Global Changes and Fundamental Development
Trends in China in the Second Decade of the 21st Century

Zheng Bijian
Former Executive Vice President
Party School of the Central Committee of the CPC

All honored guests, ladies, gentlemen and friends,

I feel greatly honored to deliver a speech at the 4th World Forum on China Studies at the turning point of the first and second decades of the 21st century. As an observer and a researcher, I would like to offer a few opinions on the issue of “global development trend and common challenges”.

Firstly, Eight Forecasts about the Opportunities and Challenges that the World Faces in the Future Decade

Man is about to meet the second decade of the 21st century. To my thinking, the future ten years will be a period of entangled opportunities and challenges both to China and the world, and such opportunities and challenges will be unprecedented.

Here, I would like to present my eight forecasts.

1. In the situation of world multipolarization and economic globalization, the interdependence between all countries is increasingly growing; all the countries will interpenetrate each other, and no one can do alone without the others. The depth and width of such interdependence will be unprecedented in the history of mankind.
2. Relationships between large countries will be importantly adjusted, and co-operation and competition will be more remarkable. The major large countries have summoned a series of important international meetings during the international financial crisis, including the summit meeting of G20 leaders. This fact shows that all large countries have come to know that they have to seek development through co-operation and meanwhile strive for their own advantage in the competition.

3. Large developing countries, especially the countries in the newly arising Asian-Pacific market as a whole, including China, are showing an irresistible tendency of peaceful emergence. The future decade will be a crucial period for their development and emergence, and they are more wishful than any other countries in the world to safeguard world peace and development. The emerging countries have become a strong force to guarantee world peace.

4. The international financial crisis has procured a new historic leap of social productivity worldwide. Both new technological revolution and industrial revolution, importantly characterized with “green, intelligence and sustainability”, are being accelerated in developed countries and some of developing ones, including China, and are increasingly showing their cutting edge.

5. During the post-international financial crisis period, some other new changes have taken place to the world situation, such as the co-existence of advantages and disadvantage. World economic growth has slowed down, global demand structure has changed apparently, competition for market, resources, talents, techniques and standards have become even fiercer, some global problems including climate, energy, resource, grains and financial security have become more aggressive, and the pressure on all countries to speed up the transformation of mode of development has generally increased. At the same time, the crisis has also advanced the issue of the important adjustment of global control structure very urgently on the schedule.

6. Due to the above-mentioned situations, an important change will certainly happen to the modes of all large countries’ economic development, and that will thus determine the relative positions of large countries. The relative positions of developed large countries and emerging ones might change to a certain extent or even importantly within the existing frame.
7. Another issue is how to estimate the risk of wars in light of the general judgment that peace and development are still the theme of the times. Sharp contradictions between countries in hot areas and within some countries, in addition to the background of large countries, have determined that there are still various forms of drastic turbulence or armed conflicts and even the risk of large-scaled wars in traditional mode. People need not be confounded at this, but meanwhile they cannot let down their guard.

8. This is the state of international relations, in which positive elements co-exist with negative ones and dominate. This situation shows that both China and the world are facing such a basic tendency as opportunities are entangled with challenges and the former overwhelm the latter. So, we are confident both with China and world’s peaceful development in the future ten years.

The above-mentioned eight points are my observation about the general development trend of the world at present and in the future decade.

**Secondly, A Prospect of China’s Development in the Second Decade of the 21st Century**

Now, I would also like to take this chance to introduce to all attendants China’s planning and goal of its development in the second decade of the 21st century.

The entire first 20 years of the 21st century is a crucial period for China to concentrate its strength on the building of a better-off society that will benefit a population of more than 1.3 billion. Today, half of the two decades has elapsed, and China has done its good work in general. Then, what about its development in the second decade? To cut it in short, China will enter a middle stage of industrialization and a period of stimulating domestic demands. As a result, it will accelerate its transformation of social structure, rapidly upgrade its consumption structure, and speed up its course from a country of lower-middle level incomes to a country of higher-middle level revenues. During this period, China will continue to give a full play to its advantages; for example, it will have sufficient labor force and fund supply, its infrastructure will be increasingly improved, its material, technical and system foundation will become firmer, the internal impetus and vigor of enterprises for competition will be constantly renewed, and the government’s ability to perform macro-adjustment and macro-control and cope with complicated situations will be remarkably enhanced. As a result, China’s social
situation in general will continue to remain steady.

We also aware, of course, that China’s economic and social development is also facing a series of difficulties and obstacles. For instance, economic growth is facing increasing constraints from resources and environments, the relationship between investment and consumption has been unbalanced, the ability of technological innovation has been lacked, industrial structure is unreasonable, the agricultural foundation is still weak, unbalanced regional development exists urban and rural areas, there has been a disparity of income distribution, the pressure of total social employment and structural contradictions co-exist, and the social conflicts, especially contradictions of interests among the people have apparently multiplied. The CPC and the Chinese Government will deal with these problems seriously, the five plenary meeting of the 17th Central Committee of the CPC, which is to be opened tomorrow, will certainly present an effective solution for these serial problems.

It can be expected that during the second decade of the 21st century, China, still at the long-termed primary stage of socialism, will continue to free itself from old ideas, persist in reform and opening to the outside world, advance the development of science and technology, and promote social harmony. By doing so, it will build up a better-off society at a higher level, becoming a country whose industrialization is largely realized, whose comprehensive national strength is obviously increased, whose general scale of domestic market ranks among the first in the world, and which is a combination of “world factory” and “world market”; it will become a country whose people are generally better off with their living standards obviously lifted and are better civilized with higher spiritual pursuit, and it will develop into a country steady, united, and full of vigor.

