



Introduction

As the world continues to exit the last stages of a global pandemic, now familiar military conflicts continue to rage, new ones threaten to boil over and destabilize already tumultuous regions, and worldwide economies find themselves stumbling while trends of automation emerge with little oversight. All the while climate change continues to relentlessly push the world to inhospitable levels, and the constant detrimental spread of disinformation and malicious use of artificial intelligence disrupt the global physical and information landscape respectively. The governments of today find themselves in precarious positions

Since February of 2022 Ukraine and Russia have remained at war with nearly half a million dead.¹ Ukraine's counter-offensives have begun to push the invading Russian army back with slow progress as their drone strikes remain a constant terror in the Black Sea near Crimea.² This and other devastating outbreaks of warfare should stand not only as important issues on their own, but also as worrying signs of potential escalations of conflict elsewhere across the globe. Border tensions and constant displays of might and violence threaten to erupt with devastating consequences. As Ukraine and Russia remain in conflict, western countries like the United States and those of Europe must decide their best path forward to aid their allies in the immediate conflict and to prevent it from spreading elsewhere on the continent. Whereas regional powers like the People's Republic of China may eye the conflict as an opportunity to both seek leverage over nearby partners embroiled in the conflict to attempt to cement themselves as the sole regional powerhouse, or even view it as a welcome distraction to pursue other goals as much of the fixation of the world is drawn elsewhere. No conflict happens in a vacuum. The lessons learned from Russia's direct aggression may be applicable in unforeseen circumstances, especially ones arising far sooner than any might think as tensions continue to escalate in the Taiwan Strait as well as across the globe.

Information-based warfare continues to spread and dominate much of modern technological discourse through social media and other information sharing platforms. On platforms like X (formerly known as Twitter), WeChat, and others, artificial intelligence continues to explode in popularity as new unregulated programs develop with risks of minor misrepresentations of facts at best, and dangerous violence-inciting misinformation at worst.³ Current problems have only grown as platforms like X have become unmoderated landscapes of falsified information with competing propaganda narratives and an unchecked spread of near outright lies. To compound this issue, the true volatility of A.I. remains yet to be seen, as does its potential impact on the

¹ <https://www.cbc.ca/news/world/ukraine-war-estimated-casualties-1.6940723>

² <https://www.bbc.com/news/world-europe-60506682>

³ <https://www.nytimes.com/2023/02/08/technology/ai-chatbots-disinformation.html>



Source: Stanford University, 2022

economies of the world through automation & obsolescence, beyond the continued engagement and creation of disinformation. Programs like ChatGPT, DALL·E 2, and other artificial intelligence applications continue to develop and run rampant throughout the internet with little oversight.

Beyond the known concerns of warfare, both conventional and digital,

climate change and its effects remains a looming specter over the entire globe. Natural disasters are undeniably increasing in intensity and frequency with record breaking heat waves, floods, and droughts.⁴ The average temperature of the planet has risen an entire degree Celsius since the late 19th century,⁵ the Greenland & Antarctica ice sheets have lost an average of 280 and 150 billion tons of ice respectively,⁶ and “Global sea level rose about 20 centimeters in the last century. The rate in the last two decades, however, is nearly double that of the last century and accelerating slightly every year.”⁷ The world must find common ground and solutions that can work for all while there still remains a world to save.

The delegates of this body are expected to be among the brightest available and will be called to answer many challenges in a variety of unique and effective ways. The validity of the very information being presented must be questioned alongside the decisions of how to solve the issues, and no stone must be left unturned to obtain a future that will be to the benefit of all, hopefully in a world of peace and understanding.

*This guide will present the primary concerns facing each Cabinet, Committee, and Board of Directors at the start of the conference, **December 7th, 2023**. Each body will be*

⁴ <https://www.bbc.com/news/world-europe-62712301>

⁵ <https://www.ncei.noaa.gov/monitoring>

⁶ https://climate.nasa.gov/evidence/?trk=public_post_comment-text

⁷ <https://doi.org/10.1073/pnas.1717312115>



approaching the same issues and expected to make their own decisions in the face of an uncertain future.

