

VIRAL MOMENT

China's Post-COVID Planning

by

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HORIZON ADVISORY

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Introduction

COVID-19, the Wuhan virus, first emerged in China. Beijing's late, inadequate, and skewed information disclosures accelerated the virus's global spread.¹ China's manipulation of information continues to hamper response efforts². Now, as the world wrestles with the pandemic – and its human, economic, and social costs – Beijing is maneuvering to “seize the opportunity”³ that the crisis presents.

Beijing intends to use the global dislocation and downturn to attract foreign investment, to seize strategic market share and resources – especially those that force dependence, and to proliferate global information systems; to as Chinese sources put it, “leap-frog” industrially, “overtake around the corner” strategically, capture the “commanding heights” globally. Beijing intends to reverse recent US efforts to counteract China's subversive international presence; at the same time to chip away at US-Europe relations. In other words, Beijing will use COVID-19 to accelerate its long-standing, strategic offensive.

According to discourse in China right now, this opportunity is akin to that of the 2008 financial crisis – but bigger. Beijing used the opening presented by the 2008 economic downturn to reach parity; to position itself as an alternative world leader. In COVID-19, Beijing sees the chance to win. This time, China benefits from a near-peer strategic position. It also benefits from first-mover status. China has the temporal advantage: COVID-19 began in China.⁴ China's workers are already returning to the job. They are positioned to outpace their global peers and capture global demand once developed economies return online, months behind China.

Already, Beijing is taking advantage of this window of opportunity.⁵ It will continue to do so. It intends to support selected, strategic industrial players while competition is paralyzed; encourage exports and relevant foreign investment; and integrate and deploy its government-controlled

¹ China started censoring social media in late December to limit public discussion of COVID-19 (a list of 45 virus keywords was blocked as of December 31st; a total of 516 virus keyword combinations were blocked on WeChat by February 15). See the Citizen Lab report titled “Censored Contagion: How Information on the Coronavirus is Managed on Chinese Social Media,” March 3, 2020, <https://citizenlab.ca/2020/03/censored-contagion-how-information-on-the-coronavirus-is-managed-on-chinese-social-media/>

² And, with fallacious rumors, to spoil relations in what should be a cooperative environment.

³ Opinion of the Chengdu Municipal People's Government of the Communist Party of China on Coordinating and Advancing the Prevention and Control of the COVID-19 Epidemic and Economic and Social development Efforts to Complete the 2020 Economic and Social Development Goals, March 5, 2020.

⁴ Conveniently, the Wuhan virus shares its place of origin with China's most advanced virology institute: The Wuhan P4 lab (武汉P4实验室) hosts China's leading biosecurity researchers under the auspices of the Chinese Academy of Sciences (CAS) Wuhan National Biosafety Center and the Wuhan Institute of Virology. The center serves as a WHO reference laboratory and stores severe pathogens; its initial research agenda focused on SARS, Ebola, and the Lassa virus.

⁵ Emily de La Bruyère and Nathan Picarsic, “The Reach of China's Military-Civil Fusion: Coronavirus and Supply Chain Crises,” *Real Clear Defense*, March 4, 2020, https://www.realcleardefense.com/articles/2020/03/04/the_reach_of_chinas_military-civil_fusion_coronavirus_and_supply_chain_crises_115092.html.

information systems⁶ – telecommunications (e.g., 5G and Huawei), the Industrial Internet of Things, fintech, surveillance, social monitoring. A world of crisis and disrupted supply opens up strategic nodes. It also makes international networks, standards, and platforms vulnerable.

The results of China's approach are already evident. They are evident in policies under way, growth and direction of China's industry, and an already-consolidated information technology infrastructure now being exported internationally.

⁶ Emily de La Bruyère and Nathan Picarsic, "Game of Phones: 5G is the Next US-China Standards Battleground," *The Octavian Report*, Summer 2019, <https://octavianreport.com/article/5g-us-china-standards-fight/>.

