Report of 2nd Conference of Domestic Governance in China

Theme: Evolving State-Society Relations

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Organised by

Institute of Chinese Studies, Delhi

Centre of Excellence for Himalayan Studies,

Shiv Nadar Institution of Eminence, Delhi NCR

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Day 1

28 August 2025, Thursday

Inaugural Session

The Inaugural Session of the **2nd Conference on Domestic Governance in China (CDG)** was chaired by **Amb. Kishan S. Rana**, Emeritus Fellow, Institute of Chinese Studies, New Delhi. In his opening remarks, Amb. Rana stressed that the study of a country's domestic governance is of utmost importance, as it is rooted in a country's internal dynamics and institutions. At the same time, it also lends itself to comparative analysis, since each nation's approach reflects its own distinct historical, political, and cultural contexts. Amb. Rana underscored this point by noting that while studying China's domestic governance, it is crucial to retain an Indian perspective. Beyond examining national-level structures, he suggested that further insights could be gained by exploring governance at China's municipal and provincial levels, as these highlight the distinctive ways in which the country manages its affairs.

Prof. Alka Acharya, Director, Institute of Chinese Studies, New Delhi, in her welcome remarks emphasised how a platform like the CDG conference brings together scholars united by a shared desire and quest to understand China better. She underlined the importance of studying governance, as it offered a systematic way to look inside China, something pursued by very few scholars. She noted the need to move beyond the optics of state-to-state relations and to consider multiple dimensions of governance. In this context, she highlighted a key question for the conference: how over one billion people across the Himalayan border are shaping their destinies, and in the process, reshaping their nation.

In his remarks, **Prof. Rajat Kathuria**, Dean, School of Humanities and Social Sciences, and Professor of Economics, Shiv Nadar Institution of Eminence (SNIoE), Delhi-NCR, noted the relevance of the conference themes on economic governance and institutions. He recounted a common Anglo-Saxon perspective on securing the independence of economic institutions, which posits that financial independence from the government was the primary requirement for achieving operational autonomy. Once commonly accepted at its face value, over time, it had become clear that financial independence was neither a necessary nor a sufficient condition for true autonomy. He argued that an institution can be financially self-sufficient yet be constrained by governmental pressure, indicating that independence requires more than just separate funding.

Dr. Parimal Maya Sudhakar, Associate Dean (External Relations), MIT School of Government, MIT World Peace University, Pune, highlighted the importance of expanding China studies to universities across India. He opined that this effort was grounded in the recognition that for a country like India, which faces China on multiple fronts, it is vital to deepen understanding of its neighbour. At the same time, he stressed that this endeavour should not be limited to studying China alone. Rather it must include a critical examination of India itself and significant transformations taking place within the country.

Prof. Manoranjan Mohanty, Emeritus Fellow, Institute of Chinese Studies, Delhi delivered the keynote address titled, 'Conceptual Challenges in Governance Studies: A Perspective

on China's Experience'. He emphasised the need to move beyond the study of constitutions and institutions to examine political processes, socio-economic influences and the nature of state. He cautioned however that contemporary governance studies often risk overlooking these foundational concerns. He reflected on the rise of governance studies in India and globally since the 1990s, citing examples of the Ford Foundation's research programmes and even university departments which provided momentum for making governance an interdisciplinary field. He noted how political manifestos, from the National Democratic Alliance's *Agenda of Governance* to the United Progressive Alliance's *Common Minimum Programme*, incorporated the discourses on governance. Universities, too, shifted from the study of politics to governance, law, and citizenship.

Prof. Mohanty further referenced global trends such as governance restructuring in the USA, underscoring how efficiency and management had come to dominate political rhetoric. Turning to China, he contrasted three leadership phases: Mao Zedong emphasised politics and contradictions as central to revolution; Deng Xiaoping prioritised modernisation and flexibility with local autonomy; and Xi Jinping consolidated governance under a centralised and the Party-led framework, with his multi-volume, *Governance of China*, illustrating this shift. This trend of centralisation, he argued, was also visible globally, where efficiency often overshadows democratic concerns. He identified three major challenges for governance studies - maintaining continuity with political science discipline's earlier insights, preserving inter-disciplinary rigour, and balancing efficiency with democracy. He further stressed that the study of governance emerged in the context of neoliberal globalisation, accompanied by concepts such as civil society, empowerment, and inclusion, often diluting deeper concerns of inequality and power. While the idea of governance has heightened attention to implementation and efficiency, it needed to be examined in relation to broader political and constitutional goals. Prof. Mohanty concluded that while rulers universally practiced politics, they framed it in the language of governance to legitimise their agendas. The challenge for scholars is to ensure that governance remained part of the wider discipline of political studies, subjected to the democratic test of accountability, equity, and participation.

Dr. Bhim B. Subba, Co-Convenor, 2nd CDG Conference and Assistant Professor, Department of Political Science, University of Hyderabad, proposed the vote of thanks.

Session I
Rule of Law & State-Civil Society Relations

The first session of the conference was chaired by Prof. Manoranjan Mohanty, Emeritus Fellow, Institute of Chinese Studies, New Delhi. The speakers included **Prof. Ravni Thakur**, Professor, Department of East Asian Studies, University of Delhi; **Dr. Saul K. Wilson,** *A*ssistant Professor, Department of Political Science, Ashoka University; **Dr. Usha Chandran,** Assistant Professor, Centre for Chinese and Southeast Asian Studies, Jawaharlal Nehru University, New Delhi; and Dr. Bhim B. Subba**,** Assistant Professor, Department of Political Science, University of Hyderabad.

In her presentation, **Prof. Ravni Thakur** explored the creation of heroes in Chinese society and traced the trajectories through which these heroes rose and fell. Providing a theoretical perspective based on the conception of charisma in the ideas of Max Weber and Sigmund Freud, she argued that in the Chinese context, the word for hero, *Yingxiong*

— meaning the “best grown plant in a clump” — implied the strongest individual in a herd who has great courage and strength. Further, she noted that state’s influence extended to the creation and erasure of heroes through the rigorous use state’s instruments of production and dissemination. In this context, Mao Zedong laid out the paradigms for heroes, which were struggle and revolutionary sacrifice, exemplified by the invocation of the figure of Lei Feng. While Mao himself became the hero, even instigating a civil war in his name, after his death, new heroes rose organically based also on achievements rather than state influence.

