The Performance and Prospects of “Made in China 2025”

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Policy Background and Strategic Objectives

Since China introduced the “Made in China 2025” initiative in 2015, it has become the core policy framework for driving the transformation and upgrading of the manufacturing sector. The initiative aims to strengthen China’s position in the global value chain through technological innovation and industrial advancement. It also seeks to narrow the gap with advanced nations in critical technology domains. Over the past decade, Chinese authorities have accelerated industrial upgrading not only through capital investment and institutional guidance but also by closely integrating this policy with broader strategic visions. Reviewing its development trajectory helps illuminate the profound impact of “Made in China 2025” on China’s industrial restructuring. It also reveals the multiple challenges the initiative faces within the international political and economic landscape.

Achievements and External Scrutiny

Overall, while the advancement of “Made in China 2025” has enabled China to achieve significant results in several fields, it has also deepened external vigilance and countermeasures regarding China’s technological approach. Based on observations from domestic and international literature and data, the policy has indeed demonstrated breakthroughs in certain strategic industries. China’s progress in electric vehicles, 5G communications equipment, artificial intelligence applications, and advanced manufacturing has gradually transformed it from a “follower” into a “competitor.” This has narrowed the technological gap with advanced economies to some extent and enhanced China’s influence in global supply chains. However, this

model has also sparked considerable controversy. The United States, Europe, and other nations have widely questioned China's practices regarding technology transfer, intellectual property protection, and industrial subsidies. They believe these practices have deviated from the principles of fair competition in the market.

Technological Autonomy and Institutional Challenges

As the policy enters its 10th year, China faces dual challenges in technological autonomy and institutional transformation. On the technological front, as the United States and Europe strengthen their technological containment measures, China must urgently accelerate its independent research and development. It must also actively participate in international standard-setting to reduce external dependence and enhance institutional influence. However, resource investment alone is insufficient to support original innovation. The current system remains constrained by structural bottlenecks, including policy uncertainty, excessive concentration of resources, and investment imbalances. These factors limit the maturation of the innovation ecosystem. Meanwhile, the economic model remains highly dependent on investment and external demand, while domestic demand potential is constrained by overcapacity, resource misallocation, and insufficient marketization. Without effective reforms and consumption upgrades, China will struggle to escape the path dependency of low-price competition.

Global Landscape and Multinational Corporate Response

From a global industrial landscape perspective, "Made in China 2025" is not merely a domestic industrial policy for China. It has become an important external variable influencing multinational corporate decision-making. On one hand, China's massive market and the new technological application scenarios created by policy promotion provide opportunities for corporate cooperation and strategic positioning. On the other hand, policy uncertainty and geopolitical friction have intensified supply chain risks. In response to this situation, multinational corporations have generally adopted a "China Plus One" strategy to diversify their production and research and

development bases, thereby strengthening supply chain resilience. However, completely avoiding technological interaction with China may also result in losing opportunities to participate in international standard-setting and grasp market trends. Moving forward, global enterprises will need to selectively participate in China's standards cooperation and application experiments while maintaining dominance over core technologies. This approach will help them achieve a balance between risk management and seizing business opportunities in their interactions with China.