Strategic Discourse

Chinese strategic discourse across levels is clear on the subject. Authoritative Chinese sources state explicitly that the economic ravages and dislocation that COVID-19 creates give China an opportunity to expand its dominance in global markets and supply chains⁷ – both in the “real” (e.g., manufacturing, oil) economy, and in the virtual domain (e.g., fintech, Internet of Things, e-commerce). They also stress that the present crisis will allow Beijing to reverse US efforts to protect its system, and those of its allies, from China.⁸

As Song Zhiping (宋志平)⁹ – representative to the 15th Party Congress and former Party Committee Secretary, as well as Chairman, of the state-owned China National Building Materials Group Corporation – put it, succinctly, on March 12th, China will “turn crisis into opportunity: It will transform and upgrade and strengthen its position in the international industry chain.” Chinese enterprises “must not just resume production. They must also boost economic development and exposure to the world in order to speed up the adjustment of the industrial structure, to enhance competitiveness in the international industrial chain, and to build an advance strategic positioning.” That effort will begin with medical supplies: “While the domestic epidemic is basically under control, the international one rages...China should increase the export of medical supplies, health production supplies, biological products, and pharmaceutical intermediates to relevant countries...That will contribute to China’s strength.”¹⁰

From there, the mission will expand across the range of critical global networks: The Party Central Committee and State Council have emphasized the post-epidemic need “vigorously to promote 5G construction, UHV, urban high-speed trails, urban rail transit, new energy vehicles, big data in infrastructure, artificial intelligence, and industrial Internet.” These are what enterprises should “seize in the adjustment of the international industrial chain while fighting the epidemic and resuming production.”¹¹

Song is no lone voice. He reflects the *mainstream* in authoritative Chinese discourse – In the academic and commentary world, but also in the government. Take Han Jian, of the Chinese

⁷ Emily de La Bruyère and Nathan Picarsic, “China, Coronavirus, and the Threat of Integration” *Pittsburgh Tribune-Review*, March 9, 2020, <https://triblive.com/opinion/nathan-picarsic-emily-de-la-bruyere-china-coronavirus-threat-of-integration/>.

⁸ As discussed in more detail in the appendix, this analysis assesses Chinese discourse in terms not just of what is being said in official State documents and speeches, but also language emanating from State-sponsored, -managed, and -approved academic sources: Sources that while authoritative are not official, and therefore that provide a lens unspoiled by propaganda into sentiment within China itself. The three channels of those in the Chinese system most relevant to the COVID-19 opportunity discussion are Party leaders with histories in the State-owned commercial sector, economic- and industry-related research institutions under government authority, and academics connected both to those research institutes and to government planning.

⁹ Song represents that first line; He is a Party leader who was previously assigned to lead Party and commercial operation at a major State-Owned Enterprise (SOE); therefore, who speaks for the manner in which the Party deploys its commercial actors for strategic ends.

¹⁰ 宋志平：紧盯疫情防控新形势 下好产业调整先手棋 [Song Zhiping: Keep Watching the New Situation of Epidemic Prevention and Control, *People’s Daily*, March 12, 2020.

¹¹ Ibid.

Academy of Sciences and Director of the Ministry of Civil Affairs's China Industrial Economics Association¹² on March 4: "At present, the COVID-19 situation has been contained in China; most regions have resumed work and production...It is possible to turn the crisis into an opportunity – to increase the trust and the dependence of all countries around the world of 'Made in China.'"¹³

Or take the Chengdu Municipal Government, which called on March 5th for enterprises and individuals "to focus on turning crisis into opportunity: Make full use of the important window after the epidemic and focus on the strategic opportunities such as the new technological revolution it will bring about, the new international market demand, and the shortcomings of supply which will need to be filled." "Deeply integrate," it directs its tasking, "into the global supply chain system in the fields of **biomedicine**, electronic information, intelligent manufacturing, and agricultural products."¹⁴

These priorities are not new. The specific sectors they highlight are already codified priorities under a long-standing hierarchy of State planning that extends from the Strategic Emerging Industries Initiative to the National Key Projects for Science and Technology; Made in China 2025 to China Standards 2035. And Beijing has actively, explicitly, pursued one-sided integration into the global supply chain – as well as global networks more broadly – since the 1980s and Deng Xiaoping's "Go Out" strategy. There is even a term for the gambit: "Two markets, two resources" (两个市场,两种资源), referring to the goal of protecting the domestic market while penetrating the international one; using foreign resources shared over international networks but not sharing domestic ones.¹⁵ These strategic concepts, strategic plans, and their strategic positioning fit into a decades-old bid to claim new-type, global, coercive power. COVID-19 accelerates the process.

No small part of COVID-19's perceived advantages stems from its implications for the US-China contest. As Chinese sources put it, the pandemic allows Beijing to reverse any progress that the US has made in countering China's co-option of global industry. One of China's top financial research institutes, under the State Administration of Science, Technology, and Industry for National Defense (SASTIND), puts this clearly in a report on the economic effects of COVID-19:

Since China has basically controlled the epidemic situation, as the virus spreads internationally, China will get more opportunities, including in the reduction of pressure for the international industrial chain to transfer away from China ... The global epidemic

¹² That is a government-run association focused on industrial strategy; Han speaks as representative of Beijing's intentions with respect to industrial planning.