Prof. Thakur also discussed two new heroes of capitalism that came forth in the New Era under Xi Jinping: Ren Zhengfei and Jack Ma. While the former was representative figure of the good capitalist, a traditional worker in the production of goods, the latter represented a new kind of wealth, rooted in an internet empire separate from the Party. Pointing out the fall of Jack Ma that reiterated the primacy of the Party, she also underlined the disillusionment among the youth illustrated by the *tang ping* (lying flat) phenomenon. She ended her presentation with the statement that present day China was in search of new heroes.

Dr. Saul Wilson’s paper was titled, “Respecting the Rules-based Domestic Order”. He examined the evolving role of rules in contemporary Chinese politics. While perceived as impediments to economic growth during the initial period of Reform and Opening Up, over the years rules had encouraged improvisation and workarounds. He borrowed Yuen Yuen Ang’s formulation of "directed improvisation", where central guidance was intentionally kept vague to spur local innovation. This aligned with the notion of a "guerilla-style policy", as argued by Heilmann and Perry, wherein the Party historically avoided binding rules to maintain strategic flexibility. Dr. Wilson remarked that a clear shift was now underway, with Party cadres becoming increasingly constrained by rules. He elaborated how the Anti-Corruption Campaign since 2013 has acted as a powerful rules-enforcement mechanism, deterring violations by publicly citing specific rules broken when officials are arrested.

Further, central inspection teams, such as those for environmental protection, audited local compliance, creating tangible pressure to enforce and follow rules. Beyond financial audits, officials also faced scrutiny over whether their decision-making processes adhered to prescribed rules and stayed within their agency’s legal authority. This pressure for compliance had resulted in a proliferation of new rules, as Dr. Wilson highlighted a recent drive to bureaucratise administrative approvals by forcing agencies to formally document their procedures. Terming this process as "bureaucratising the bureaucrats", he laid out how it marked a profound transformation for local officials who transitioned from autonomous, empowered cadres focused on economic development to rule-bound administrators preoccupied with paperwork. He ended his paper by noting that even as cadres were increasingly tasked with strict compliance, they were still expected to embody the old guerilla style by solving emergencies with flexibility.

The third speaker was **Dr. Usha Chandran**, who spoke on Family Planning Policy in China from Pre-Modern to Contemporary Era. Tracing the trajectory of gendered governance in China beginning with the Imperial period, she highlighted how social, cultural, political and economic factors overshadowed women’s individual choice and fertility control in China. Dr. Chandran noted that women were excluded from decision-making on policies affecting them, resulting in a lack of recognition for women’s voices and issues. This in

effect created the grounds for harmful governance of women's bodies. As the government oscillated between bias and protection vis-à-vis women, governance became rooted in patriarchy. She brought forth the stark reality that even family planning fell entirely upon women in view of societal expectations on women, who were also equally reluctant to involve men in such matters.

Dr. Chandran explained that during the Imperial period, family planning policies swung between encouragement and discouragement of fertility, thus remaining unaware of concerns about women's health and freedom. In the Republican period, the Kuomintang government did not alter traditional family planning in fear of disturbing social order. Under Mao, the Communist Party of China (CPC) pioneered a mass women's movement, encouraging their active role in social labour, and increasing their political presence, which also significantly reduced fertility. However, the One-Child policy in the post-Mao era severely impacted the welfare concerns of women, as fertility rates dropped and contributed to the demographic imbalance in China. Dr. Chandran further stated that the Three-Child policy now in operation faced great backlash by the Chinese public, especially due to the unequal burden of childcare on women and high unemployment rates. Despite women's bodies being the epicentre of birth management, they lacked agency, and family had become a political strategy to establish order.

The final speaker of the session was **Dr. Bhim B. Subba**, whose presentation was titled, "Party is the Law: Legal Reforms in Authoritarian China". He emphasised that legal reforms needed to be understood as tools to ensure predictability, political stability, and a shift from revolutionary to governance-based legitimacy. He cited Deng Xiaoping's prioritization of laws and institutions as well as his insistence that they needed to remain unchanged in spite of leadership transitions. It reflected stability in governance which was considered vital to political continuity. Dr. Subba traced the evolution of legal discourse – from emphasis on administration according to law after 1988, to a shift to rule by law rather than rule of law in 1995, and then in 1997, to the goal of building a socialist country under the rule of law as part of modernisation. He argued that the Fourth Plenum of the 18th CPC Central Committee in 2014 was a watershed, as it placed rule of law (*fazhi*) at the centre and presented governing the country according to law (*yifazhiguo*) as the comprehensive banner of reform.

Still, the central question remained - for what ends were legal reforms been undertaken? Despite the rhetoric of modernisation, their primary function was to secure Party's supremacy. The principle of *Yibashou* — "I am the boss" — reinforced that the Party cannot be challenged, and legal reforms were thus directed towards strengthening Party control, shaping institutions, and disciplining individuals to align with Party's authority. Dr. Subba further contrasted Deng Xiaoping's *Four Cardinal Principles* with Xi Jinping's framework of *Four Comprehensives* – while the former insisted on upholding the socialist path, the people's democratic dictatorship, the leadership of the CPC, and Marxist-Leninist thought, the latter extended the framework by focusing on building a moderately prosperous society, deepening reforms, governing the nation according to law, and strictly governing the Party. This shift was presented as a reorientation that seemingly modernized governance but in practice raised doubts on whether it represented genuine reform or was merely "old wine in a new bottle". Legal reforms were, therefore, mechanisms to perpetuate the Party's governing agenda, preserve stability, enforce discipline, contain opposition, and secure the longevity of its rule.

Session II
Rural-Urban Governance in China

The second session on **Rural-Urban Governance in China**, was chaired by **Dr. Parimal Maya Sudhakar**, Associate Dean (External Relations), MIT School of Government, MIT World Peace University, Pune. The speakers were **Prof. Wen-Hsuan Tsai**, Research Fellow, Institute of Political Science, Academia Sinica, Taipei, Taiwan, and **Dr. Prachi Agarwal**, Assistant Professor, Department of East Asian Studies, University of Delhi.

