Chinese Business Strategy in 24 Characters

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June 3, 2015
Key Points of Presentation

1) China’s quick and stable growth is based on coherent strategy, long-term planning and orientation on production and high technologies.

2) …large part of that knowledge comes from observing others (who is wise?)

3) Success in China depends on ability of sharing a lot, but keeping the key advantages hidden.
Poland vs. China GDP growth

<table>
<thead>
<tr>
<th></th>
<th>1989</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>China</td>
<td>$307</td>
<td>$6,807</td>
</tr>
<tr>
<td>Poland</td>
<td>$1,698</td>
<td>$13,653</td>
</tr>
</tbody>
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Source: World Bank
Deng XiaoPing
1904-1997

-- It doesn't matter whether a cat is white or black, as long as it catches mice.

Deng XiaoPing
Deng XiaoPing
24 Character Strategy

冷静观察、稳住阵脚、沉着应付、韬光养晦、有所作为、决不当头。

Observe and analyze calmly, Strengthen your own position, Undertake change with confidence, Conceal your true potential, Contribute your part, Never become the leader.
Average Salary Growth

24 Character Strategy addressees:

- CPC and its specialized agencies
- State-owned enterprises
- Strategy institutes
- R&D centers
- Civil and military intelligence services
- Private sector
Economic intelligence

La pratique chinoise du renseignement économique

1. Gathering public domain information
2. Taking advantage of political relations
3. International economic cooperation
4. Direct purchases
5. Scientific cooperation
6. Academic cooperation
7. Student returnees from overseas
8. Playing the patriotic tune
9. Negotiation strategies

General Daniel Schaeffer
Former French military attaché in Beijing

Read: Daniel Schaeffer, La pratique de l’intelligence economique chinoise dans l’acquisition des hautes technologies.
The plan was to connect Shanghai to Beijing, covering a distance of 800 miles, at an estimated cost of £15.5bn. *

* Shanghai – Airport line cost was $1.2bn. 30km.
“Bikini” strategy

Bikini – a kind of swimming dress that shows a lot, but the key parts remain hidden.