¹³ 韩剑: 稳定全球供应链, 疫情之下“江苏制造”如何展现更强韧性 [Han Jian: Stabilizing the global supply chain, how can "Made in Jiangsu" show greater resilience in the epidemic]. Xinhua News. March 4, 2020.

¹⁴ Opinion of the Chengdu Municipal People's Government of the Communist Party of China on Coordinating and Advancing the Prevention and Control of the COVID-19 Epidemic and Economic and Social development Efforts to Complete the 2020 Economic and Social Development Goals, March 5, 2020.

¹⁵ Yu Xinyan [余鑫炎]. "On Opening up Two Markets Within and Outside the Country" [论开拓国内国外两个市场]. *Journal of Hubei University of Finance and Economics*, 1985.

has provided opportunities for improving China's international position and countering *anti-globalization* ...¹⁶

Tian Feilong, a professor at another SASTIND University and an expert on the Beijing Administrative Review Committee, is more explicit yet:

Objectively speaking, with the globalization of the epidemic and the general frustration of the global economy, Western countries' reliance on China's economy and markets will deepen, and the United States' use of the epidemic to accelerate its "decoupling" from China is likely to be counterproductive ... Second, China's policy drive for anti-epidemic conversion has fostered strong manufacturing, including of masks, medical devices, and technology systems. All can become new growth points for China's foreign aid and exports, **thus providing strong support for the international radiation of China's soft and hard power.** Moreover, Europe may fall into an economic downturn under the blow of the epidemic, unprecedented mutual needs and opportunities in China-EU economic cooperation will emerge, and cooperation will deepen, including in 5G industries. These developments will help to break through the US strategic blockade and political threats. Gradual breakthroughs can be made in China-EU economic integration. It [the epidemic] can also promote reconciliation of Russia-Europe relations and the revival of the pan-Asia-Europe continental economic order, all the while structurally reducing dependence on US political and economic forces. The US economy meanwhile will decline.

"The third decade of the 21st century," he concludes, "is launched with China's fight against the epidemic – with it the structural improvement of China's interaction with the world economy and **a breakthrough in China's global role.**"¹⁷

¹⁶ "How Much Can the Global Spread of the COVID-19 Epidemic Affect China's economy?," [课题组新冠疫情全球蔓延对中国经济影响可以有多深] Shanghai Jiaotong University Shanghai Advanced Institute of Finance and China Institute of Finance Research Group, March 9, 2020.

¹⁷ "Sino-U.S. Strategic wrestling under the test of the epidemic," [疫情考验下的中美战略角力] Tian Feilong, Beijing Administrative Review Committee and Beijing University of Aeronautics and Astronautics, March 12, 2020

Seizing Opportunity

Beijing has a set plan for taking advantage of this opportunity – one reflected not just in discourse, but also in the policy measures being enacted at the national and local level. The SASTIND institute report lays out the plan in broad terms. China should:

- “Adopt an active fiscal and monetary policy but pay attention to appropriate stimulus and reasonable structure.”
- “Accurately support industries affected by the global spread of the new epidemic, **proliferate information technology and other industries overseas to help fight the epidemic, and pave the way for international market expansion after the epidemic is over.**”
- “Expand financial reform and opening up to meet the need for risk aversion of **overseas funds** in the spread of the epidemic; ensure payment and settlement in RMB throughout international cooperation epidemic prevention and control; and accelerate the pace of internationalization of Shanghai's opening up as an international financial center.”
- “Assume the role of a great power.”¹⁸

The result will be “enhancement of Shanghai” as the global capital center (at the expense of New York and London), “foreign capital influx with further **RMB internationalization**,” and the “international export” of a Chinese financial technology industry (mobile payment, contactless payment, online banking).¹⁹

¹⁸ “How Much Can the Global Spread of the COVID-19 Epidemic Affect China's economy?,” [课题组新冠疫情全球蔓延对中国经济影响可以有多深] Shanghai Jiaotong University Shanghai Advanced Institute of Finance and China Institute of Finance Research Group, March 9, 2020.

¹⁹ Ibid.

