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Issue Brief

China's Two Sessions 2025: Influence of CPC's Political Ideas

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Summary

The Two Sessions held in March 2025 and the Government Work Report presented at the Sessions highlight the manner in which the leadership uses political ideas to articulate China's quest for a modern and developed state. The event helps the bureaucracy push the industries towards new quality productive forces and build an economy underpinned by a technological and industrial innovation system.

The Communist Party of China’s (CPC) political theories and concepts reiterated in the ‘Government Work Report’ (GWR) at the Two Sessions indicate an attempt on the CPC’s part to continuously reorient state–society relations due to the understanding that people’s livelihood is invariably tied to the overall economic interests of the state. Though the Chinese political system is seen as distinctly authoritarian, the CPC organs are far more consultative and work on consensus. The Two Sessions are one such example of a consultative process.

The Two Sessions is the annual meeting of the National People’s Congress (NPC) and the Chinese People’s Political Consultative Conference (CPPCC). Though these meetings are about conveying the information and requirements of the people to the Party’s Central Committee, the CPPCC first has to carry out consultation, discussion and deliberation at their decision-making level.¹ Then the NPC has to review the national economic and social developmental plans and report its implementation. Therefore, obtaining accurate information becomes the most important exercise in their political consultation. It is supposed to provide an accurate understanding of the state of affairs so that the Central Committee can decide on a course of action.

The Two Sessions (两会) 2025 held in March 2025 highlighted a variety of economic, social and legal policies when Premier Li Qiang presented the Government Work Report (GWR). The Party has emphasised that further reforms are needed to be carried out given the challenges faced both at the domestic and the external environment. For instance, the ongoing power competition between the US and China has had an impact on its economic development and reforms. It emphasised that all organs of the Party at the central and the local levels should follow the guidelines set by the Two Sessions.

Big Things of the Country (国之大者)

The GWR encapsulates the concepts that Xi Jinping has put forth from 2020 onwards—roughly translated as ‘most important things for the country’ or ‘this country’s important matters or concern’.² The Party states that the party officials should have a clear understanding of the things that matter the most to the country, otherwise, it would be difficult to fulfil the aspirations relating to the modernisation of China. The Party acknowledges that their efforts to push for the industrialisation of China has become sluggish because of inadequate implementation of central guidelines.

¹ For the difference between the two meetings, See Liu Ruijun, “[Why did the CPPCC Open Earlier than the NPC? About the Two Sessions](#)” (“政协”为啥比“人大”提前开幕？关于“两会”的那些事儿), Hubei Provincial Committee of the CPPCC, 14 January 2019.

² Li Xiangfu, “[Big Twenty Words to Chronicle, Keep in Mind ‘Big Things of the Country and Strengthen Political Inspections’](#)” (“纪”语二十大 | 心怀“国之大者” 强化政治巡察), Chengzhong District Discipline Inspection and Supervision Commission, 24 February 2023.

For instance, the Party urges that unified authority would guarantee the modernisation of China. The forces within and outside China are challenging the Party’s authority, especially after the unprecedented economic growth in the first few decades after the reform and opening-up. Deng Xiaoping barely controlled these forces (and was forced to compromise with many of them) when he presented to the populace and elites that economic reforms would lead to prosperity in China.

Even though the Two Sessions was held in March 2025, the political concepts from the policy discussions and documents have been formulated since the 18th, 19th and 20th Party Congress. It is considered crucial to the Party and forms the bedrock of the overall understanding of the Party towards its governance. The ‘big things of the country’ can be roughly divided into issues that require deep change within the system, and processes that have to be kept unchanged. This Brief analyses some of the political concepts that impinge on ‘the things that has to be changed’ to pursue Chinese-style modernisation.

