

**China's  
"Core Engine"  
of  
Reform**





# BACKGROUND

- President (Chairman) Xi Jinping to deliver a 40th anniversary of the establishment of China's first Special Economic Zone (SEZ) speech.
- After investors hearing word of economic reform and release of blueprints of said reform : (11 October 2020)
  - China stocks extend rally on Monday to post biggest daily percentage gain in 3 months
  - Rebound in tourism from Holiday Week (中秋节)
  - Foreign investors: 15.9 billion ¥ (\$2.37 billion) worth of shares



# MAIN ARTICLES

- Development from 2020 to 2025
- Link cities of Hong Kong, Macau, Shenzhen, Guangzhou and 7 others in Guangdong Province into economic & business hub (Greater Bay Area)
- "promote cooperation with Hong Kong on a higher level and strengthen its role as the core engine in the development of the Greater Bay Area, and do a good job in setting an example of building a model city that can represent a modernised and vibrant socialist country."
- Research funds to be allocated by the market like in Silicon Valley



# THE PLAN

- Gives local authorities more say in business such as:
  - carrying out market-based economic reform
  - improving market and legal environments for global businesses
  - building a high-level open economy
  - providing service for people's livelihood
  - bettering the ecological environment
  - urban space
- In 2019, Shenzhen's GDP topped 2.69 trillion ¥ (about \$396.8 billion).



# POTENTIAL ISSUES

- Increasingly hostile international trade environment
- Especially the US:
  - Huawei & ZTE
  - WeChat & TikTok Bans



# RESOURCES

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