In his paper, 'The Politics of Inclusive Gentry: Grassroots Governance and Rural Meritorious People (*Xinxiangxian*) in Contemporary China', **Prof. Wen-Hsuan Tsai** examined the emergence and political significance of a new category of rural gentry or local elites in CPC's governance strategies at grassroots levels. He situated this category within the broader literature on regime durability that emphasize the incorporation of emerging social groups into Party-state structures. Previously, under Jiang Zemin's 'Theory of Three Represents', the CPC began incorporating entrepreneurs into the Party fold. Similarly, the CPC now sought to engage with *Xinxiangxian* as intermediary actors positioned between Party-state and society. The concept of *Xinxiangxian* was formally articulated in Fengshun County, Guangdong, in 2017. Defined as private individuals with local connections, professional expertise, personal resources, and willingness to support CPC's policies, they represent a transformed version of China's traditional gentry. The *Xinxiangxian* are valued more for technical competence, wealth, and demonstrated loyalty to the Party unlike the Confucian scholar-gentry known for classical learning. *Xinxiangxian*'s dual positioning provide them with both societal legitimacy and state utility, albeit it raises concerns about their autonomy which can potentially reduce their legitimacy in the local society in the long-runs and usefulness for the Party-state.

Prof. Tsai highlighted two principal governance functions of *Xinxiangxian* – firstly, they bridge social capital, facilitating communication between villagers and local governments, which strengthen the legitimacy of state initiatives and enable more effective policy implementation. Second, they serve as a fire alarm, monitoring village committees and alerting county and township authorities when local governance deviate from state directives. These roles, he argued, have expanded the Party's absorptive capacity while maintaining a flexible approach to grassroots governance. However, the CPC has remained ambivalent about granting *Xinxiangxian* formal political status like membership in consultative bodies such as the Chinese People's Political Consultative Conference. In his view, Prof. Tsai *Xinxiangxian* are perceived to be a double-edged sword – on one hand, their expertise and social trust strengthened CPC's governance, and on the other, their knowledge and influence could generate alternative discourses, if not carefully managed. Even so, for Prof. Tsai, the incorporation of *Xinxiangxian* reflect CPC's adaptive governance strategies. It illustrated how the Party has adapted traditional cultural resources to contemporary governance needs, reinforcing legitimacy and maintaining control at the grassroots level.

Dr. Prachi Aggarwal, in her presentation, 'Climate Change on China's Rural Revitalization', discussed the vital importance of agriculture for China and the ways in which the country counters climate change and its impact on agricultural production. She pointed out that China had become an investor in agriculture related technologies abroad and had been strengthening its own domestic reforms in this sector. China's agriculture

has two major issues: unattended crops and unattended children, as migrant labourers shifted to cities for work. China's agrarian policy had adopted a cooperative investment-oriented technologies. She delved into China's system of satellite factories under their rural revitalization process that consisted of three actors – farmers, entrepreneurs and the government. Farmers stayed in their rural locations for agricultural production, and during the off season, the trend had been to work in proximate factories, thereby avoiding distant migration. The entrepreneurs established factories in rural areas, with infrastructural support from the government, and could find workers from the nearby areas, as farmers often accepted low pay to stay with their families. As a result, the government converted rural areas into four-tiered cities through industrial development, aiming to make the farmers as a new consumer class. China has increased market connectivity, improved infrastructure, encouraged innovation to improve quality of production and encouraged environmental-friendly consumption.

Dr. Aggarwal explained that during the first wave of Overseas Direct Investment (ODI) (1950-1980), China invested in agriculture sector in developing nations. In the second wave of ODI (1990-2000), China sought investments from Multi-National Companies for State-owned Enterprises. During the third wave (in the late 2000s), private investments were encouraged. She also argued that the Rural Comprehensive Revitalization Plan (2025) discusses ways to prevent illegal occupation of land and re-purposing of permanent farmland and improve quality and quantity of land. In terms of environment preservation, there was encouragement of soil testing-based fertilisation, introduction of organic fertilisers, restrictions on sand mining and lake dumping. The government's intention was to turn farmers into entrepreneurs, and to turn China from a producer to an investor, and finally to turn rural revitalisation from agricultural to industrial and holistic revitalisation.

Session III
Science and Technology, Innovation and Governance

The session was chaired by **Dr. Jabin T. Jacob**, Director, Centre of Excellence for Himalayan Studies (CHS), and Associate Professor, Department of International Relations and Governance Studies, SNIoE, Delhi-NCR. The speakers included **Prof. G. Venkat Raman**, Professor, Indian Institute of Management, Indore; and **Dr. Rityusha Mani Tiwary**, Assistant Professor, Department of Political Science, Shaheed Bhagat Singh College, University of Delhi. Unfortunately, the third speaker, **Dr. Kyle Chan**, Post-Doctoral Researcher, Department of Sociology, Princeton University, USA could not join due to ill-health.

Prof. G. Venkat Raman's paper was titled, 'Is Innovation Possible in a Centralized Political System?: Examining the Efficacy of China's Science and Technology Policy'. He began by looking at two core problems when studying domestic governance in China: the "Type one" problem - a significant gap between official rhetoric and actual implementation, and the "Type two" problem – major actions being undertaken with no prior official statement. Given this backdrop, he chose the case study of Artificial Intelligence (AI) to explore the central question of whether innovation can thrive within China's centralized political framework. To illustrate the state's approach, the speaker recalled a meeting from June 2025, when the National Development and Reform Commission chairman Zheng Shanjie met with five selected tech firms — More Threads (Beijing, GPUs), Ant Group (Shenzhen, fintech), BGI Genomics (Guangdong, bioinformatics), Vinginra New Materials (Henan,

advanced materials), and 7th Robotics (Chongqing, robotics) — to strategically develop ‘new productive forces’. The rationale for this selection was two-fold: it represented a geographic spread across China's macro-regions and reflected a strategic, nationally-cohesive approach to innovation aimed at overcoming systemic bottlenecks in high-tech sectors. Prof. Venkat Raman went on to analyze China's “Sputnik moment" — the launch of "Deep Seek" AI — that demonstrated a world-class AI ecosystem despite external predictions of failure on account of US export controls on chips. He attributed this success to several key factors rooted in policy decisions dating back to 2017 – first, the declaration of AI as a national strategic priority, backed by generous state and venture capital funding, and combined with the state de-risking investments to encourage private participation. Second, the system provided private firms with adequate space to manoeuvre. And finally, provincial and municipal governments strictly implemented central blueprints. The results were evident by 2022, with China filing four times more AI patents than any other country and fostering leading firms like Minimax and Chirpo AI.

