Analysis of China's Artificial Intelligence Development Strategy

Lu Junxi
HKU SPACE Community College, Hong Kong , China

Abstract: China's artificial intelligence (AI) development strategy exhibits distinct characteristics of systematic layout and phased advancement, and has established a virtuous development pattern driven by policy guidance, technological breakthroughs, scenario-based applications, and ecological collaboration. The core advantage of this strategy lies in fully leveraging China's comprehensive strengths, including abundant data resources, a comprehensive industrial system, and extensive application scenarios. Through the "AI+" initiative, it promotes the deep integration of AI with various economic and social sectors, fosters a new paradigm of the intelligent economy, and injects new momentum into high-quality development.

Keywords: China's Artificial Intelligence; Development Strategy; Comparative Study

1. Introduction

Currently, artificial intelligence (AI) technology is driving the global technological revolution and industrial transformation at an unprecedented pace, becoming a key area for countries to seize the commanding heights of future development. In this global competitive landscape, China has elevated AI to the national strategic level, positioning it as the "core engine for cultivating new productive forces" and the "powerful engine driving high-quality economic and social development." The core essence of China's AI strategy lies in fully leveraging the unique advantages of "abundant data resources, a comprehensive industrial system, and extensive application scenarios," promoting the extensive and deep integration of AI with various industries and fields of the economy and society, and reshaping the paradigm of human production and life. This "AI+" empowerment model aims to promote revolutionary leaps in productivity and deep-seated changes in production relations through technological integration and innovation, accelerating the formation of a new form of intelligent economy and society characterized by human-machine collaboration, cross-sector integration, co-creation, and sharing [1]. Compared to pure "Internet plus," the essence of "AI+" is "empowerment." By endowing machines with autonomous analysis and decision-making capabilities, it triggers paradigm revolutions in various industries, bringing about qualitative changes rather than simple quantitative changes.

2. Evolution of Policy System and Enhancement of Strategic Positioning

The evolution of China's AI policy system exhibits distinct characteristics, transitioning from localized exploration to systematic planning, and evolving from a technology-oriented approach to ecological construction. Currently, a policy system that integrates top-level design with specialized deployment has been established, providing precise guidance and institutional support for the development of AI. The construction of this system began with a profound understanding of the strategic value of AI, and has been continuously refined and deepened with technological advancements and changes in international competition dynamics.

From a strategic perspective, the status of artificial intelligence (AI) in China's policy system has achieved three key leaps. Firstly, there has been a shift in positioning from "a technological track" to "a national heavy equipment". AI has been included as a key task in the Central Economic Work Conference for two consecutive years, and the "14th Five-Year Plan" proposal explicitly designates it as a strategic pillar, marking AI's elevation from a single technological field to a core engine driving the transformation of the real economy and cultivating new productive forces[2]. Secondly, there has been a role shift from "an industrial tool" to "a production factor". AI is becoming a basic production factor like water, electricity, and gas, penetrating into various fields of economic and social development. Lastly, there has been an expansion of vision

from "domestic development" to "global cooperation".

The phased objectives of China's artificial intelligence (AI) strategy fully embody the characteristic of combining long-term planning with short-term breakthroughs. The policy system has established a "three-step" development path. Specific goals include: by 2027, taking the lead in achieving extensive and deep integration of AI with six key areas, with the penetration rate of new-generation intelligent terminals, intelligent agents, and other applications exceeding 70%; by 2030, AI will fully empower high-quality development, and the intelligent economy will become an important growth pole, with the penetration rate of intelligent terminals and intelligent agents exceeding 90%; by 2035, China will fully enter a new stage of intelligent economy and intelligent society development, providing strong support for basically achieving socialist modernization.

3. The Industrialization Path of Artificial Intelligence in China

One of the core characteristics of China's artificial intelligence (AI) strategy is the close integration of technological innovation and industrial application, forming an industrialization path characterized by "application-driven and scenario-driven" approaches. This path fully leverages China's unique advantages of a comprehensive industrial system, a massive market scale, and abundant application scenarios. Through the deep integration of AI and the real economy, it fosters a new paradigm of the intelligent economy and drives industrial transformation and upgrading. The "AI+" initiative constitutes the main thread of China's AI industrialization path. Unlike previous "+AI" approaches (adding AI modules to existing businesses), "AI+" emphasizes incorporating AI from the very beginning of design, enabling fundamental innovation in products, services, and even entire business models around AI. This "intelligent native" mindset is giving rise to new industrial tracks[3]. For instance, autonomous vehicles are not merely "cars + AI", but use AI to redefine the form and business model that cars should have. Currently, China has clearly outlined six key initiatives, including "AI+" science and technology, industrial development, consumption quality improvement, people's livelihood and welfare, governance capacity, and global cooperation, establishing a comprehensive and multi-layered empowerment system.

4. Construction of China's AI Industrial Ecosystem and Improvement of Its Governance System

The successful implementation of China's AI strategy cannot be achieved without a healthy and orderly industrial ecosystem as well as a sound and effective governance system.

In terms of industrial ecosystem construction, China is transitioning from a "single breakthrough" to a new stage of "synergistic resonance". Capital is further accumulating towards the real economy, and the market share of domestic AI servers continues to increase. The collaboration between upstream and downstream segments of the industry chain is continuously deepening, and it is expected to form a complete closed loop from computing infrastructure to vertical applications. Enterprises with core technologies and implementation capabilities will usher in a golden period of development. This ecological synergy manifests at multiple levels: in the technological ecosystem, China has formed a complete chain from basic chips, algorithm frameworks to application services; in the market ecosystem, a diversified pattern guided by the government, led by enterprises, and participated by society has been established; in the innovation ecosystem, a collaborative network featuring deep integration of industry, academia, research, and application has been formed.

