



Institute of Chinese Studies

# WEDNESDAY SEMINAR

*From the 'Two Sessions' to  
the Third Plenum:  
Understanding the Chinese  
Party-state's Priorities,  
Challenges, and Future  
Directions*

## EXECUTIVE SUMMARY

Speaker:  
**Bhim Subba**  
**Devendra Kumar**  
**Aravind Yelery**

29 May 2024

## EXECUTIVE SUMMARY

**Speakers:** **Dr. Bhim Subba**, Assistant Professor, Department of Political Science, University of Hyderabad, Telangana; and, Adjunct Fellow, Institute of Chinese Studies, New Delhi.

**Dr. Devendra Kumar**, Associate Fellow, Centre of Excellence for Himalayan Studies, Shiv Nadar Institution of Eminence, Delhi-NCR.

**Dr. Aravind Yelery**, Associate Professor, Centre for East Asian Studies, School of International Studies, Jawaharlal Nehru University, New Delhi; Visiting Faculty, Fudan School of Management, Shanghai; and, Honorary Fellow, Institute of Chinese Studies, New Delhi.

**Chair:** **Dr. Anand P. Krishnan**, Fellow, Centre of Excellence for Himalayan Studies, Shiv Nadar Institution of Eminence, Delhi-NCR; and, Adjunct Fellow, Institute of Chinese Studies, New Delhi.

**Date:** 29 May 2024

**Venue:** Zoom Webinar

- The seminar examined the Communist Party of China's (CPC) priorities, economic challenges, and potential reform directions in the run-up to the delayed Third Plenum scheduled for July 2024 — an event traditionally seen as a platform for announcing key economic and political reforms.
- The Chair, Dr. Anand P. Krishnan, introduced the theme by highlighting critical concerns such as overcapacity in high-tech sectors, strained US-China relations, youth unemployment, and internal corruption. He emphasised the anticipation and speculation surrounding the unusually delayed Plenum.
- Dr. Aravind Yelery analysed the Work Report by Li Qiang and identified three central goals: acknowledgement of a slowing economy and the need to stimulate growth; pursuit of high-quality industrial upgrading (notably through 5G); and, a strong emphasis on creating a unified national market. He viewed these reforms as mechanisms for enhanced state control and also noted additional areas like green development, public welfare, and governance.

- Dr. Yelery also noted that heavy reliance on consumption without capital formation is unsustainable. While reforms are inevitable, the leadership faces discontent from both youth and producers, making economic revival a significant challenge.
- Dr. Devendra Kumar assessed the Government and Budget Reports, noting that while no drastic changes are forecast, the budgetary allocation of over 5% to foreign affairs and the People's Armed Police indicates shifting priorities. He identified science and technology, rural-urban integration, fiscal decentralisation, and Party control over system integration as key reform areas likely to feature in the Plenum.
- Concluding the discussion, Dr. Krishnan highlighted the absence of "common prosperity" from official discourse and asked whether recent disruptions in the *hukou* (household registration) system in smaller cities could suggest fresh upcoming reforms. Dr. Yelery concurred that common prosperity had indeed faded from the Party's narrative, while *hukou* reforms were already in a state of *de facto* dormancy, with provincial actors pushing for temporary suspension.

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