Country Brief

This body meets in unprecedented times. The Chinese economy, a beacon of stalwart growth and unquestionable production, has begun to stumble. Exports are stalling, a real estate crisis continues to expand, and unemployment among the younger generation are all creating intolerable doubt as to the strength of the Chinese economy, and thus the influence of China across the globe. Chinese goals can only be achieved through institutions developed with said goals in mind and their execution as a focus. Pushing for multipolar and diversified leadership structures for global institutions will uphold the President's declaration that "China must lead the reform of the global governance system with the concept of fairness and justice"⁸. By continuing programs such as the One Belt One Road movement and continuing to pursue Chinese appointments to global initiatives this cabinet will ensure China's success on the global stage, one rocked by conflict. It is within that conflict that this body should be viewing the world with eyes of opportunity as opposed to fear. China's unique geographic location, industrial productivity, and economic depths, all lend themselves as key factors to enable China to jump at opportunities available through the ongoing conflicts across the globe. As conflicts rage and threaten to emerge, China remains able to involve itself for its own benefit in a multitude of ways.

This cabinet is a near unprecedented one. Instead of the typical council of solely ministers or state councilors, this cabinet will be composed of a mixture of ministers, state councilors, and politburo members. Each will have their own priorities and purview, but all will answer to the President himself. This may lead to engagement and discussion with people in unexpected positions. President Jinping has assembled the best to handle his priorities, and expects nothing less than the best solutions to each and every one.

Topic 1 - Jumpstarting the Stumbling Chinese Economy

China's strong economy over the past few decades has faced significant headwinds this year following the disruptions caused by the COVID-19 pandemic. The economy grew faster than expected in the third quarter this year, but challenges across mounting debt, a rapidly aging

⁸<https://www.lawfaremedia.org/article/china-prepares-international-order-after-us-leadership>



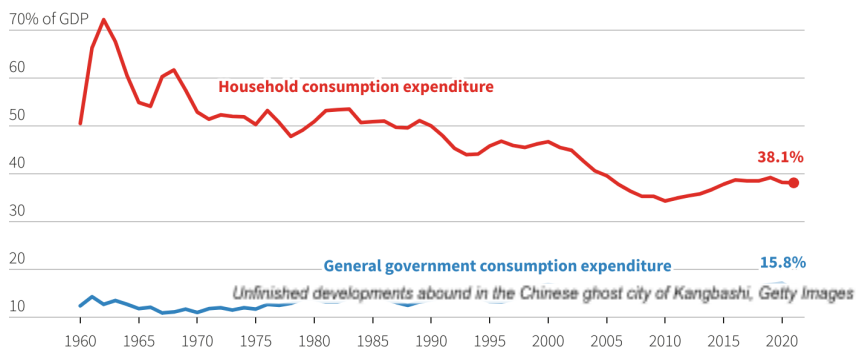
population, and low foreign investment require action and reform from the Chinese government to grow sustainably moving forward.⁹

Real estate and debt are playing a major role in China's economic downturns. Hao Hong, chief economist said, "Fixing the property sector may be a multi-year or even a decade's work in front of us. Reason being, we built way too [much] housing for Chinese people. And also the Chinese urbanization process, which has been progressing very fast in the past 10 years, is coming to a halt."¹⁰

China's focus on urban growth has led to abandoned cities, known as "ghost cities." Public works projects, like residential housing, bridges, and monuments, have been built over the last several decades in China, but were either never completed or there is no consumer demand. Experts estimate that vacant homes could house three billion people in China, highlighting the impact of excess housing in the country.¹¹ And on October 10, China's biggest real estate property developer, Country Garden, stated that it was unable to repay its loan and expected that it would default on its debt, exacerbating China's property crisis.¹²

Consumption in China

China's household final consumption as a share of GDP has dropped over the past six decades, while government spending has risen.



Note: Data through 2021

Source: World Bank | Reuters, Aug. 23, 2023 | By Kripa Jayaram

⁹The Economist Newspaper. Xi Jinping steps up his attempt to rescue China's economy. The Economist. <https://www.economist.com/finance-and-economics/2023/10/25/xi-jinping-steps-up-his-attempt-to-rescue-chinas-economy>

¹⁰Tan, H. (n.d.). China's property crisis could take up to a decade to fix, warns an economist who was censored for his bearish views on the economy. Business Insider.

<https://www.businessinsider.com/china-economy-property-crisis-decade-fix-censored-economist-hao-hong-2023-9>

¹¹ Loh, M. (2023, September 26). China's 1.4 billion population can't fill the country's millions of empty homes. Here are 3 things that would. Business Insider.

