CHINA'S WESTERN REGION DEVELOPMENT STRATEGY: PROMISES AND CHALLENGES

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Executive Summary

1. In 2000, China kickstarted the Western Region Development Strategy (WRDS), or the Great Western Development Strategy, to balance east-west regional development, especially through infrastructure improvement. However, gross domestic product contribution of western provinces to China's national economy is still limited.

2. Although the strategy was first proposed by Jiang Zemin in the late 1990s, it is during the Hu-Wen leadership that serious efforts were put in place to carry out and expand the strategy. In particular, investment was heavily made to enhance the density of the transportation network.

3. Since early 2010 when Xi Jinping took office, the Chinese government has strengthened western regional openness and linkage with neighbouring countries to China's west and southwest which extended the strategy from the domestic domain to international connectivity.

4. In 2019, the Western Region Land-Sea Corridor, which highlights the locational advantage of international cooperation with Southeast Asia, South Asia, Central Asia, West Asia and Europe, was launched to serve as a new dimension in the WRDS and to play a key role in supporting the Belt and Road Initiative (BRI).

5. The WRDS not only promotes Western China as a link between various economic corridors and land-sea channels, but also eases the Chinese economy's over-reliance on maritime trade in the eastern region and coordinates with the development of the Yangtze River Economic Belt.

6. Infrastructure is the top priority in WRDS. Improving the transportation system in the west has enhanced its logistics industry, especially in freight traffic. High-speed rail also helps to link the western region with the eastern and southern regions, running along the main cities of the New Western Land-Sea Corridor. Other transportation platforms also saw robust fixed-asset investment.

7. The Chinese government promotes targeted WRDS policies through the 14th Five-Year Plan by integrating them into the BRI establishment, pushing up the western economic linkage, enhancing infrastructure investment, and supporting emerging and advantaged industries.

8. The Chengyu City Circle aims to become the national economic and technology centre while the Guanzhong City Cluster connects the Northwest region and Southwest region at the regional level.

9. Given the harsh geographical and poor economic conditions of the western region, more capital is needed to build effective transportation facilities despite the many preferential policies on infrastructure construction for western provinces via the WRDS. The region will face challenges such as disrupted supply chain and administrative discoordination even though the BRI involvement may support western regional development.

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Mitigating the Imbalance in Regional Development

1.1 The Chinese government issued *Guiding Opinions of the CPC Central Committee and the State Council on Promoting the Formation of a New Pattern in the Large-scale Development of China's Western Regions* in May 2020 and passed *the Implementation Plan of Western Region Development Strategy of 14th Five-Year Plan* in June 2021. The Western Region Development Strategy (WRDS), or the Great Western Development Strategy, was officially launched in 2000 to rectify the imbalance in east-west regional development, especially through infrastructure improvement.

1.2 Chinese paramount leader Deng Xiaoping set out the Two Grand Development Strategy (两个大局) in the 1980s to develop the country in stages, first with the eastern (coastal) region by accelerating reform and opening up. Development of the central-western region would come next after the coastal regions have acquired enough resources and technology to support the development of the inland region. The strategy was a clean break from Mao's egalitarianism where everyone "eat from the same big pot", a recipe for inactive development.

1.3 The then Chinese General Secretary of the Chinese Communist Party (CCP) Jiang Zemin launched the WRDS to promote four major infrastructure construction, including projects on hydraulic, transportation, energy and telecommunication to facilitate the economic development of China's western region,[1] after coastal cities,