Prof. Venkat Raman’s analysis then extended into China’s navigation of US’ export controls on chip supply through structural measures such as increased investment in Huawei's chip manufacturing, the use of deep ultraviolet lithography by the Semiconductor Manufacturing International Corporation (SMIC) to circumvent the need for restricted EUV equipment, and a focus by tech firms on developing efficient models that economized on chip usage. He also compared the AI rollout to previous successes in high-speed rail and WeChat, emphasizing a model that prioritized the widespread application of technology. The integration of hardware and software supply chains in hubs like Shenzhen created a tightly-knit ecosystem conducive to rapid prototyping and iteration. Furthermore, there is a strategic alignment between the state, market, and academia, with new firms like Cheerful AI and Pai Chuan emerging directly from university research labs. This is supported by massive state investment in new infrastructure — AI chips, cloud services, computation—and a foundational focus on education, science, technology, and talent, encapsulated in national slogans. The speaker underlined that China’s model defied easy categorisation within traditional frameworks like the Silicon Valley model or Varieties of Capitalism scholarship. It was a hybrid system that combined state funding and strategic direction with market facilitation and tolerance for experimentation. The motivations behind this approach are to ensure a determined transition to a new-age economy, involving the intertwining of national security with economic and technological advancement, and the need to avoid middle-income trap amid demographic pressures, and overarching geopolitical considerations. In this ecosystem, the state played roles of funder, facilitator, and observer. However, he also identified deep-seated contradictions, notably that China's innovation remained fundamentally project-oriented and strictly aligned with national goals. This top-down, geopolitically-driven approach contains inherent problems and challenges that could limit long-term innovative potential.

Dr. Rityusha Mani Tiwary’s presentation titled ‘Discontents in STI Governance in China: Mapping the Social in Managing Frameworks through Green Development and Social Inclusivity’, engaged with the governance of Science, Technology, and Innovation (STI) in contemporary China, highlighting an underexplored dimension — the management of social discontent. She noted that existing scholarship had paid limited attention to how the Chinese state addressed societal frictions that accompany rapid technological change. Her paper was situated within interpretive theories of governance that privileged narratives, meanings, and contestations over institutional form. Within this framework, discontent was conceptualised not as resistance or systemic failure, but as an ongoing

negotiation that informed institutional design and policy outcomes. Her paper was based on a content analysis of Chinese central government's STI policy documents issued between January 2020 and January 2025 – this period was marked by both intensifying technological competition between China and the United States, and by acute domestic imperatives including environmental degradation, socio-economic inequalities, and the disruptions of the COVID-19 pandemic. These dynamics, she argued, created a fertile ground for the articulation of new discontents and novel governance responses.

Dr. Tiwary's analysis identified two key policy frameworks through which discontent is managed - green development and social inclusivity. The framework of green development, institutionalised since the early 2000s through "ecological civilization" discourse has assumed particular salience in the 14th Five-Year Plan (2021–2025). Policy initiatives on carbon neutrality, clean energy, digital sustainability, and the circular economy have enabled the state to reframe public concerns — such as pollution-related health anxieties, rural environmental burdens, and the expectations of environmentally conscious youth — into narratives of technological modernisation and progress. The second framework of social inclusivity gained visibility in recent policy discourse as a mechanism to address inequality and ensure broader access to STI benefits. Instruments such as the Green Technology Innovation Plan (2022), the Revised Science Popularization Law (2024), and various digital and rural innovation initiatives have sought to bridge the rural–urban divide, enhance fairness, and legitimise the state's modernisation agenda. Dr. Tiwary emphasised that STI governance in China needed to be understood not only as an instrument for advancing innovation and securing global competitiveness, but also as a strategy for negotiating legitimacy. By reframing social and environmental anxieties through the discourses of green development and inclusivity, the Party-state strived to integrate discontent into its governance frameworks, thereby reinforcing both policy effectiveness and political stability.

Day 2

Session IV
Party-State Ethnic Relations

The fourth session of the conference was chaired by **Dr. Medha**, Assistant Professor, Department of International Relations and Governance Studies, SNIoE, Delhi-NCR. The three speakers were **Dr. Loretta Eumie Kim**, Associate Professor, School of Modern Languages and Cultures, Faculty of Arts, University of Hong Kong; Dr**. Debasish Chaudhuri**, Adjunct Fellow, Institute of Chinese Studies, Delhi; and **Dr. Devendra Kumar**, Associate Fellow, CHS, SNIoE, Delhi-NCR.

Dr. Loretta Eumie Kim's paper on 'Regional Identity as a Prophylactic and Salve for Ethnic Tensions: Observations from Northeast China in the Post-1949 Period' was an investigation on the intersection of ethnic and regional identities in contemporary China. In official terms, there were 56 ethnic groups in the country, including the Han majority. The speaker drew attention to the ongoing petitions by unrecognised groups seeking inclusion. In her view, this contested process had implications not only for resource distribution but also for the pursuit of cultural and economic capital by minority communities. Further, there were also issues pertaining to managing inter-group relations. The official narrative of promoting harmony and getting along co-existed uneasily with local realities, where ethnic

groups may feel threatened or constrained by processes of Sinicization. The Chinese government, according to Dr. Kim, maintained a dual trajectory - preservation of distinctive cultural traits on the one hand, and containment through assimilationist pressures on the other. Minority voices often displayed ambivalence, oscillating between the desire for cultural survival and the appeal of integration into the Han-dominated mainstream. Dr. Kim also delved into the phenomenon of regional identities, which operate differently from ethnic ones. While ethnic identity is usually inherited by birth or kinship, albeit with limited flexibility for choice (choosing either the father or the mother's ethnic identity), regional identities are more permeable, shaped by hometown, residence, or marriage. She drew attention to the emergence of a Northeastern, or *Dongbeiren* identity, encompassing Heilongjiang, Jilin, and Liaoning provinces, with historical and cultural links extending to Inner Mongolia, Russia, Korea, and Japan.