The Party insists that without a clear understanding on what exactly matters, precious resources would be wasted on matters of non-importance. One such example of matters of importance to the country would be ‘food security’.³ What it means is that anything that affects the people’s livelihood in a way that is damaging to the governance of the society would be a matter of great concern. Another example would be energy security. It is closely tied to people’s livelihood, affects the governance if the Party does not guarantee low-cost energy supply to the country. This is a field where industrial and technological innovation can lead to ‘high-quality growth’ and ‘new productive forces’ that the Party desires for the national economy.⁴

Xi Jinping put forth the perspective of ‘matters of concern to the country’ in 2019 to study the issues of national importance to the country. According to the Chinese perspective, the term refers to the overall ability of the Party to govern. In what way the Party has to focus on matters of national importance that impinge on its ability to govern? In the Chinese perspective, it is because ‘Chinese-style modernisation’ has high requirements. The formulation of ‘Chinese-style modernisation’ is the Party’s answer to the Chinese people’s aspirations for a better life.

While the economic reforms have led to prosperity, they have also raised expectations from the populace for better living conditions. The new generation wants to have a higher standard of living unlike the previous generations. Therefore, just providing economic prosperity no longer became the only criteria for ensuring Party’s continued rule. Moreover, without easing the burdens on people’s livelihood, there is a continued stress on domestic consumption. It also makes economic sense to

³ Qiushi, “[Food Security is ‘Country’s Important Matter of Concern’](#)” (粮食安全是“国之大者”), 12 March 2024.

⁴ “[With ‘Great Cause of the Country’ in mind, We Should Fulfill The Mission](#)” (胸怀“国之大者” 践行使命担当), Ministry of Industry and Information Technology, 6 December 2024; also see Jiang Yi, “Firmly Shoulder the Mission and Responsibility of the Energy Central Enterprises” (牢牢扛起能源央企使命担当), *People’s Daily*, 21 April 2025.

provide for healthcare, childcare, better employment conditions so that consumer sentiments are geared towards consumption rather than savings.

‘Chinese-style Modernisation’

In the 20th Party Congress, the ‘Chinese-style modernisation’ (中国式现代化) was elaborated. According to Xi Jinping, the Chinese-style modernisation would entail five characteristics, nine essential requirements and five major principles. The five characteristics of Chinese modernisation are: (a) the modernisation of a huge population; (b) the modernisation of common prosperity for all; (c) the modernisation of material and cultural-ethical advancement; (d) the modernisation of harmony between humanity and nature; and (e) the modernisation of peaceful development.⁵

The nine essential requirements are: (1) Uphold the CPC’s leadership; (2) Adhere to socialism with Chinese characteristics; (3) Strive for high-quality development; (4) Advance whole-process democracy; (5) Enrich people’s cultural life; (6) Achieve common prosperity for all; (7) Promote harmonious co-existence between man and nature; (8) Advance the endeavor of building a community with a shared future for mankind; and (9) Create new forms of human civilization.⁶

The five major guiding principles are: (1) Uphold and strengthen the overall leadership of the Party; (2) Uphold the path of socialism with Chinese characteristics; (3) Uphold the people-centered development philosophy; (4) Uphold deepening of reform and opening-up; and (5) Uphold and carry the spirit of struggle.

This type of modernisation would lead in their view to the great rejuvenation of the Chinese nation. In short, the CPC argues that its modernisation is different from the Western one because it emphasises people-based approach rather than one that stresses on capital.⁷ The CPC leadership overall argues that capitalism does not equal modernisation nor modernisation mean Westernisation. In addition, only under the Party’s unified leadership can China achieve Chinese-style modernisation (socialist modernisation).⁸

The Unfinished Reforms

The reflection of these debates could be seen in the Two Sessions, where the Party defines its interests and its understanding about the state affairs. It implements

⁵ Qu Qingshan, “[Five Characteristics of Chinese Modernisation](#)”, *Qiushi Journal*, 14 November 2023.

⁶ Xi Jinping Thought on Economy Study Center, “[Deeply Understand the Essential Requirements of Chinese-Style Modernisation](#)”, National Development and Reform Commission, 29 December 2023.

