovation.

² Translator's note: The Pilot Reform Program for Strengthening Enrollment in Basic Academic Disciplines (基础学科招生改革试点), abbreviated "Strong Basics Program," (强基计划), launched by the PRC Ministry of Education in January 2020, aims to increase enrollment and improve the quality of education in academic disciplines—chiefly math and science—critical to China's national strategies.