Dr. Kum pointed out that historically, the Northeast was imagined as a wilderness, populated by Manchus, Koreans, Mongols, and smaller cross-border groups. However, in the 20th century, there was a shift from considering this region as simply the land of the Manchus to "directional correctness". Figures such as Fu Sinian and writers like Xiao Hong articulated a coherent cultural identity for the region, emphasising its environment, dialect, and customs. This identity functioned almost as a "macro-ethnicity", providing a sense of shared consciousness akin to the Soviet model of nationality. Economically, the Northeast went from being the bread basket to a centre of industrial production, as well as providing natural resources like petroleum. While there was a decline in the 1980s, the attempts at revitalisation have been ongoing since 2003. The speaker further argued that the promotion of Northeastern identity, though not formalised in state policy, is tacitly encouraged as a means of social cohesion and regional pride. While it does not erase ethnic distinctions, it incorporates diverse cultural elements under a collective umbrella. She noted that Northeastern identity illustrated how regional frameworks can complement and sometimes be substituted for ethnic categories in contemporary China. While the state may find such identities useful for economic and political stability, they also serve as a means by which communities preserve traces of ethnic distinctiveness in an era when overt expressions of difference are increasingly discouraged.

Dr. Debasish Chaudhuri's presentation was titled, 'Ethnic Policy Making Process Amidst Deepening of Reform'. He highlighted the evolution of ethnic policy-making in China and its distinctiveness from national policy-making. He noted that such segregation was not a recent phenomenon and rather, can be traced back to Imperial China, where attempts to expand Confucian traditions and the agrarian-bureaucratic order to the peripheries proved to be difficult. A similar challenge was faced by the Chinese Communists, who struggled to spread revolutionary ideas in ethnic minority areas, leading to the formulation of separate institutional and policy mechanisms. Referring to scholarly debates, he mentioned the concept of a "dual structure" within ethnic policy-making that separated it from general national policy-making, emphasizing the need, as scholars like Ma Rong argued, for a "second generation" of ethnic policies. Explaining the nature of policy-making in China, he remarked that it was a process that involved identifying problems, deliberation, decision-making, policy formulation, legislation, extending to implementation and evaluation. Policies may later be retained, modified, or terminated depending on the outcomes of such evaluations. He clarified that while national policy-making can be understood through regional and incremental models, ethnic policies operated differently, shaped largely by questions of assimilationism versus pluralism. Reviewing the evolution of theoretical frameworks, Dr. Chaudhuri noted that the earlier

concept of “fragmented authoritarianism” was influential in understanding Chinese governance, but more recent scholarship critiqued it for creating the image of a chaotic system. In its place, terms such as “flexible authoritarianism” and “consultative authoritarianism” have been introduced, which better reflect China’s governance processes, including bottom-up experimentation and top-level design. He emphasised that in recent years, particularly from the Hu Jintao era onwards, greater centralization replaced earlier practices of decentralisation, though ethnic policy-making had always remained tightly centralised.

Dr. Chaudhuri linked these approaches to the Marxist-Leninist legacy in dealing with ethnic questions, noting the influence of Soviet thought that considered ethnicity as a short-term phenomenon that was expected to vanish in the long run under Socialism. However, China has increasingly realized that ethnic and religious issues persist, requiring more sustained strategies. He pointed out that institutions involved in ethnic policy-making remain distinct from those handling national policy and that segregation at the structural level continued to define this sphere. Drawing attention to contemporary developments, Dr. Chaudhuri elaborated on the role of the United Front, drawing attention to a resolution passed in 2015, that significantly elevated its work under Xi Jinping. This focus has extended beyond China’s borders, with grassroots-level United Front departments’ growing influence observed in foreign countries. Ethnic and religious policy-making today is framed through six areas of work: United Front, ethnic, religious, regional, Tibetan, and Xinjiang affairs. Of these, religious work has gained particular importance in recent years, reflecting the Party-state’s anxieties about religious identities. The ideological solution practiced by the CPC is the Sinicization of religion. Dr. Chaudhuri stressed that while Beijing had earlier assumed that ethnic and religious distinctions would eventually vanish, over time it has realized that was not possible. Yet, the Party leadership continues to repeat earlier ideological assertions while simultaneously increasing vigilance. He highlighted that the Party-state today seeks to resolve ethnic and religious matters “with Chinese characteristics” strongly tying them to the agenda of national unity, centralisation, and Party control.

Dr. Devendra Kumar’s paper examined the historical imprints of the Cultural Revolution on the CPC’s leadership and its long-term influence on ethnic policy, with particular focus on Tibet during the 1990s and 2000s. While the Cultural Revolution formally ended in 1976, its institutional and psychological consequences had shaped leadership styles, bureaucratic culture, and policy orientations well into the reform era. He noted that Tibet represented a critical site where these continuities were most visible. During the Cultural Revolution, the assault on religion, the dismantling of traditional authority structures, and the imposition of radical ideological campaigns profoundly disrupted Tibetan society. These legacies persisted in the form of deep mistrust between local communities and the central state, and in the Party’s perception of Tibet as a politically fragile and potentially restive region. He delved into how leadership transitions in the late 1980s and early 1990s, particularly under Jiang Zemin, reinforced securitisation in Tibet policy. The new leadership, while committed to deepening economic reform and opening up in coastal and urban areas, viewed Tibet through a different lens — as a zone requiring heightened political vigilance. In Dr. Kumar’s analysis, the crackdown following the 1989 protests in Lhasa and Beijing reflected the leadership’s determination to prioritise stability above reformist experimentation in ethnic minority regions. The Cultural Revolution’s imprint on leaders who had lived through the turmoil ensured that Tibet was treated less as a

candidate for integration through liberalisation, and more as a site for strict political control.

Dr. Kumar pointed out that the 1990s witnessed the institutionalisation of policies that continue to shape Tibet today – tighter restrictions on religious practice, closer scrutiny of monasteries, limitations on cross-border cultural flows, and the cultivation of a loyal cadre force in the region. At the same time, the Party pushed through economic modernisation and infrastructure projects, in the belief that material development could offset discontent. This dual strategy — control and development — bore the unmistakable mark of lessons drawn from the Cultural Revolution that economic change was acceptable, but political authority could not be compromised. He concluded by emphasising that Tibet policy in the 1990s needed to be understood not only in the context of Reform and Opening Up, but also as a product of historical memory. The Cultural Revolution instilled in the CPC leadership, a fear of ideological instability and separatism, which has continued to inform ethnic governance. As such, the Tibet policy remains heavily securitised, and innovations in economic management are consistently overshadowed by a rigid insistence on political conformity.