⁷ It is still unclear how this approach redistributes the wealth of the society more equally than the approach of the Western countries.

⁸ Shi Hexing, “[Systemic Concept of Overall Plan towards High-Quality Development](#)” (以系统观念统筹谋划高质量发展), *People’s Daily*, 5 March 2025.

guidelines based on its understanding about what the country needs to finish Chinese-style modernisation. It is based on the understanding that the Party has been wise about its historic judgement and represents its grand strategy about the development of the Chinese society.

Why do narratives matter? The Party, when talking about the development of the Chinese society, is not just referring to the reforms needed right now. It alludes to the historic evolution of the reforms, where the failure of the Qing officials to adequately reform the Chinese society led to the colonisation by the West, unlike Japan. It is to inform the Chinese public that Western-style reforms that were initiated after the Chinese revolution failed to achieve results, and therefore the only successor to the cause is the CPC.

Moreover, the CPC argues that the economic prosperity in the past decades proves that its reforms have been successful. In fact, in their view, only the unified leadership of the CPC is the fundamental thread that makes sure that the Chinese modernisation would continue so that a modern industrial and developed nation can be built.⁹ It is very clear that Party’s hold on power is based on the justification that it is the only agency that can build a modern China. It particularly stresses the history of the Chinese revolution following the collapse of the Qing dynasty as a marker for legitimacy in the Chinese society. Therefore, in return for it, it argues that it seeks the unified leadership of the Party.

Political Ideas and Their Relevance

The ‘people-centered approach’ and modern industrial system, or the new quality productive forces (part of Chinese-style modernisation) are present in the Two Sessions and its policy guidelines about the state of affairs.¹⁰ For instance, the GWR stated that China would be focusing on more high-quality development and deepening of economic reforms. The high-quality development in the Chinese view is development that meets the desire of the people for a better life, their yearning for a better standard of living, meeting the spiritual and cultural needs of the people (investing in arts, films and cultural products that combine modern and traditional culture).¹¹ The GWR acknowledges that one of the major reforms for the Party is to boost consumption, improving investment and expanding domestic demand. Since the Chinese leadership believes that domestic demand is a long-term objective (focus on the short-term on supply side, but long-term focus on demand-side), the immediate focus seems to be about boosting consumption.¹²

⁹ “[Chinese Path to Modernisation: The Way Forward](#)”, *China Daily*, 23 April 2023.

¹⁰ NPC, “[Government Work Report 2025](#)”, Lianghui, 2025.

¹¹ Hao Ping, “[Making People Happy is the Great Concern of the Country](#)”, (让人民生活幸福是“国之大者”) *People’s Daily*, 5 March 2025.

¹² Fan Xiaoyun, “[Scientific Guidance for Leading High-Quality Development](#)” (引领高质量发展的科学指引) *People’s Daily*, 5 March 2025.

Second, the Chinese leadership has caught on to the fact that sentiments drive market behaviour. If the population is concerned about its future prospects, they tend to save more. Therefore, reforms aimed at boosting consumption are closely associated with people’s livelihood, thereby increasing the consumption capacity and willingness. In some ways, it is to boost consumption by focusing on human development, relieving the burdens on the society (cutting mortgage rates, lowering down payments and easing ownership restrictions), to enhance consumption. The Chinese economy has shown some signs of economic recovery due to the leadership’s efforts to manage the shock of the COVID-19 and trade wars, and slowing global demand, and the domestic oversupply and increasing cost of lifestyle for the present Chinese generation.