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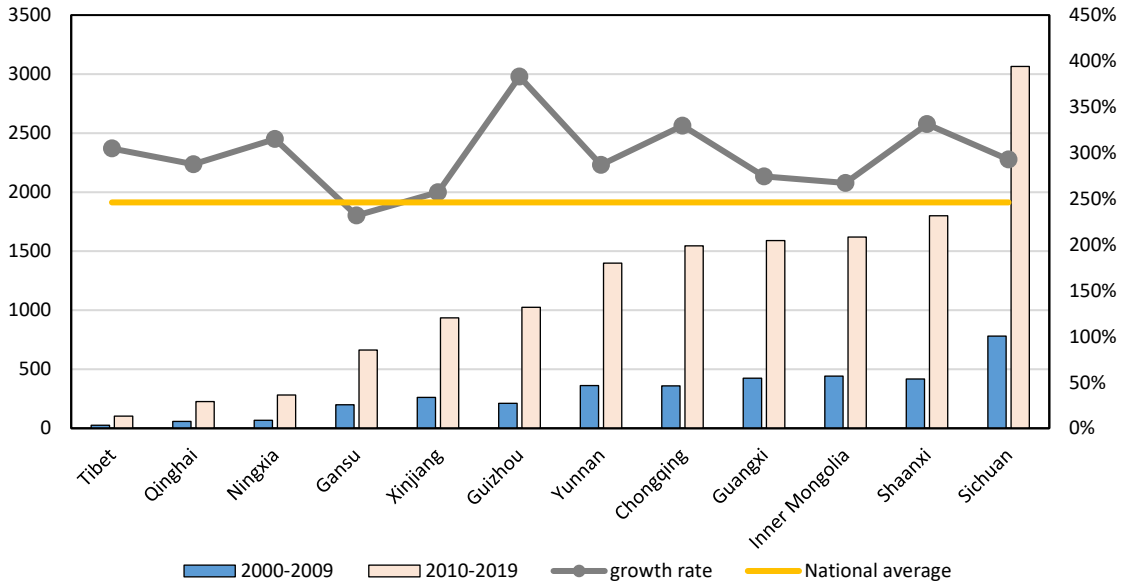
[1] The WRDS also targets ecological protection, especially in the upstream of the Yangtze River and the Three Gorges Dam (三峡大坝), the upstream and middle stream of Yellow River and Heihe (黑河) as well as Tarim river basin (塔里木河流域).

such as Guangzhou, Shenzhen and Shanghai, prospered from the manufacturing boom that fuelled economic growth of surrounding provinces in 1999. The first plan for the WRDS was announced in 2002 and subsequently restructured following the instructions of the 11th, 12th and 13th Five-Year Plans (FYPs); the latest guideline was issued in May 2020.

1.4 Occupying 70% of China's land area and nearly one third of China's provincial-level administrative divisions, the western region could have performed even better than what was attained. Indeed, the growth rate of most western provinces had overtaken national average between 2001 and 2019 (Figure 1).

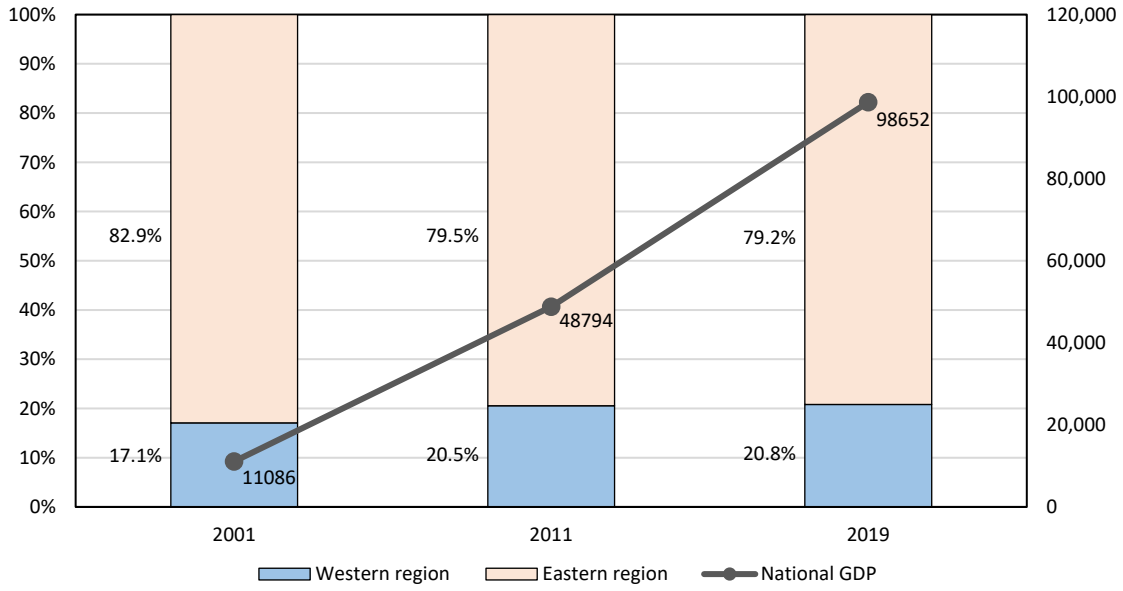
FIGURE 1 GDP (billion RMB)