Session V
Labour and Welfare in the Party System

Prof. Alka Acharya, Director, Institute of Chinese Studies, New Delhi chaired the fifth session. The speakers were **Dr. Parimal Maya Sudhakar**, Associate Dean (External Relations), MIT School of Government, MIT World Peace University, Pune; and **Dr. Anand P. Krishnan**, Fellow, CHS, SNIoE, Delhi-NCR.

Dr. Parimal Maya Sudhakar presented his paper titled, 'China's 2014 *Hukou* Reforms: A Regime Dilemma of Economic Growth or Social Control'. He began by emphasizing that *hukou* has always been a topic of interest among China scholars, especially the mechanics of its functioning, whether it has been undergoing systemic changes, or whether it is resistant to change. He explained that *hukou*, literally meaning "mouth and door", refers to the household registration system under which the state identified citizens on a door-to-door basis. While it may seem broadly comparable to a census, he clarified that it was different in nature. With the 1958 law on *hukou*, China divided its population into two categories: agricultural *hukou* (rural) and non-agricultural *hukou* (urban). From then onwards, those wishing to migrate from rural to urban status found it extremely difficult unless the state itself permitted the move, usually in relation to industrial development needs. Thus, migration largely ceased to be voluntary and instead became tightly controlled by the state. He went on to elaborate on the changes with the advent of the Post-1978 economic reforms. These reforms, particularly the creation of Special Economic Zones, demanded large numbers of unorganised labour. As a result, the state permitted rural citizens to migrate to urban areas yet crucially did not extend to them the full rights associated with urban *hukou* holders. Migrants lacked access to key benefits such as healthcare, education, housing, and pensions in cities. By 2012–2013, the number of rural migrants in urban areas had reached an estimated 220 million, making them an essential component of economic development and a source of growing social discontent. Their prolonged urban presence, without adequate rights, became a concern for the state and posed challenges to sustainable growth. He emphasized that the 2014 reforms marked a decisive change, as for the first time in over a decade, the Party leadership sought to

directly reassert control over *hukou* reform. These reforms were not introduced strictly as laws but as broad guidelines, albeit with very strict emphasis on implementation. The Party under Xi Jinping's leadership has viewed *hukou* reform as necessary for several reasons. First, to stem the uncontrolled flow of migrants toward mega-cities such as Beijing and Shanghai, which had become ungovernable and difficult to manage due to the influx of floating populations. Second, to address 220 million migrants already residing in urban areas, many of whom lived in cities on a near-permanent basis but remained divided from urban residents in terms of rights and status. Third, to support Xi Jinping's declared goal of eliminating extreme poverty by 2021, since the lack of formal recognition and rights for these migrants posed serious obstacles to measuring and achieving poverty eradication. Finally, another motivation was the need to rebalance the Chinese economy. With exports slowing, the need for expanding the consumption base was also a key factor.

For millions of migrants, the greatest aspiration — or what they saw as their "China Dream" — was not Western style citizenship, rather it was the security of an urban *hukou*. Between 2014 and 2016, three important policy documents were introduced: the National New-Type Urbanization Plan, the Opinions on Further Promoting *Hukou* Reform, and the Interim Regulation on Residence Permits. These reforms were monitored by the Ministry of Public Security and the National Development and Reform Commission, signifying the high political priority attached to *hukou* by the central leadership. Local cadres were made accountable for implementation, with evaluation, rewards, and punishments tied to their performance. He highlighted that the system under these reforms varied by city size. Mega-cities were not required to grant *hukou* or to do so under extremely strict conditions, allowing permanent residence to very few migrants in spite of their numbers. Large cities adopted selective approaches, granting *hukou* based on criteria such as educational qualifications or investments. Smaller and medium-sized cities were encouraged to liberalise admission, with minimal conditions for migrants settling there. The intent was to redirect migration away from mega-cities and spread urbanisation more evenly to less developed areas. Despite these moves, significant challenges persisted such as requirement of vast public investment in urban infrastructure to support migrants. Also, urban areas became divided into three categories of residents: migrants without *hukou*, migrants with residence permits, and permanent urban residents with full *hukou*. Land rights remained a contentious issue, as partial movement of families to cities raised questions about agricultural land entitlements in rural areas. Crucially, employment and educational opportunities remained concentrated in mega-cities, which meant that migrants aspired to move there regardless of *hukou* restrictions. Municipalities often resisted reforms, benefiting from migrant labour without wanting to share the costs of urban services. Dr. Sudhakar further argued that the 2014 *hukou* reform guidelines also initiated the creation of a digital national population database to pool information on ethnicity, education, occupation, marriage, income, and land entitlements into a centralized platform. While projected as an administrative innovation, the apprehension was that this system would greatly enhance the surveillance capacity of the Chinese Party-state. He concluded by tracing the *hukou* system's trajectory: from the rigid segregation of rural and urban populations until 1978, to the floating but unregulated migration of the Reform era, to decentralized policymaking by local governments, and now finally, centralised reforms tied closely with surveillance, urbanisation, economic restructuring, and the Party's strategic priorities.

Dr. Anand P. Krishnan's paper was titled, 'Cast in the Party's Image and Interests: The Identity and Role of the All-China Federation of Trade Unions (ACFTU) in the New Era'. He

began by pointing out that the ACFTU commemorated its centenary in May 2025 and pointed out that the milestone has significance in Chinese political system under CPC. Dr. Krishnan structured his presentation into three parts: the origins and functions of the ACFTU, its role under Xi Jinping, and how Xi's conception of labour shapes and informs labour's current predicament in China. Founded in Guangzhou in 1925 under Leninist political-organizational framework, the ACFTU was viewed as a "transmission belt", relaying Party's ideas and messages to workers and for workers to carry their views to the Party. Organized under the principle of democratic centralism, the Party exerted tight control over the trade union right from its founding, with attempts for organizational independence in the 1950s and 1989 firmly suppressed. Market reforms further eroded labour's bargaining power, privileging capital. The seeds for this shift were laid in the CPC's ideological framework of anti-imperialism at its own founding that later entered into tactical adjustments with domestic capital. The shift from "collective bargaining" to "collective negotiation" was part of the Party's efforts to harmonize labour-capital relations and ensure that contradictions between them were a thing of the past. The mass of rural migrants (*nongmingong*) moving to cities were formally recognized as working class only as late as in 2003. While there existed horizontal control of the Party at every level of ACFTU's hierarchy – national to enterprise-level unions – at the most basic level, workplace of enterprise-level unions, which were the only space where workers interfaced with the trade union, power of labour remained weak. Dr. Krishnan argued that this was because enterprise-level union was dominated by management, with union chair being someone from the management, with union's funding and leadership salaries being paid by the enterprises.