Third, Xi has met many high-profile corporate leaders to assure that the private sector would have a leading role in innovation. In China, the private enterprises comprises more than 92 per cent of the total enterprises of the Chinese economy.¹³ Therefore, more reforms are expected related to reduction in taxes and support measures to private enterprises to go global. In addition, the leadership is looking at anti-involution (反内卷), where local governments are urged to regulate local investment and help develop and support local enterprises so that healthy competition is maintained and better business environment and investment ecology are encouraged. The central leadership believes a ‘rat race’ ensues when firms compete through unfair means in a saturated market to stay afloat in the industry instead of innovating and making newer, high-quality products that improve industry competitiveness.¹⁴

Fourth, the leadership is intent on transforming and upgrading China’s industrial system. This would require it to build a strong technological and scientific innovation as the driver of economic growth and eventually build a modern industrial state (Chinese-style modernisation).¹⁵ According to the Chinese perspective, this would require it to dismantle the old industrial model, one that uses high-energy and releases high-emissions. Rather, China wants to promote high-tech industries based on green technologies. This strategy known as the ‘breaking and establishing’ (破立并举、先立后) is integral to boost innovation in the Chinese economy and tied to developing a scientific and technological innovation base.

¹³ Wei Yukun and Shen Cheng, “[Strive to Create a New Situation for the Development of the Private Economy – General Secretary Xi Jinping’s Important Speech at the Private Enterprise Symposium to Diagnose and Boost Confidence](#)” (努力开创民营经济发展新局面——习近平总书记在民营企业座谈会上的重要讲话把脉定向提振信心), *Xinhua*, 19 February 2025.

¹⁴ “[Eliminating the Involution Competition to Achieve High-Quality Development](#)” (在破除“内卷式”竞争中实现高质量发展), *People’s Daily*, 29 June 2025.

¹⁵ “[Focus on Creating a New Situation: A Tour of 2025 National Two Sessions](#)” (凝心聚力开新局——2025年全国两会巡礼), *Xinhua*, 11 March 2025.

In other words, the models that are old (old industrial models) should be disbanded and new standards for industrialisation need to be established. However, without establishing new models, the old mechanisms should not be discarded. Therefore, the Chinese leadership cautions that reforms should be implemented so that new industrial models such as innovation-driven development, research-industrial transformation, upgrading of traditional industries, large-scale development of emerging industries and cultivation and growth of future industries, integration of industrial internet platforms can take shape before the old models are destroyed.¹⁶

The 2025 Sessions states that new quality productive forces are important to the economy. The new quality productive forces are not possible without a strong scientific and technological innovation. Moreover, high-quality development cannot be divorced from industrial support and is mostly innovation-driven.¹⁷

Conclusion

The 2025 Two Sessions are essentially a blueprint to advance ‘Chinese-style’ modernisation. The Chinese leadership believes that people’s aspirations for a better life has to be ensured for continued economic prosperity. This will require the Party to follow high-quality development. The modernisation has to focus on ‘matters of great concern to the country’, meaning the development model of China has to be focused on people’s livelihood. Without a people-centered approach, the Chinese leadership believes that it cannot aspire to be a modern state similar to the West. However, regardless of the efforts to distinguish it and label it Chinese-style, the fundamental reforms and the CPC’s ideas are the same as those guiding modernisation in the West. The difference is that the CPC is attempting to achieve it through party rule rather than through a democratic electoral model.

Therefore, the Chinese state attempts to distinguish itself from the West by asserting that its approach is centered on people’s well-being. The distinction relates to the pathway for modernisation without following Western-style democracy. It remains to be seen whether the Chinese model can actually deliver a fully-industrialised and modern China, but the track-record for the past few decades does seem to favour the CPC so far. However, economic progress is different from higher order ideals such as work-life satisfaction, artistic endeavours, cultural and spiritual meaning in life (high-quality development). Whether the CPC can achieve those would require all party organs at the local levels to give greater primacy to individual freedoms and aspirations as against the survival of the CPC’s absolute rule.

¹⁶ Huang Maoxing, “[Improve the Quality of Development by Breaking and Establishing](#)” (在先立后破中提高发展质量), *People’s Daily*, 5 March 2025.

¹⁷ “[First Observation of the Two Sessions – Deep Concerns and Joint Discussion of the National Affairs](#)” (两会第一观察 | 殷殷关切 共商国是), *Xinhua*, 5 March 2025.

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