Chapter 1
Strategic Plan of “Made in China 2025” and Its Implementation

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ABSTRACT

The US has introduced a package of policies and specialized plans to reinvigorate its manufacturing industry by revolving around “reindustrialization.” It has put forward a national strategic plan for advanced manufacturing, aiming at strengthening advantages of its technology-intensive advanced manufacturing industry. Japan has a different focus. By releasing “New Robot Strategy,” Japan attempts to accelerate development of cooperative robots and unmanned plants to revolutionize the robot industry, cope with aggravation of Japanese social and economic issues, and enhance international competitiveness of Japan’s manufacturing industry. As to France, with “New Industrial France” promoted, layout optimization of the manufacturing industry is more important. Britain, however, is invigorating its manufacturing industry through the “High-Value Manufacturing” strategy, and the strategy has so far entered Phase II. China is no exception. This chapter explores “Made in China 2025.”

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INTRODUCTION

The US has introduced a package of policies and specialized plans to reinvigorate its manufacturing industry by revolving around “reindustrialization”. Besides, it has put forward “A National Strategic Plan for Advanced Manufacturing”, aiming at strengthening advantages of its technology-intensive advanced manufacturing industry. Germany is implementing “Industry 4.0” policy. Japan has a different focus. By releasing “New Robot Strategy”, Japan attempts to accelerate development of cooperative robots and unmanned plants to revolutionize the robot industry, cope with aggravation of Japanese social and economic issues, and enhance international competitiveness of Japan’s manufacturing industry. As to France with “New Industrial France” promoted, layout optimization of the manufacturing industry is more important. UK, however, is invigorating its manufacturing industry through the “high-value manufacturing” strategy, and the strategy has so far entered Phase II. South Korea, a neighboring country of China, has put forward the “advanced innovators’ strategy” so as to promote mutual integration between the manufacturing industry and information technology, create new industries, and scale a new high for its manufacturing competitiveness. China is no exception; thus this article provides a comprehensive analysis of “Made in China 2025” strategic plan as well as its implementation. This article provides new insights to practitioners in manufacturing industries, with guidelines to benefit the decision making processes. Moreover, we also would like to enrich the academic literature by extending the focus of advanced manufacturing topics from advanced economics to emerging market perspective. Doing so also gives both practitioners and academia an open discussion on the newly formulated national policies of advanced manufacturing in a broader scope of countries.

1. “MADE IN CHINA 2025”

1.1 Development and Status of China’s Manufacturing Industry

From the start of the Industrial Revolution, the manufacturing industry has been an essential part of economy. China’s manufacturing industry embarked on the path of development after China’s adoption of the reform and opening-up policy in 1978. Its development generally includes three periods, namely period of recovery, period of emergence of private economy and foreign-invested manufacturing industry, and period of marching towards the international market (Wübbeke, Meissner, Zenglein, Ives, & Conrad, 2016).

The first period lasted from 1978 to the late 1980s. It was a period witnessing revival of China’s manufacturing industry. Before this period, China had built a relatively complete manufacturing system according to the planned economy system of the former Soviet Union, which was mainly devoted to production of industrial products, thus resulting in lack of consumables. In the coming one decade after China’s adoption of reform and opening-up policy, China’s manufacturing industry gradually made a comeback, marked by entry of domestically-made electronic products and light industrial products into the market. Televisions, washing machines and refrigerators could almost be found in every Chinese household. There were more options for dressing of Chinese. Consumables especially foods gradually enriched. During this period, state-owned enterprises (SOEs) were without doubt a pioneering force of China’s manufacturing industry. Some military industrial enterprises started producing products for civil use. However, short supply was still a striking characteristic of China’s consumption market in this period.