Source: CEIC data.

1.5 However, the western region has developed at a sluggish pace, compared with the rest of the country. In the last 20 years, China's GDP (gross domestic product) had made a quantum leap from RMB11 trillion in 2001 to nearly RMB100 trillion in 2019 (Figure 2) while the GDP percentage of China's western region remains low. At the beginning of the 21st century, western provinces contributed 17.1% of GDP to the Chinese economy, registering an increase of about three per cent after 10 years (2011); unfortunately GDP growth has stagnated of late.

FIGURE 2 CHINA GDP (unit: billion RMB; %)



Source: CEIC data.

1.6 In addition, the western region's share in FDI inflow only increased from 2.9% in 1999 to 5.2% in 2020; the huge gap with the coastal region remains unchanged.[2] The WRDS, which was based on Deng Xiaoping's Two Grand Development Strategy, apparently did not receive much attention from investors outside of China after 20 years.

The Evolution of WRDS: From Inward-Looking Development to International Connectivity

2.1 The Chinese government has been steadfast about its implementation of the WRDS, which began with four major infrastructures; it was widely expanded by Hu Jintao to enhance the density of the transportation network. Xi Jinping further extended the strategy from the domestic domain to international connectivity.

2.2 In the 11th FYP of the WRDS, transportation projects, including highway, railway, airport and inland river navigation, had been well-planned in some provinces to enhance the east-west connection. Based on the competitive advantage of the

[2] Zhou guofu (2005),"Xibu da kaifa: Gei xibu dìqu dai laile naxie bianhua?", http://www.stats.gov.cn/ztjc/tjzdgg/hsyjh1/yjhxsjlh/hsfx/200911/t20091130_69166.html (accessed 25 May 2021); and Ministry of Commerce of People's Republic of China, <Statistic of FDI in 2020>, http://images.mofcom.gov.cn/wzs/202011/20201111182920243.pdf (accessed 25 May 2021).

western region, some bases for energy and chemical engineering, and extraction and processing of mineral resources, especially in west-north provinces, were established. Three main economic areas of Chengdu-Chongqing (成渝经济区), Guanzhong-Tianshui (关中−天水经济区) and Pan-Beibu Gulf (环北部湾经济区) have been delineated to take a lead in the western region development.

2.3 For ecological protection, the Chinese government had defined ecologically functional zones to limit exploration and desertification control zones to combat land degradation. These efforts gave rise to the earmarking of 127 national natural reserves, 11 world cultural and natural heritage sites, 65 national parks, 223 national forest parks and 52 national geological parks which are strictly exploitation-prohibited regions.

2.4 The connection of the western region with neighbouring countries and the role of the logistic hub of some sub-regions were highlighted in the 12th FYP of the WRDS. Apart from expanding the airport network and the river navigating channels, the Chinese authorities aim to build an international railway, such as the China-Kyrgyzstan-Uzbekistan and Kunming-Singapore railways, and extend the highway network of the western region to Southeast Asia, South Asia, Central Asia and Northeast Asia to facilitate the international logistic corridor.