In the Xi era, the Party has combined repression of independent labour organizing as well as NGOs with efforts to activate the ACFTU into a service-oriented role for the workers. Xi had always reminded the ACFTU to be loyal to the CPC and the Party leadership. In the last few years, the ACFTU's emphasis has been on new and flexible forms of employment, a formal name for gig and platform workers. The *Common Prosperity* campaign further gave a fillip for ACFTU to incorporate gig workers into its fold. The amendment to the Trade Union Law in 2021 extended protections to gig workers. Further, the ACFTU acting upon Xi Jinping's call for workers to see the trade union as home and trade union officials as their family members, have been adopting a service model and extending activities into community spaces. On the international front, with the expansion of the Belt and Road Initiative, the ACFTU had also been involved in trade union diplomacy, entering into agreements with trade union organizations and groups in host countries, providing them resources, bringing them to China for consultations and training programmes. These efforts on the one hand are to secure Chinese investments in host countries and on other, socialize them into Chinese practices. This has been most visible in Cambodia, where ACFTU has strived to impress upon workers' groups and organizations that "one union per country" was ideal for. Dr. Krishnan concluded by stressing the dual responsibilities for the ACFTU in the New Era: remaining loyal to the CPC and expand its services and presence in response to evolving labour dynamics. In Xi's vision of Chinese-style modernization and high-quality development, his conception of labour emphasises workers as merely human capital. Such a conception valorises (hard) labour as a moral virtue, shifting the responsibility onto individual workers for their improvement. In this process of individualization and lifting themselves by their bootstraps, there is shearing away of labour's social character.

Session VI
State Capitalism, Industry and Private Sector

After lunch, the sixth session of the conference commenced. It was chaired by **Prof. Rajat Kathuria**, Dean, School of Humanities and Social Sciences, and Professor of Economics, SNIoE, Delhi-NCR. There were three speakers – **Dr. Priyanka Pandit**, Assistant Professor, Department of International Relations and Governance Studies, SNIoE, Delhi-NCR; **Dr. Aravind Yelery**, Associate Professor, Centre for East Asian Studies, Jawaharlal Nehru University, New Delhi; and **Dr. Ning Leng**, Assistant Professor, McCourt School of Public Policy, Georgetown University, Washington DC, USA (who joined online).

Dr. Priyanka Pandit's paper titled, 'From "Catching up" to Competing with the West: The Changing Contours of "State Capitalism" under Xi Jinping', analyzed the evolving nature of state capitalism in China and situated it within broader debates in political economy. She stated that the issue in political economy had never been whether the state should intervene in markets. Rather, it was about the scope, method, and objectives of such interventions. Referring to Adam Smith's ideas on the enabling role of public institutions and contemporary neoliberal and developmentalist frameworks, she noted that the role of the state remained a decisive factor. Historically, the term "state capitalism", she argued, has been applied to diverse political and economic set-ups ranging from Nazi Germany to East Asian developmentalism. China's engagement with state capitalism had a particularly long trajectory, traceable to the late Qing dynasty. Following the Opium Wars in the 19th century, Chinese reformers such as Liang Qichao, and Sun Yat-sen argued for state-led industrialisation to restore national economic strength. According to her, Sun Yat-sen's vision of state-owned enterprises and developmental planning significantly influenced Deng Xiaoping's reform era, particularly agricultural reforms, which combined decentralised management with state ownership of land.

While early reforms opened space for private initiative, Dr. Pandit noted, state control over key inputs such as land and capital was retained. By the 2000s, Chinese policymakers had set up a hybrid model, combining reliance on large state-owned enterprises in strategic sectors with market-driven private firms in other domains. With China's accession to the WTO in 2001, this model deepened integration into global production networks while sustaining selective state intervention. She further argued that under Xi Jinping, the relationship between state and market has shifted towards what can be described as "Party-state capitalism". This framework removes the distinction between public and private enterprises by embedding CPC's influence at all levels. She also highlighted that the State-Owned Assets Supervision and Administration Commission (SASAC) has stated that all firms, state-owned or private, are ultimately "Chinese enterprises", underscoring the blurred boundaries of ownership and control. The speaker also highlighted that state capitalism now functioned not merely as an economic category but also as a form of geopolitical knowledge shaping US–China tensions. Furthermore, through state-backed overseas investment, particularly in mining and critical resources in Africa, Latin America, and Central Asia, China had secured access to global value chains. Dr. Pandit cautioned that this raised concerns about new forms of extractive imperialism, highlighting historical "core–periphery" dynamics. Concluding her presentation, she questioned whether the world was entering a new era of resource-driven imperialism, in which China's Party-state capitalism enabled global capital accumulation, reproducing inequalities within the international system.

Dr. Aravind Yelery's paper explored the evolution of China's industrial policy and its implications for entrepreneurship and privatization in the period after 2017. He began by situating his analysis in the broader context of China's economic reforms, noting that while earlier decades had encouraged the growth of a distinct private sector, the recent trajectory under Xi Jinping reflected a significant shift. The term "private sector" has been increasingly de-emphasized in official discourse and replaced with the politically safer and ideologically aligned language of entrepreneurship and innovation. This shift, he argued, is not merely semantic but signalled a deeper recalibration of the Party-state's relationship with private capital. He underlined that while entrepreneurs were now positioned as partners in China's developmental strategy, their roles were carefully structured through Party's guidance. He explained that entrepreneurs were classified along sectoral and regional lines with differentiated access to state support. In high-priority sectors such as advanced technology, renewable energy, and digital infrastructure, the state actively cultivated entrepreneurial participation, but always within a framework that ensured political loyalty. At the same time, regional governments had been incentivized to compete for investment and innovation, which created dynamic opportunities for entrepreneurs though it also embedded them within a competitive political economy driven by Party objectives.