The Policy Environment

Policy measures issued over the past two months are operationalizing this plan – at the national and at the provincial level. The key levers are measures for general stabilization, stimulus, and information control; targeted support and incentives for identified industries, in both their production and their exports; and the attraction of foreign investment to bolster that support – as well as to encourage further entanglement. The key targeted industries remain in line with Beijing’s National Key Projects. There is a particular focus on integrated information systems – the surveillance, monitoring, and the Industrial Internet of Things²⁰ that underlines Beijing’s credit system, Transportation Great Power Strategy²¹, and Network Great Power Strategy²² writ large – but also, taking advantage of the impact that the epidemic has on daily life, e-commerce and the digital economy. It is likely that Beijing will soon also start operationalizing the deployment of information networks, standards, or platforms in its international epidemic cooperation efforts (e.g., in Italy), leveraging those that it has already piloted at home.

These policy measures begin – at a broad, national level – with the “Notice on Further Strengthening Financial Support for Prevention and Control of New Coronavirus Infection” [关于进一步强化金融支持防控新型冠状病毒感染肺炎疫情的通知] issued by the People’s Bank, Ministry of Finance, Banking Insurance Regulatory Commission, Securities Regulatory Commission, and Foreign Exchange Bureau on February 1, 2020. That notice outlines plans to maintain liquidity, chiefly through credit support; to ensure provision of financial services, in large part through electronic, Internet, and Internet of Things services and systems; to adjust financial infrastructure – including, and this is striking, by permitting postponements for financial disclosures both from the fourth quarter of 2019 and extending through 2020 – improving the efficiency of foreign exchange and international RMB business; and strengthening Party leadership over the financial system.

Issued 10 days later, MIIT’s Notice on Responding to the New COVID-19 Epidemic and Helping SME’s Resume [关于应对新型冠状病毒肺炎疫情帮助中小企业复工复产共渡难关有关工作的通知], offers more indication of which sectors will be prioritized:

Priority is given to supporting industries with long industrial chains and strong driving capabilities, such as automobiles, electronics, ships, aviation, power equipment, and machine tools. Continue to support industries such as smart photovoltaics and lithium-ion batteries, as well as individual champions in the manufacturing industry, and consolidate the competitive advantage of the industry chain. Focus on supporting strategic emerging industries such as 5G, industrial Internet, integrated circuits, industrial robots, additive manufacturing, intelligent manufacturing, new displays, new energy vehicles, energy

²⁰ Emily de La Bruyère and Nathan Picarsic, “Worldwide Web: Why China is Taking Over the Internet of Things,” *The Octavian Report*, Spring 2019, <https://octavianreport.com/article/5g-us-china-standards-fight/>.

²¹ Emily de La Bruyère, “Testimony Before the US Senate Committee on Banking, Housing, and Urban,” March 5, 2020, <https://www.banking.senate.gov/imo/media/doc/de%20La%20Bruyere%20Testimony%203-5-201.pdf>.

²² Emily de La Bruyère and Nathan Picarsic, “China and the Great Network Power,” *Providence Magazine*, October 15, 2019, <https://providencemag.com/2019/10/china-and-the-great-network-power/>.

conservation and environmental protection. Vigorously improve the capabilities of supporting industries such as food packaging materials, auto parts, core components, and key electronic materials.

That Notice also calls out the areas that should be positioning to expand their models and markets: 5G, AR/VR, digital science, service robots, smart terminals, biomedicine, intelligent health management, public health intelligent monitoring.

That focus was solidified with Xi Jinping’s call for integrated surveillance and analysis in the face of the epidemic, through “big data, AI, cloud computing, and the Internet of Things.” MIIT operationalized that call with a February 18 Notice “On the Use of Next-Generation Information Technology to Support Epidemic Prevention and Control and Resume Work.” The Notice paints the COVID-19 epidemic as the opportunity to cement the long-standing Internet of Things strategy, with provisions that support proliferation of 5G, Internet, big data, cloud computing, artificial intelligence, fintech, blockchain, and e-commerce systems – and their integration on unified, government-monitored systems.²³ These efforts are framed in conjunction with the development and expansion of the social credit system.