<https://www.businessinsider.com/china-vacant-homes-3-billion-people-housing-crisis-ex-official-2023-9>

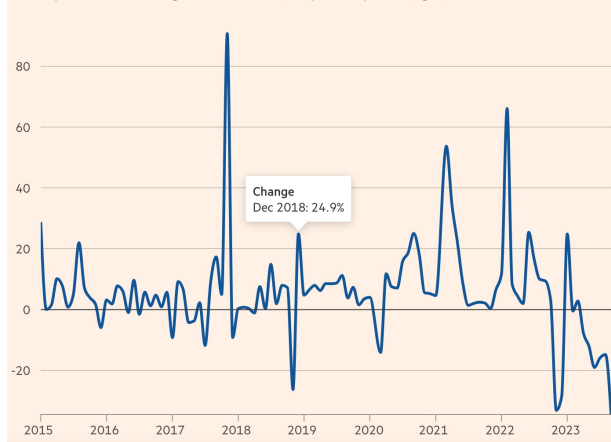
¹²Wakabayashi, D. (2023, October 10). Country Garden, Chinese real estate giant, to miss debt payments. The New York Times. <https://www.nytimes.com/2023/10/10/business/country-garden-default-china-real-estate-crisis.html>



As China's decades-long real estate boom has come to a sudden halt, it must shift its overreliance on non-productive property investment into other avenues. While China has invested significantly in property and infrastructure, consumers aren't investing their money in that property. Consumers have pulled back on spending, and household consumption has dropped over the last six decades. Household spending in China as a portion of GDP lags that of most other countries, so encouraging consumer spending to bolster other sectors of the economy will be a challenge for China.¹³ Youth unemployment has been a main concern surrounding consumer spending trends. In June 2023, the urban unemployment rate for the 16-24 year age group reached a record high of 21 percent, and the Chinese government no longer reports on the data,

Official statistics suggest foreign direct investment into China has been falling since April

Monthly actual use of foreign investment in Rmb, year-on-year change (%)



creating assumptions that the number has increased over the past few months.¹⁴ China's heavy-handed control over the technology sector, including Alibaba and Tencent, and other industries have limited the jobs available for recent graduates. At the same time, China's population is decreasing, and China saw a record low birth rate in 2022.¹⁵

Foreign investment in China is falling and has reached a record low in foreign direct investment. In September, China relaxed its strict capital controls in an effort to encourage more overseas investors.¹⁶

China has made several moves in order to combat the economic slumps that it's facing. In October, China approved 1 trillion yuan in government bonds as a stimulus measure directed at helping local governments cope with natural disasters and economic challenges, including the current property market slump. President Xi Jinping also appointed a new Finance Minister, Lan

¹³Zhang, E., & Zaharia, M. (2023, August 25). China has no pain-free solutions for its slowing economy. Reuters. <https://www.reuters.com/world/china/china-has-no-pain-free-solutions-its-slowing-economy-2023-08-24/>

¹⁴Mistreanu, S. (2023, September 13). China's "full-time children" move back in with parents and take on chores as good jobs grow scarce | AP News. AP News. <https://apnews.com/article/china-youth-unemployment-jobs-economy-aeddf9fd7c188db7d72dbb3cca6ebbf7>

¹⁵Reporter, G. S. (2023, October 10). China to hold nationwide survey on population changes as birthrate plummets. The Guardian. <https://www.theguardian.com/world/2023/oct/10/china-to-hold-nationwide-survey-on-population-changes-as-birthrate-plummets>

¹⁶Reporter, G. S. (2023, October 10). China to hold nationwide survey on population changes as birthrate plummets. The Guardian. <https://www.cnn.com/2023/09/22/economy/china-loosens-capital-controls-intl-hnk/index.html>



Fo'an, and made his first visit to China's central bank, both signifiers of Xi's focus on elevating China's economy.¹⁷

China recently held a central financial work conference to strengthen the economy for the future and align on areas of focus. The conference highlighted the need to strengthen financial supervision in the housing market, make improvements to the financial system overall, and prevent future risks. Xi Jinping's speech at the conference pushed the body to solve challenges in the housing market, local government debts, and maintain financial stability. The conference also emphasized the importance of high-quality development, including directing financial resources toward innovation, advanced manufacturing, green initiatives, and attracting foreign investment. These areas of emphasis will be major focuses for the Chinese government at the end of 2023 and into 2024.¹⁸