Dr. Yelery further highlighted the centrality of the state in mediating entrepreneurial success. Access to finance, markets, and property rights was contingent upon alignment with CPC's policies. Entrepreneurs were required to consistently demonstrate their contribution to national development goals. While this model had spurred innovation and job creation, it also constrained entrepreneurial autonomy, limiting the scope for independent initiative. He argued that post-2017 China presented a paradoxical picture. On the one hand, entrepreneurship had become essential for sustaining growth, generating employment, and driving industrial modernisation. On the other hand, the space for private initiative had narrowed under heightened political supervision. The Party's assertion of control had redefined the boundaries of privatisation and produced a hybrid model in which entrepreneurial energy was harnessed, but only under the close watch of the Party-state. This duality, he argued, was the defining feature of China's contemporary approach to industrial and economic policy.

The last speaker of the session **Dr. Ning Leng** presented on 'Explaining State Takeover of Private Sectors: Politicizing Business in China'. Seeking to understand the relationship between the Chinese authoritarian state and the private sector, she framed her inquiry around a central question — how should the relationship between the state and firms in China be understood? She explained that the state viewed private firms in multiple, often contradictory, ways: they were engines of growth and employment, but also potential sources of corruption, rents, clientelism, and revolving-door politics. While firms in China fulfilled all of these functions, that did not translate into a stable relationship with the state. Empirically, she argued, the evidence pointed otherwise. Since 2020, there had been successive crackdowns on private firms across sectors such as technology, education, real estate, and rare earths. Importantly, she stressed, this was not unique to Xi Jinping. Historically, prior to 1993, the Party-state carried out indiscriminate crackdowns on private enterprises, while after 1993 — when the notion of a Socialist Market Economy entered into China's Constitution — the pattern shifted to sector-specific interventions. These have often involved forced sales of shares, coerced mergers and acquisitions, or outright de-privatisation by local governments. Examples extended even to seemingly mundane industries, such as urban bus services and the bamboo industry, which were

suddenly folded into state control. Dr. Ning explained that this created a puzzle – despite being one of China's greatest economic engines, why was the private sector constrained by the state? On one hand, the CPC reaffirmed its commitment to the private sector, with Xi Jinping himself frequently offering reassurances to entrepreneurs. But on the other, the state continues to intervene and encroach. Existing scholarship, she observed, provided only partial explanations — pointing to rationales such as national security (in oil, railways, telecommunications), political stability, legacies of state bureaucracy like SASAC, or more recently, economic nationalism and the need for state control over strategic sectors like AI and tech. While useful, these approaches cannot explain why the state also targeted ordinary sectors like buses or bamboo. This gap motivated the key research question: when and where does the Party-state encroach upon the private sector, and why?

Dr. Ning argued that both state-owned and private firms in China carried out political functions for the Party-state. Often, these roles were hidden and coercively imposed, but once assigned, they fundamentally altered the relationship between firms and the state. While firms were known to provide employment, rents, or surveillance functions, her research identified two additional, understudied political services. First, private firms provide what she calls "visibility projects", which allow local officials to advance their political careers by claiming grand, showpiece achievements. Second, firms were used systematically as instruments of societal control, collaborating with authorities in suppressing protests — whether by financing appeasement efforts or by directly supplying manpower. In the "visibility projects", companies were pressured to fund or build symbolic ventures that bolstered officials' reputations rather than fulfil genuine needs, giving examples such as Qingdao Jiaozhou Bay Bridge, and the "Robot Park" in Guiyang. Such projects, she explained, are about visibility — making officials stand out in the cadre evaluation system, where loyalty is ambiguous and competence can be gamed. Given this uncertainty, ambitious officials resort to dramatic, visible gestures to demonstrate creativity and alignment with central policy directives. She added that companies were often coerced into funding these projects because while local officials sought credit for them, they preferred to avoid blame for excessive state spending. So, private firms bore the cost, and if they resisted due to financial limits, the state often responded by de-privatising making state-controlled entities can carry forward such visibility projects. In conclusion, Dr. Ning argued that the Chinese state's attitude toward the private sector was rooted in the political services that firms were expected to provide. Their ability, or inability, to deliver on these hidden political functions explained why the CPC alternately nurtured and suppressed private enterprise. She remarked that stability in state-business relations is contingent not on market commitment alone, but on the extent to which firms could serve the Party's political priorities.

CONCLUDING SESSION

The Concluding session opened with **Dr Jabin T. Jacob** sharing key highlights and observations from the presentations over two days. He emphasized that while time management and communication posed challenges, the conference succeeded in fostering meaningful debate on crucial themes of governance in China. He noted that China studies in India, though long-standing, remained relatively small and often lacked global visibility. Yet, India offered unique vantage points for studying China given similarities in scale,

state-building, and social concerns, as well as the immediacy of policy implications for the bilateral relationship. Dr. Jacob pointed out that politics could not be overlooked under the rubric of governance, with papers showing how the Chinese Party-state creatively adapted policies in response to existential challenges. Presentations on themes ranging from science and technology to ethnic relations, labour, and welfare demonstrated both empirical rigour and innovative framing devices. He opined that some of the papers contained possibilities of further comparative perspectives, particularly India–China parallels and cross-national studies. Further, discussions on marginalized groups underscored the need for greater sub-national and societal-level research.

Dr. Bhim Subba, Conference Co-Convenor, while summing up, thanked participants, especially international guests, and acknowledged the collaborative efforts behind the event. He underlined the importance of strengthening scholarship on China's domestic governance in India, observing that the conference served as an "incubation platform" for such studies. He also underlined the value of India–China comparisons, while cautioning against exceptionalist framings, and pointed to underexplored cultural and religious dimensions as areas for future inquiry.

Dr. Anand P. Krishnan, as Convenor of the conference, outlined the next steps of revising the papers and setting concrete timelines towards their publication. While different platforms for publication would be explored by both convenors-cum-editors, efforts would be made to have the publication by end of 2026. Therefore, he impressed upon the the need for timely submissions and collaborative efforts in achieving this objective. Dr. Krishnan also delivered the vote of thanks to all participants, partnering institutions and administrative team at SNIoE, especially Mr. Satyam Shekhar, Programme Manager, CHS, for the successful conduct of the conference.

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