Beijing intends to leverage foreign investment to pursue its strategic ambition, too. Chinese discourse stresses that perceptions of stability will make COVID-19 an opportunity to attract foreign capital from abroad. Issued on March 9, the National Development and Reform Commission’s “Notice on Further Deepening the Reform and Doing a Good Job in Foreign-invested Projects” [国家发展改革委关于应对疫情进一步深化改革做好外资项目有关工作的通知] outlines how to shape and enhance that foreign investment. The “Notice” assigns localities a set of tasks for “stabilizing,” and “directing” foreign investment – and ensuring its proper alignment within China’s industrial response. The tasks include:

- First, “actively help foreign-invested projects and foreign enterprises resume production.”
- Second, “strengthen the tracking and reporting of major foreign investment projects” – through development zones and investment promotion departments, as well as with and overall mechanism.
- Third, “coordinate and speed major foreign investment projects,” ensuring their policy support and coordination with the relevant government entity. (“The development and reform commissions of key provinces and municipalities that utilize foreign capital shall promote the establishment and improvement of special classes for major foreign capital projects at the local level, formulate project lists and work plans, strengthen linkages at all levels and collaboration among departments, establish green channels, and promote projects to land as soon as possible.”)
- Fourth, “fully implement the ‘negative list’ management system for foreign investment access and further refine the implementations of the Foreign Investment Law.”

²³ Similarly, MIIT’s Notice on Responding to the New COVID-19 Epidemic and Helping SME’s Resume [关于应对新型冠状病毒肺炎疫情帮助中小企业复工复产共渡难关有关工作的通知], from February 10, 2020. This Notice emphasizes measures to support the digital transformation of enterprises, and promote cloud deployment of business – including payment – systems; to further the “platform strategy of the banking industry.”

Beijing is also turning to its economic development zones and free trade pilot zones in order further to attract and direct foreign investment, while placing new emphasis on bilateral and multilateral investment promotion mechanisms and major platforms.²⁴

All of these measures are echoed at the local level. Chengdu, the capital of Sichuan -- and one of China's top medical, automobile, information technology hubs -- offers a prime example. Chengdu is allocating more than 10 percent of its special funds to loan discounts and bail-out subsidies for targeted SMEs. It is also actively encouraging its firms to "deeply integrate into the international supply chain and improve global resource allocation capabilities." It has developed subsidies to those "supply chain companies" in strategic fields -- those like biomedicine, electronic information, intelligent manufacturing that link industry and information -- that "provide cross-border integrated services." It is working "vigorously to attract leading global manufacturers in manufacturing, trade, logistics, and supply chain procurement and distribution, and actively to set up new, comprehensive, regional, and functional headquarters and distribution centers in Chengdu."²⁵ That effort extends also into air and rail as those are disrupted elsewhere:

Expand the international route network and newly open regular international direct routes such as Athens, Mumbai and Jakarta. Highlight the development of air cargo, support supply chain companies to enhance their air cargo collection capabilities and increase support through subsidy policies. Accelerate the improvement of the "four-way expansion" route network of international trains, plan and build an international multimodal transport collection and distribution system, and steadily launch Chengdu's south-bound countries (regions) cross-border railway direct trains and international rail-sea intermodal trains, and encourage the implementation of bulk medium and long-term agreement for the carriage of goods.

Support the construction of a supply chain financial center. Accelerate the establishment and improvement of overseas distribution and service networks, logistics distribution centers, and overseas warehouses in major node cities along the Belt and Road, and improve cross-border transportation, specialized customs clearance, lean logistics, and diversified allocation and other supply chain integration service capabilities. Enterprises provide solutions for vertical integration of the supply chain.²⁶

²⁴ 韩剑：稳定全球供应链，疫情之下“江苏制造”如何展现更强韧性 [Han Jian: Stabilizing the global supply chain, how can "Made in Jiangsu" show greater resilience in the epidemic]. Xinhua News. March 4, 2020.

²⁵ Opinion of the Chengdu Municipal People's Government of the Communist Party of China on Coordinating and Advancing the Prevention and Control of the COVID-19 Epidemic and Economic and Social development Efforts to Complete the 2020 Economic and Social Development Goals, March 5, 2020.

²⁶ Opinion of the Chengdu Municipal People's Government of the Communist Party of China on Coordinating and Advancing the Prevention and Control of the COVID-19 Epidemic and Economic and Social development Efforts to Complete the 2020 Economic and Social Development Goals, March 5, 2020.