Topic 2 - Promoting the Expansion of Chinese Governance

After the Chinese Communist Revolution of 1949, two factions claimed to be the only legitimate government: the People's Republic of China, and the Republic of China. The Republic of China fled to Taiwan after Mao Zedong took control of Beijing, thus beginning the long-standing conflict between China and Taiwan.¹⁹ The PRC does not recognize the present-day ROC. The PRC is the successor to the ROC that was the government entity in China from 1912 to 1949.²⁰ Under the One-China Principle, the PRC notes that "Taiwan is an inalienable part of China, and the Government of the People's Republic of China is the sole legal government representing the whole of China."²¹ The PRC also has support for this policy within the international community, as United Nations General Assembly Resolution 2758 states that "the representatives of the Government of the People's Republic of China are the only lawful representatives of China to

¹⁷The Economist. (2023, October 26). Xi Jinping steps up his attempt to rescue China's economy. The Economist. <https://www.economist.com/finance-and-economics/2023/10/25/xi-jinping-steps-up-his-attempt-to-rescue-chinas-economy>

¹⁸ Times, G. (n.d.). China holds top financial meeting to strengthen supervision, ensure high-quality development. The Global Times. <https://www.globaltimes.cn/page/202310/1300950.shtml>

¹⁹ Kube, Courtney, et al. "Taiwan: Explaining the U.S-China Dispute and Why It Matters." NBCNews.Com, NBCUniversal News Group, 7 Apr. 2023, www.nbcnews.com/news/world/taiwan-us-china-dispute-why-it-matters-flashpoint-democracy-rcna78458.

²⁰ Maizland, Lindsay. "Why China-Taiwan Relations Are so Tense." Council on Foreign Relations, Council on Foreign Relations, 18 Apr. 2023, www.cfr.org/background/china-taiwan-relations-tension-us-policy-biden.

²¹ Mission of the People's Republic of China to the European Union. "Questions and Answers Concerning the Taiwan Question (2): What Is the One-China Principle? What Is the Basis of the One-China Principle?" Questions and Answers Concerning the Taiwan Question (2): What Is the One-China Principle? What Is the Basis of the One-China Principle?, 15 Aug. 2022, eu.china-mission.gov.cn/eng/more/20220812Taiwan/202208/t20220815_10743591.htm.



the United Nations.”²⁴ The PRC is the only government of China, and President Xi Jinping has made it clear that it is in the interest of China to continue reunification efforts.²²

The People's Republic of China's proposal for Taiwan is referred to as “One Country Two Systems.”²³ Under this proposal, “the main body of the country will practice the socialist system, while the existing capitalist system and way of life in Taiwan will remain unchanged for a long period of time.”²⁵ Despite the promise of autonomy, President of the ROC Tsai Ing-wen has rejected the policy, stating “the overwhelming consensus among Taiwan's 23 million people is our rejection of ‘One Country, Two Systems,’ regardless of party affiliation or political position.”²⁴ With a leader inflexible to Chinese proposals on reunification, the Cabinet of the PRC must make decisions surrounding how far it is willing to go to unite the ROC with the mainland.

The People's Republic of China has many avenues in which they can continue to render the ROC illegitimate. The PRC can continue to pressure the international community by punishing nations that recognize Taiwan, exemplified by China cutting off trade with Lithuania after they opened a Taiwanese representative office in their capital.² A mere 13 nations are considered diplomatic allies with Taiwan,²⁵ but the Cabinet of the PRC must ensure that that number does not continue to grow. Furthermore, the Anti-Secession Law of 2005 states that upon the event of Taiwan enacting any measures to insinuate secession, China “shall employ non-peaceful means and other necessary measures to protect China's sovereignty and territorial integrity.”²⁶ The PRC notes that the use of force is a “last resort” but with tensions rising, the Cabinet must decide if aggression is a viable option for reunification.

Reunification has become a more pressing matter for the PRC due to Taiwan's economic hold on the semiconductor chip market. In 2022, companies in Taiwan were responsible for

²² “Restoration of the Lawful Rights of the People's Republic of China in the United Nations.” United Nations, United Nations, digitallibrary.un.org/record/192054.

²³ Admin. “A Policy of One Country, Two Systems.” A Policy of “One Country, Two Systems” on Taiwan, www.fmprc.gov.cn/eng/ziliao_665539/3602_665543/3604_665547/200011/t20001117_697847.html. Accessed 5 Nov. 2023.