2.5 There are now 11 main economic areas with various specific functions in the western region, from three in the past. For example, the Hohhot-Baotou-Yinchuan-Yulin (呼包银榆, 呼和浩特−包头−银川−榆林) area in the northern provinces is a national base for energy and chemical engineering, and the northern slope of Tianshan Mountain area (天山北坡) has been planned as a transportation interchange point with Central Asia and West Asia.

2.6 Notably, the Chinese government has begun to encourage the border areas, running from Inner-Mongolia, Xinjiang, Guangxi to Yunnan, to deepen economic relations and physical connectivity with neighbouring countries in the 12th FYP. It has also defined five kinds of protection areas to enhance the ecological environment, including the northwest grassland desertification control zone, Loess Plateau (黄土

高原) soil and water conservation area, Qinghai-Tibet Plateau (青藏高原) river's source conservation area, southwest desertification control zone and the ecological forest protection area.

2.7 The 13th FYP of the WRDS is based on at least three important themes for development. First is to coordinate with the Beijing-Tianjin-Hebei economic belt, Yangtze River economic belt and the One Belt, One Road (later officially called Belt and Road initiative, BRI). With the BRI, the central government planned to establish international economic corridors along China, Mongolia and Russia, between Europe and Asia, between China, Central Asia and West Asia, between China and Indochina Peninsula, between China and Pakistan, and between Bangladesh, China, India and Myanmar.

2.8 Second is to experiment with a new spatial pattern called "Five Horizon, Two Vertical and One Ring" for western region development under the Xi administration. The Five Horizon covers cities across the western part of China, including the Beijing-Tibet corridor, Yangtze River-Sichuan-Tibet corridor, Shanghai-Kunming corridor and Pearl River-Xijiang (西江) corridor. The Two Vertical refers to the Baotou-Kunming corridor and Hohhot-Nanning corridor, while the One Ring covers the borders of Western China. The Chinese government aims to increase not only the density of the transportation networks of the railway, highway, airway and waterway in the western region, but also the number of civil airports, and functions of the riverport and seaport based on the spatial pattern.

2.9 Third is the creation of economic and industrial innovation demonstration area, green development leading area, and inland and border opening-up demonstration area to lead western region development for further promotion to other western regions. For instance, the Qaidam basin (柴达木盆地) of Qinghai province was selected to demonstrate the circular economy model, while the Hetao (河套) irrigation area of Inner-Mongolia was chosen to lead the regional green development and Guizhou (贵州) was urged to open-up as an inland demonstration province.

2.10 Along with the BRI, the Chinese government announced the Western Region Land-Sea Corridor in 2019, a new dimension in the WRDS that performs the key role of bridging the Silk Road Economic Belt and the 21st Maritime Silk Road. It highlights the locational advantage of international cooperation with Southeast Asia, South Asia, Central Asia, West Asia and Europe, including the third Singapore-China G2G project (Chongqing Connectivity Initiative) and China-Singapore New International Land-Sea Trade Corridor, the Central Asian Gas Pipeline Project, China-Central Asia-West Asia Economic Corridor and China-Europe Railway Express.

2.11 As the land transportation between Western China and the surrounding areas draws the areas closer, this will not only promote Western China as a link between various economic corridors and land-sea channels, but also ease the Chinese economy's over-reliance on maritime trade in the eastern region. It also coordinates the domestic and international markets as well as the development of the Yangtze River Economic Belt by forming a sound transportation and logistics system.