Where We Are Headed

The ramifications are already apparent. China's industry is returning online and proceeding according to the strategic plan. "The electronic information industry," according to news reports, "is not a shrinking industry but an expanding one in the epidemic." Eight key projects in integrated circuits were launched in Chengdu's West District on March 12th – with a total investment of 13 billion yuan. Foxconn, Intel, and Dell's China operations are all in the area, too: They have accelerated their production since they went back online. "Seize the opportunity: During the epidemic, output rises instead of falling," reads the corresponding Chinese commentary, noting that in the first two months of this year Intel's Chengdu plant increased output by 35 percent year on year. This is part of an intentional bid by Chengdu and Chongqing jointly to position for the "longer-term supply chain layout."²⁷

That strategic capability development will allow Beijing to claim market share across the globe and across strategic sectors as the rest of the world shuts down. At the same time, Beijing is extending its control over the information space. Domestically, China has responded to the epidemic by cementing its surveillance and monitoring of its population; its Internet of Things enabled strategy for networks, standards, and platforms.

A new system of government-controlled information sharing and monitoring – but also information channels for daily life, ranging from commerce to work – have emerged with the epidemic. They integrate the entire range of Chinese information champions; China telecom, Huawei, JD, Haier, as well as government entities and systems. They dovetail with the social credit system. JD's contributing platform allows you to "immediately check the daily movements of people in the township."²⁸ Meanwhile, local Tourism Data Centers share reports on "the distribution and flow tracking of sensitive populations" across and among cities.

Xinhua notes that "the high-tech products emerging from the epidemic may also become an important part of the daily management and operation of smart cities in the future. 'For example, for the intelligent temperature measurement system for large-scale crowds, after the epidemic, with the help of artificial intelligence technology and 5G networks, it can also be used in railway stations, shopping malls and other places. By carrying modules such as facial recognition, it becomes a part of smart city management.'"²⁹

These systems and those smart cities will be exported internationally. Relief efforts risk offering a first beachhead. The beginning is already underway. The Information Center at China's Institute of Safety and Environmental Protection "uses public opinion monitoring tools and big data analysis technology to closely track the development of overseas epidemics, establish an

²⁷ 何勇 [He Yong]. 危中寻机，成都电子信息产业爆发强大生命力 [Looking for opportunities in crisis, Chengdu's electronic information industry broke out with strong vitality], Sichuan Online, March 12, 2020.

²⁸ The new generation of information technology presses the "fast forward key" for epidemic prevention and control, resumption of work and production, Xinhua, March 5, 2020.

²⁹ 这些高科技“战疫尖兵”或成未来产业尖端 [These high-tech "Contagion pioneer" industries of the future or into the tip], Xinhua, March 4, 2020.

information database, and conduct trend analysis.” It is being tasked to “strengthen the coordination and cooperation between the Group's headquarters and overseas projects, develop information reporting tools for key overseas monitoring personnel, closely track the overseas project personnel's dynamics, communicate in a timely fashion over epidemic prevention and control policies and regulations, publicize overseas advanced achievements, and introduce epidemic prevention and control knowledge.”³⁰

³⁰ 安全環保院信息助力 同心戰“疫” 技術支持海外疫情防控制, February 25, 2020.

Appendix

A Note on Methodology

This report analyzes China's strategic response to COVID-19 through the lens of authoritative strategic discourse, policies instituted at the national and local level, as well as tangible indicators of resource allocation. All fields are checked within and among themselves.

Monitoring of strategic discourse rests on Horizon Advisory's long-standing methodology for understanding what is said in China without bowing to official propaganda – but also resisting fringe, unauthoritative discussion. In the context of this report, that means inputting:

- Official-level language (e.g., language in policy, in Xi Jinping's statements, in statements from other government actors): This language is, as would be expected, less neatly explicit than that in unofficial sources. But it offers an irrefutable, high-level framing of Beijing's perspective.
- Unofficial, but authoritative discourse (e.g., language emanating from State-sponsored, -managed, and -approved academic sources): While they have to be assessed with more caution for authoritativeness, these sources provide a lens unspoiled by propaganda into sentiment within China itself. The three channels of those in the Chinese system most relevant to the COVID-19 opportunity discussion are Party leaders with histories in the State-owned commercial sector; economic- and industry-related research institutions under government authority; and academics connected both to those research institutes and to government planning. All are enmeshed in the Chinese State system and responsive to State direction. Not only are their publications approved by the State, but they in turn serve as inputs into State planning.

Monitoring of policy begins at the high-level guidance from national government and party organs. It then traces that guidance down to provincial and municipal guidelines to evaluate the application of national-level design at the local level. Policy guidelines are tested against concrete resource allocations: For example, after the central government has called for investment in national key projects and individual municipal governments have identified those local projects that should benefit, how much – if at all – does investment actually increase, and where?