The construction of governance system is an important component of China's artificial intelligence strategy. With the rapid growth in the number of generative artificial intelligence products and the continuous expansion of application scenarios, the urgency and complexity of artificial intelligence governance have become increasingly prominent. The "Opinions" emphasize the need to strengthen policy and regulatory guarantees, improve artificial intelligence laws, regulations, and ethical norms, and promote relevant legislative work for the healthy development of artificial intelligence. At the same time, it is necessary to enhance the level of security capabilities, strengthen forward-looking assessment and monitoring and disposal, and establish a sound

system for artificial intelligence technology monitoring, risk warning, and emergency response. The newly revised Cybersecurity Law and the management measures for generative AI constitute a compliance toolbox, with ethical governance refined to include portrait rights authorization and sensitive content control. Enterprises need to embed security accountability into the entire R&D process, find a balance between innovation and compliance, and achieve "responsible AI expansion".

5. Comparative Study of Two Texts

The author has studied China's AI strategy through two texts representing distinct perspectives and backgrounds. The first is an official Chinese policy report on "AI Plus," published by a state-affiliated research center. The second is an English-language academic summary analyzing the U.S.–China AI competition from a neorealist international relations standpoint. These two texts differ greatly in their language, framing, underlying motivations, and political viewpoints.

The first text presents a narrative centered on state-led innovation and progress. It employs phrases such as “new quality productive forces,” “enablement of the real economy,” and “a key leap forward,” portraying AI as an essential instrument for modernization and societal advancement organized by the government. Its tone is confident and straightforward, emphasizing widespread advantages, people-centered development, and aspirations to contribute globally[4]. The text emphasizes AI’s role in supporting domestic industries, enhancing governance efficiency, and providing solutions with international relevance. Notably, it avoids identifying any external adversaries, focusing instead on internal development and emerging opportunities.

Conversely, the second text employs terminology rooted in international relations theory, including “escalating competition,” “hegemonic power,” “revisionist state,” and “anarchic global system.” It frames the AI race as a critical dimension of great-power rivalry. In this view, China’s state-driven AI advancement is interpreted as a challenge to the existing global order, potentially leading to digital fragmentation and widespread instability[5]. The tone is analytical and grave, emphasizing issues such as balance of power dynamics, threat perceptions, and zero-sum strategic thinking.

These differences largely stem from the distinct goals of each text. The first is primarily intended for a domestic audience, aiming to encourage national unity, instill confidence, and articulate a clear narrative of national progress. Its perspective is inward-looking, emphasizing China's own development path. The second targets an international readership, seeking to interpret global behaviors, alert to strategic shifts, and analyze widespread conflicts. It adopts an outward-looking stance, comparing and contrasting state actions on the world stage.

Both texts are compelling yet incomplete when considered in isolation. The first effectively details how China plans to use AI to drive industrial modernization, improve governance, and enhance competitiveness, focusing on concrete strategies and growth prospects. However, it largely overlooks how other nations perceive China’s AI ambitions, especially concerns among major powers about shifts in the global balance of power.

The second text clarifies international responses to China’s AI development. It emphasizes how technological advancement may exacerbate security dilemmas, influence alliance formations, and deepen global divisions. While it emphasizes anxieties regarding China’s swift technological progress and geopolitical rise, it tends to frame China primarily as a revisionist actor seeking to reshape the global order. This perspective often overlooks important domestic challenges such as industrial restructuring, demographic shifts like an aging population, and productivity targets.

A comprehensive understanding requires integrating both viewpoints. China’s leadership clearly articulates ambitious national objectives, as reflected in the Chinese policy text. Meanwhile, the international analysis reveals the broader context of global rivalry and widespread transformation. Disregarding the first means missing the substance of China’s strategic ambitions; ignoring the second risks overlooking the international ramifications. Engaging with both narratives, appreciating their goals, and synthesizing their insights is essential to grasp this critical issue that influences multiple countries and the global community.

6. Future Outlook

Looking ahead, China's AI development faces

both vast prospects and multiple challenges. From the perspective of development trends, China's AI industry is entering a new stage characterized by "deepening technology, realizing value, and standardizing governance". By 2027, it is expected to take the lead in achieving extensive and deep integration of AI with six key sectors; by 2030, the intelligent economy will become an important growth pole for economic development; and by 2035, China will fully enter a new stage of intelligent economy and intelligent society development. The realization of these goals requires continuous promotion of key core technology research and breakthroughs in basic theoretical research, especially in basic theories, methods, and tools[6].

Future development requires a focus on the following aspects: First, we must continue to strengthen the construction of basic capabilities such as computing power, algorithms, and data, especially in breaking through "bottleneck" links such as high-end chips and basic software, and building an autonomous and controllable artificial intelligence technology system. Second, we should deepen the integration of artificial intelligence with the real economy, especially in the deep application of artificial intelligence in manufacturing, agriculture, service industries, and other fields, to promote the improvement of total factor productivity. Third, we should improve the governance system of artificial intelligence, balance innovative development and safety regulations, and establish a sound legal framework, ethical norms, and standard system. Fourth, we should strengthen talent cultivation and popularize education, establish a sound universal artificial intelligence education system for the whole society, and enhance the overall artificial intelligence literacy of society. Fifth, we should deepen international exchanges and cooperation, actively participate in global artificial intelligence governance, and promote the establishment of an open, inclusive, and fair international order for artificial intelligence.

In summary, the successful implementation of China's AI development strategy will not only drive China's economic transformation, upgrading, and high-quality development, but also contribute Chinese wisdom and solutions to the global AI development. Through continuous innovation and systematic promotion, China is expected to make a leap from "keeping pace" to "leading the way" in the field of AI, providing strong support for the comprehensive construction of a socialist modernized country.

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