²⁴ Lee, Yimou. “Taiwan Leader Rejects China's ‘One Country, Two Systems’ Offer.” Reuters, Thomson Reuters, 10 Oct. 2019, www.reuters.com/article/us-taiwan-anniversary-president/taiwan-leader-rejects-chinas-one-country-two-systems-offer-idUSKBN1WP0A4.

²⁵ “Ministry Of Foreign Affairs, Republic of China (Taiwan).” *Ministry of Foreign Affairs, Republic of China (Taiwan)*, en.mofa.gov.tw/AlliesIndex.aspx?n=1294&sms=1007.

²⁶ Qingli, Dai. “The Return of the Wanderer: Why Reunification between the Mainland of China and Taiwan Is the Only Viable Option.” *The Return of the Wanderer: Why Reunification between the Mainland of China and Taiwan Is the Only Viable Option*, 23 Sept. 2022, bs.china-embassy.gov.cn/eng/sgxw/202209/t20220928_10773672.htm.



more than 60% of revenue within the world's semiconductor manufacturers.² The Taiwan Semiconductor Manufacturing Company, being the world's largest contract chip maker,² only gives Taiwan further economic independence and also gives the international community a reason to defend Taiwan due to its reliance on the company. The PRC must consider investing in its own semiconductor manufacturer until reunification is realized.

The Cabinet of the People's Republic of China has much to discuss pertaining to the ROC. Avenues of reunification, including invasion, are to be considered by the Cabinet as tensions rise and may reach a point of no return. Moreover, with a President unlikely to adopt the "One Country, Two Systems" principle, and an ever-growing semiconductor industry, Taiwan is proving to be more and more difficult to reign in.

Topic 3 - Seizing Opportunity Born from Global Conflict

The People's Republic of China's stance on the Russia-Ukraine conflict is publicly diplomatic, noting that sovereignty, security, and the resumption of peace talks are at the forefront of this conflict's resolution.²⁷ China, unlike other members of the international community, opposes the use of unilateral sanctions and believes that all parties involved in the conflict should "earnestly maintain the existing world economic system."¹ China also notes it is ready to play a "constructive role" in providing assistance to rebuilding efforts post-conflict. The Cabinet of the People's Republic of China should focus on how it can benefit from this conflict without worsening it.

A key element of China's recent foreign policy is serving as a mediator to other international conflicts. In March of 2023, China mediated talks between Iran and Saudi Arabia, convincing them to resume relations after seven years of tensions. The two nations agreed to reopen their embassies and exchange ambassadors.²⁸ China aims to take a similar role in the Russia-Ukrainian conflict, by acting as a mediator. China possesses a "no limits friendship" with Russia, thus the Cabinet should never condemn the conflict, but peace talks are beneficial. The threat of direct Western involvement, and what that may mean for Chinese involvement, poses a great risk.

Russia does not have many global allies, and China is in an excellent position to take advantage of its diplomatic relations with Russia. China finds itself in "a less bargaining position"³ with Russia. It is evident through the backlash and condemnation of Russia's actions within the international community that Russia needs China more than China needs Russia. However, the

²⁷ "China's Position on the Political Settlement of the Ukraine Crisis." *China's Position on the Political Settlement of the Ukraine Crisis*, 24 Feb. 2023, www.fmprc.gov.cn/eng/zxxx_662805/202302/t20230224_11030713.html.

²⁸ McDonald, Joe. "Why China Is Trying to Mediate in Russia's War with Ukraine." *AP News*, AP News, 4 May 2023, apnews.com/article/china-russia-ukraine-2970bea530e821a4ed2155a8bcc23980.



Cabinet must not push things too far. If Putin were to sever ties with China it would have disastrous effects on the economy.²⁹ The Cabinet should consider making largely impactful deals with Russia that could include agendas such as oil prices, imports and exports, and more.

The Cabinet should look to utilize its position in this conflict by attempting to serve as a mediator, as well as making deals with Russia. China wants this conflict to end just as much as the rest of the international community, but China refuses to condemn Russia nor acknowledge the conflict as anything other than unfortunate. Escalation of the Russia-Ukraine conflict is not the goal, but maximizing China's own benefit in the midst of it certainly is.

²⁹ Sofuoglu, Murat. "Could China Benefit from the Ukraine Crisis?" *TRT World - Breaking News, Live Coverage, Opinions and Videos*, TRT WORLD, 11 Mar. 2022, www.trtworld.com/magazine/could-china-benefit-from-the-ukraine-crisis-55445.