

## Macro Roundup Article

**Headline:** [Why Xi Jinping Is Afraid to Unleash China's Consumers](#)

**Article Link:** <https://www.ft.com/content/35471cfb-79a6-42c1-8e41-447bfaad2c36>

Author(s)	Joe Leahy
Publication	Financial Times
Publication Date	May 01, 2024

**Tweet:** Zhiwu Chen of HKU argues that increased domestic consumption in China is unlikely as CCP leadership no longer measures national power in economic terms, “but more importantly, in terms of military...capacity.”

**Summary:** The drive for self-sufficiency started in the mid-2000s, long before Donald Trump began his trade war. China's reliance on global supply chains for inputs into its products has decreased in line with this strategy. In 2014, Xi introduced the concept of “comprehensive national security” encompassing multiple aspects of the economy and society, according to the EU Chamber report. “This has been going on for at least about 8-10 years,” says Zhiwu Chen, chair professor of finance at the University of Hong Kong, of China's shift to an industrial policy that takes into account “war preparation”. Chen says China no longer measures its “national power” in purely economic terms “but more importantly, in terms of military . . . capacity. And this is why manufacturing is very important.”

**Related Articles:** Why Xi Can No Longer Brag About the Chinese Economy and China's Shipyards Are Ready for a Protracted War. America's Aren't and What Will It Take for China's GDP to Grow at 4–5 Percent Over the Next Decade?

**Primary Topic:** Security

**Topics:** China, GDP, Growth, News article, Security

**Permalink:** <https://www.edwardconard.com/macro-roundup/zhiwu-chen-of-hku-argues-that-increased-domestic-consumption-in-china-is-unlikely-as-ccp-leadership-no-longer-measures-national-power-in-economic-terms-but-more-importantly-in-terms-of-mili?view=detail>

**Featured Image Link:** <https://www.edwardconard.com/wp-content/uploads/2024/05/20694-wh-y-xi-jinping-is-afraid-to-unleash-chinas-consumers-featured-image.png>