Infrastructure as the Top Priority

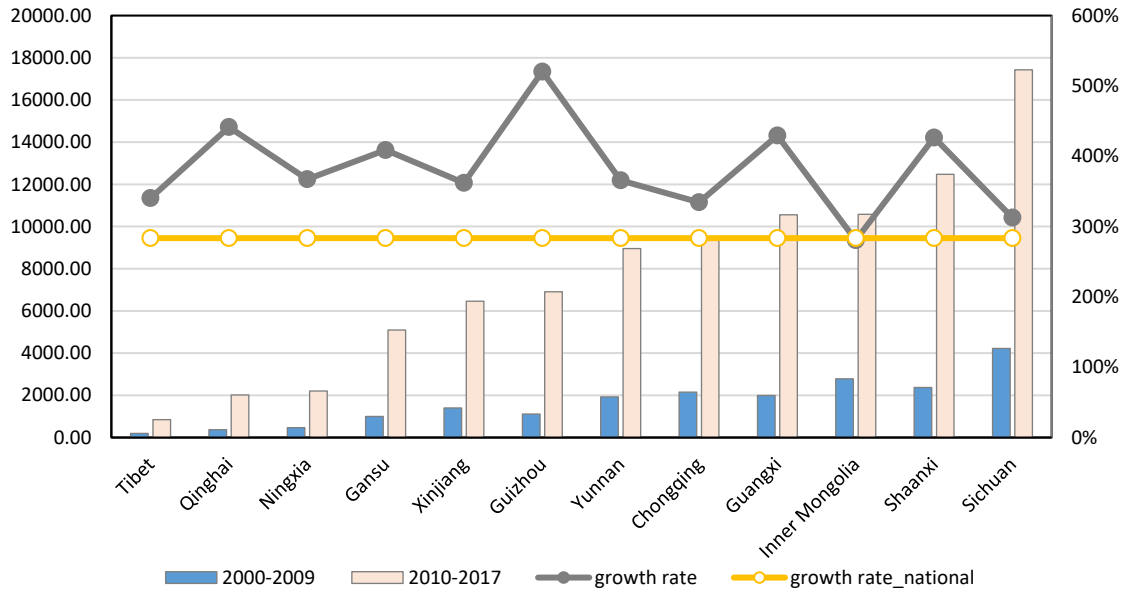
3.1 China's central government and local authorities have continuously collaborated on infrastructure development of the western region, especially in the improvement of the transportation system to enhance the transportation connectivity between domestic network and international linkage since the launch of the WRDS. The efforts have reaped certain gains, such as the China Railway Express that starts from Yiwu city of Zhejiang province through Chongqing municipality to Europe which has become an important route that promotes western development.

3.2 Amid the COVID-19 pandemic, the China Railway Express opened 12,406 lines in 2020, a jump of 50% (YOY) and 7.3 times that of 2016. Western cities, including Xi'an, Chongqing and Chengdu, each had over 2,000 lines, constituting about 58% of the total in 2020.

3.3 Fixed asset investment, particularly in infrastructure, is a very important indicator of provincial development. All western provinces registered very limited fixed asset investment in the 2000s, but from 2010 to 2017, Sichuan received an average of

nearly RMB18 trillion. Tier-2 group of Shaanxi, Inner Mongolia, Guangxi, Chongqing and Yunnan received over RMB8 trillion each; for Tier-3 group, particularly Ningxia, Qinghai and Tibet, their fixed asset investment was small (Figure 3). Based on growth rate of fixed asset investment between 2000 and 2017, almost all western provinces, with the exception of Inner Mongolia, had tripled their investment and surpassed national average. Specifically, the fixed asset investment of Guizhou, Shaanxi, Guangxi, Gansu and Qinghai has grown more than four times.

FIGURE 3 PROVINCE'S FIXED ASSET INVESTMENT (RMB billion)



Source: CEIC data.

3.4 Freight traffic and passenger volume in the western region have evolved along with the new infrastructure of transportation. Since 2001, freight traffic share of the western region in China's total has increased by four per cent even though passenger traffic remains the same (Table 1). Simply put, the new transportation infrastructure has enhanced logistics industry in the west, even though it has yet to boost passenger travel.

