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From harmonious society to low carbon economy, how China is tackling the challenges

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Summary

- political view, underlining how the current ideological platform on harmonious society is shifting towards a more comprehensive plan to low carbon economy
- practical view, underlining latest achievements to move forward on policies to reduce carbon intensity, driving forces towards the shift and major challenges

2. Leaders' background

- **Higher lever of education**
- **Age**
- **Political experience influenced by the Cultural Revolution**
- **Gansu province experience**

3. China as a racing car (Wing Thye Woo)

Hardware failure refers to the breakdown of an economic mechanism as the collapse of the chassis of the car. Problems related to this dimension can be financial crisis, or a mayor economic crisis as the one we are living at the moment

Software failure refers to a flaw in governance that creates frequent widespread social disorders, that can be caused by regional economic disparities, social consequences of SOEs Reform, lack of a welfare system, ageing population, ethnic tensions, corruption, quest for political reforms

Power supply failure refers to a situation in which the economy is unable to move forward because there are either natural limits or external imposed limits such as those caused by Environmental degradation and by the effects of climate change

4. Harmonious society, a definition

Building a Harmonious Society comprises many aims; it is a renewed focus on extra-economic challenges such as: tackling rural poverty, income inequality, and environmental degradation and elevates these concerns to the same level of importance as economic growth, reflecting the priority the CCP to the threat posed to China's stability by these extra-economic concerns due to an uneven economic development.

The pursuit of a harmonious society (héxié shèhuì) is both within the domestic borders and on the international front, the so-called harmonious world (héxié shìjiè) and both these goals can only be pursued within a new paradigm of progress which has been defined as Scientific Development (kèxué fazhanguan), a development model which puts people first (yì rén wéi běn) and which is able to balance their basic requirements in a sustainable manner both for present and future generations, which reminds us of sustainable development (kéchíxù fazhan), as it was first conceived.

5. Harmonious society, a chronology

2003 “Decision on several issues in perfecting the socialist market economy”, mentioned for the first time the mounting social problems China was about to face.

2004 The Fourth Plenum of the Communist Party Central Committee, Hu Jintao’s taking over and first mentioned the harmonious society idea.

2005, Hu Jintao held an important speech at the Central Party School, instructing the country’s leading officials to what were the ingredients of a harmonious society.

the Fifth Plenum of the Communist Party Central Committee approved a series of recommendations for the 11th Five Year Plan (2006-2011).

A resolution entitled: “Major Issues Regarding the Building of a Harmonious Socialist Society” was adopted at the end of the Central Committee Plenary Session, thus celebrating social harmony and sustainable development as basic elements of the Chinese way to Socialism.

2007 during the 17th CCP National Congress Hu Jintao came out with a report which put the basis for the H.S. politics

6. Driving forces to Low carbon shift in China

Practical, Achieving energy security.

Business case, China's strategic aspiration to be the first supplier for low carbon technologies to the world.

Political, Developing a low-carbon economy is now a key national development strategy and has become a key aspect of China's "scientific outlook on development".

Threats to domestic social stability, What is currently going on in China (namely labor struggles see Toyota example and Foxconn episodes) is likely to harm social stability in china. The same thing can happen in relation to popular uprising due to environmental concerns

7. Obstacles to LCE

China's industrial structure, which is still in a stage of industrialization and is marked by heavy pollutant and energy intensive industry, here the challenge is the conversion;

Potential employment and social problem if a massive phase-out of outdated technologies is carried out too quickly and in a disorganized manner;

A very large population with concomitant employment pressures, requiring China to continue to maintain relatively high rates of economic growth, investment and consumption; the fact that china is not yet a developed economy;

A very high rate of urbanization and industrialization characterized by carbon intensive and chemical industries;

High dependence on coal for energy needs;

The inadequacy or lack of basic capacities and systems, public awareness and social Mechanism;

The centre–periphery connection. While the communication between centre and periphery seems to be working the main problems occur within provinces themselves;

8. Five LCE pillars in China

- **Low carbon industrialization, optimizing and upgrading china's industrial structure**
- **Building low carbon cities, a new approach to urbanization**
- **Optimizing China's energy structure, and developing more low carbon energy**
- **Sustainable consumption patterns**
- **Land use management and carbon sinks**

9. LCE China's Latest achievements

China's Renewable Energy (RE) Law is updated in 2009 from previous law enacted in 2006. It required grid companies to connect and purchase all renewable energy generated that could be fed into the grid.

Energy conservation law 2008, Originally promulgated in 1997, the law was largely ignored for years. Amendments were made in 2008 and the new law includes more industries in the cause of energy conservation.

Circular economy law Approved in 2008, came into force on January 1, 2009. The new law is aimed at promoting the development of a circular economy, defined as any activities aimed at advancing reduction, reuse and recycling in the production, distribution and consumption processes.

Closing Inefficient Power Plants Wen Jiabao laid out new targets to shut down 10 GW of outdated small coal-fired plants and reduce capacity at the worst performing iron smelting plants by 25 million tons.

**12th Five Year Socio-Economic Development Plan
2011-2016 to be passed in 2011.**

**the new generation of leaders, which will follow the 4
generation at the 18 th plenum in 2012 and with their
commitment to the environmental cause.**