**Thirdly, China’s Path of Peaceful Development and Its All-round Building of “Converging Points of Interests” and “Community of Mutual Interest”**

During the first decade of the 21st century, China has earnestly proposed to “follow a path of peaceful development” and “vigorously construct a harmonious world with permanent peace and common prosperity”. China has gotten along the path in the past ten years. During this course, it has achieved unprecedented progresses in its practical, reciprocal and win-win co-operation with developed countries including the US, Europe and Japan as well as a large number of developing countries.
Today, at the turn of the first and second decades of the 21st century, we see once again, as the further embodiment of the idea to “follow the path of peaceful development” and “construct a harmonious world”, that China is expecting to “enlarge and develop the converging points of all parties’ interests”, establish and develop “communities of interests and adversities” with different contents and characters from all aspects with different countries and regions, and it is expecting that this idea can be widely recognized in a global scope.

Then, how do we think about this issue?

First, the complicated fundamental changes in today’s world demand us to properly deal with the relations of interests and adversities in the radical transformation. As people see, the present international relations are full of contradictions, which are displayed in many aspects such as economic, political, cultural and military affairs, and various forms of protectionism and narrow-minded nationalism have also resurged. If let them slide, they will once again push the world into the abyss of rivalry and conflicts. So to speak, it is the high time to establish “communities of interests and adversities”, and it is also a reliable path to build a harmonious world, establish man’s permanent peace and common prosperity.

Second, the establishment of “communities of interests and adversities” is a requirement in coping with various global challenges and new development trend. Today’s world is being seriously challenged by global problems including the lurking perils concerning finance, grain, energy and resource, climate changes, the proliferation of weapons of mass destruction, enormous natural disasters and dangerous contagion. At the same time, the world is at the eve of a new energy revolution, a new industrial revolution, and a new life style revolution. Such an international atmosphere both of advantages and disadvantages is also a best opportunity for us to seek benefits and avoid adversities and enhance the establishment of “communities of interests and adversities”.

Moreover, the new change of international situation demands us to consciously enlarge and develop converging points of interests. During the post-international financial crisis period, the world economic and political situation is changing, China’s disputes with the US, Europe and Japan have developed somewhat, but the impetus that has greatly promoted the relationships between them during the past decade still exists. It also demands us to promote the new idea to establish “communities of interests and adversities”, and more self-consciously
search for a new growth point for the improvement of bilateral and multilateral relationships, so as to achieve mutual benefits and a win-win effect.

In fact, it is both necessary and feasible to form bilateral or multilateral “communities of interests and adversities” in the new situation. It has both plenty of room and immeasurable effects to surmount the differences between ideologies and social systems, broaden closed, exclusive and narrow fields of vision, and make concerted efforts to promote the establishment of bilateral and multilateral “communities of interests and adversities” in different forms at different levels.

Respecting this, I would like to remind every friend that to vigorously build “converging points of interests” and “communities of mutual interest” has become a specific guideline of the Chinese government. Just as is clearly stressed by the newly promulgated “The CPC Central Committee’s Advice about the Formulation of the 12th Five-year Plan for National Economic and Social Development”, China must take more initiative in adopting an opening strategy, constantly exploring and opening new fields and scopes, enlarging and developing the converging points of all parties’ interests”. At the opening ceremony of the 8th Asia-Europe Meeting held not long ago, for another example, Premier Wen Jiabao clearly emphasized in his address that the members of the Asia-Europe Meeting should “truly become a closely connected community of mutual interest”.

**Fourthly, China’s Way to Conduct Itself and Get Along with Other Countries in the Enormous World Changes: Facing Dangers with Confidence**

Ladies, gentlemen and friends,

To advance the building of “converging points of interest” and “communities of mutual interests” in a new situation in the world scope, we must strength various dialogues and communication; this Forum is just good communication.

Today’s world is at an important historic point. No matter how the world changes, China has all reasons to unswervingly join other countries and fully cooperate with them to “enlarge and develop converging points” and build “communities of interests and adversities”, so as to foster a new continual and steady development of relations between China and other countries during the second decade of the 21st century, and thus set a good
example for boosting and building “communities of interests and adversities” in a large scope in the world.

I am convinced that it will benefit both China and the whole world.

It can be depicted as “face dangers with confidence”, or literally, “sit tight in the fishing boat despite the rising wind and waves”.

Or we can say, it is the way of China to conduct itself and get along with other countries in the radical changes of the world.

**Fifthly, Conclusion**

Now let’s come back to the theme of this Forum, “Harmony and Coexistence”. In essence, this theme demands us to think about China’s path of peaceful development and about the issue of strategic opportunity periods from the point of view of science and humanity, and unfold and deeply research sub-themes in all fields of China Studies around this strategic issue. I myself have participated in the Forum on China Studies for three times, and one of my basic experiences thus acquired is that the very essence of China’s path of peaceful development is the great revival of Chinese civilization that intersects with the contemporary civilizations of mankind. I believe that the Forum on China Studies will certainly seek theoretical and practical innovations while it sensitively reflects, exactly grasps and scientifically resolves important contemporary issues and the Chinese civilization’s historic resurgence. We should open ourselves further in the face of the world while we inherit and carry on the Chinese nation’s excellent cultural tradition, for heightened awareness of the Chinese nation’s excellent cultural tradition and that of socialism with Chinese characteristics contain within themselves the increased awareness of researching and learning foreign cultures and international experiences.

At last, I wish the Forum on China Studies becomes better and better, and becomes a true international academic platform for the research of contemporary China.

Thank you.