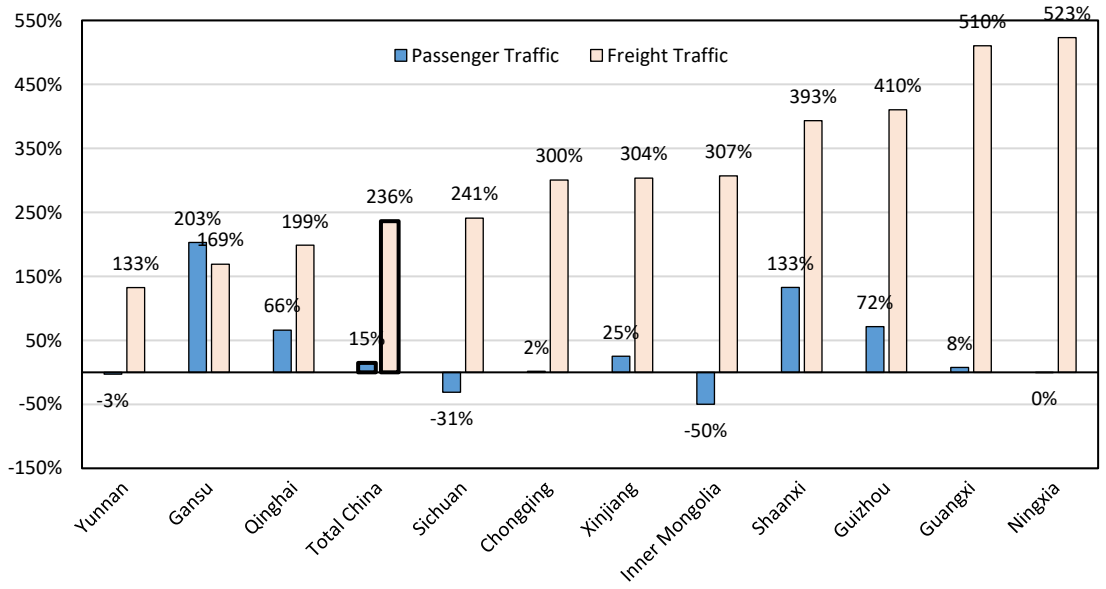
TABLE 1 PASSENGER/FREIGHT TRAFFIC OF THE WESTERN REGION IN TOTAL (%)

Traffic	2001	2019	Change in percentage points
Passenger	28%	28%	0%
Freight	22%	26%	4%

Source: CEIC data.

3.5 Western provinces had doubled freight volume between 2001 and 2019 (Figure 4). Except for Yunnan, Gansu and Qinghai, the growth of freight traffic in western provinces within this period were higher than the national average. Shaanxi, Guizhou, Guangxi and Ningxia increased by more than 350% while the increase for Chongqing, Xinjiang and Inner Mongolia was around 300%. Although the growth in freight traffic in Gansu and Qinghai was relatively minute, the performance of passenger traffic in Shaanxi and Guizhou was better than national average.

FIGURE 4 GROWTH RATE OF PASSENGER/FREIGHT TRAFFIC BETWEEN 2001 AND 2019



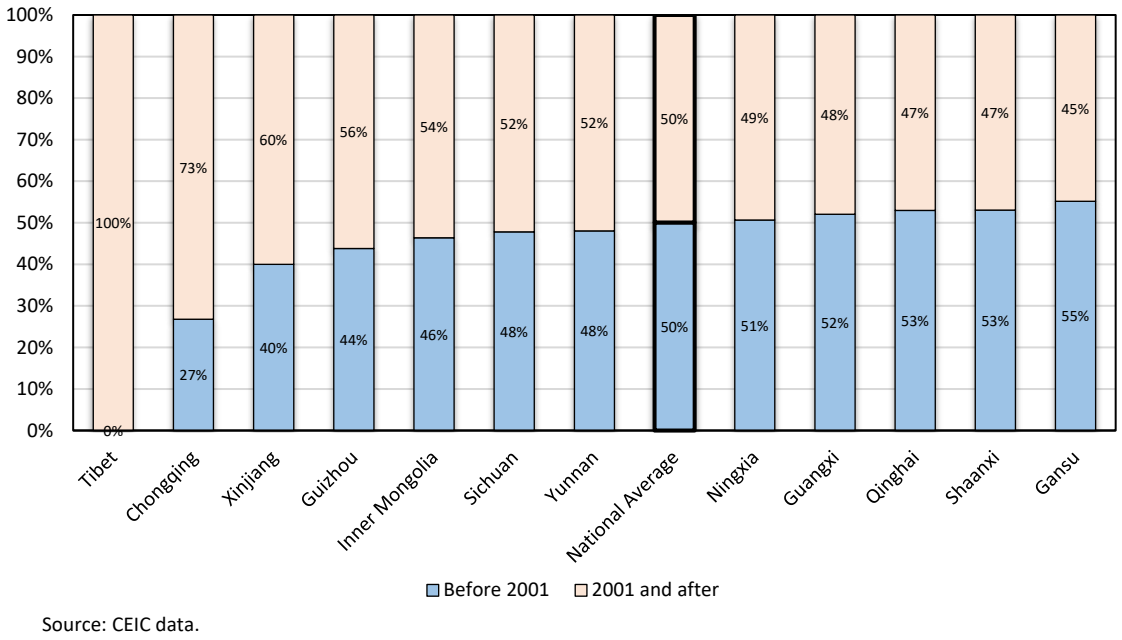
Source: CEIC data.

3.6 Passenger traffic of Yunnan, Sichuan and Inner Mongolia however saw a decline during this period. Among western provinces, only Shaanxi and Guizhou had outperformed national average in both passenger and freight traffic. Inversely, Yunnan was the only province that was performing below national average for both passenger and freight traffic in the same period.

3.7 Rail development in the western region has been rapid since the announcement of the WRDS. For example, the 2,000 km Qinghai-Tibet railway, which began operation in the early 2000s, is the first railway to link the Tibet autonomous region with other provinces. The 1,786 km Lanzhou-Xinjiang passenger line is the longest in Northwest China. Most western provinces, including Tibet, Xinjiang, Sichuan,

Chongqing, Guizhou, Inner Mongolia and Yunnan, have expanded the length of railway in operation to way above national average (Figure 5).

FIGURE 5 RAILWAY_THE LENGTH OF OPERATION



Source: CEIC data.

3.8 High-speed (>=200km/h) rail, instead of conventional railway, has become a major rail transport in the western region, linking it to the eastern and southern regions of China (Appendix 1). The high-speed rail in the western region ran along the main cities of the New Western Land-Sea Corridor as part of the BRI route, from Chongqing municipality, Chengdu of Sichuan province, Xi'an of Shaanxi province, Guiyang of Guizhou province right up to Guangxi. Among them, the Chengdu-Chongqing high speed rail, Guizhou-Kunming section of Shanghai-Kunming high-speed rail and Xi'an (Shaanxi)-Zhengzhou (Henan) high-speed rail are travelling at the full speed of 350km/h.

3.9 Apart from high-speed rail, other transportation infrastructures in the western region saw robust fixed-asset investment. The western portion of the highway, waterway and other transportation infrastructure in terms of fixed asset investment has gradually increased from nearly 30% to over 40% since 2004 (Appendix 2).

The 14th FYP of the Western Region

4.1 Along with major ecological protection projects, the Chinese government aims to enhance the WRDS by integrating it with the BRI establishment, pushing up the western corridor, enhancing the infrastructure investment, and supporting the emerging and advantaged industries in its 14th FYP. Furthermore, Chengyu City Circle is targeted to be the national economic and technology centre while Guanzhong City Cluster has a role in connecting the Northwest region and the Southwest region.

4.2 China will be collaborating with South and Southeast Asian countries through the western region and BRI. Yunnan province, Guangxi Autonomous region and Tibet Autonomous region are expected to strengthen regional connectivity and industrial cooperation with neighbouring countries including India and Nepal, Pakistan, Myanmar, Laos, Cambodia and Vietnam. In particular, China has been working hard at connecting Southeast Asian countries through the Kunming-Singapore railway and regional electricity exchange in order to deepen the international connectivity.

4.3 For infrastructure investment, Sichuan has indicated its intention to spend RMB1.7 trillion to enhance its transportation infrastructure, mainly to link with neighbouring provinces in its 14th FYP. In 2020, Sichuan had 38 passage exits (24 for highway, 11 for railway and 3 for waterway). The Sichuan government is planning to increase passage exits to 55 (35 for highway, 16 for railway and 4 for waterway) by 2025 and 94 (63 for highway, 26 for railway and 5 for waterway) by 2035. With this, Sichuan is set to become one of the most essential hubs linking east and west China, and to play a vital role in terms of physical connectivity with the BRI.

4.4 A similar plan has been drafted in the 14th FYP of Shaanxi. The high-speed rail centred on Xi'an connects to Chongqing, Baotou of Inner Mongolia and Shiyan (十堰) of Hubei; another stretch of the highway between Shaanxi and Chongqing is also in the plans. The Shaanxi government will also expand the functions of Xi'an airport to become an international logistic hub and improve the urban rail transit infrastructure, particularly the development of a multi-model, multi-layer and

consolidated transportation system to support the connectivity between Xi'an city and the international airport.

4.5 Guizhou promoted the "435" Action Plan to upgrade transportation infrastructure in its 14th FYP, where "4" is to support the development of the new model of industrialisation, the newly urbanised, the agricultural modernisation and the tourism industrialisation, and "3" is to rectify shortcomings in the highway network, functions of the transportation hub and the waterway infrastructure. The number "5" refers to the innovation model of investment in transportation and logistics, integration between transportation and tourism, high-quality development of well built, managed, maintained and operated rural roads, construction of smart transportation, and risk management of the mountain road.

4.6 As Yunnan has been assigned the special role of broadening China's connectivity with South and Southeast Asia, transportation infrastructure is hence one of the major items in the planning of Yunnan's 14th FYP. The Yunnan government is improving its internal transportation system and strengthening the network with other provinces, while cooperating with the central government to develop channels of international transportation and logistics between Kunming, the capital of Yunnan province of China, and other neighbouring countries, such as Myanmar, Vietnam and Laos. It will be the hub to link China with these countries under the BRI, particularly with the new development of the international airport.

4.7 Even though *The Implementation Plan of Western Region Development Strategy of 14th Five- Year Plan* was passed recently, western provinces have launched their own FYP to support the WRDS in advance. Many western provinces will be focusing on new generation information, energy saving and environmental protection, advanced equipment, new materials and biochemical and engineering in the 14th FYP (Appendix 3).

4.8 Chengyu City Circle and Guanzhong City Clusters were the spotlight of the 14th FYP because of their prominent performance in the region. The western city clusters can be clearly classified into three levels: the national-level of Chengyu City Circle in Sichuan province, the regional-level of Guanzhong City Cluster in Shaanxi

province and Beibu Gulf City Cluster mainly in Guangxi province, and the local-level of other city clusters. Based on the performance of main western cities, Chengdu (100.0 point) of Sichuan province, Chongqing municipality (88.7 point) and Xi'an (79.9 point) of Shaanxi province are now listed in the *new* domestic ranking of Tier-1 cities in terms of business attractiveness (Table 2).

4.9 From the international perspective, the cities ranking of the western region remains unchanged, albeit in different categories. Chengdu, Chongqing and Xi'an are still the top cities of the western region in the international ranking (beta group), followed by Kunming in gamma group, and Nanning, Guiyang, Lanzhou, Hohhot and Urumqi in sufficiency group.

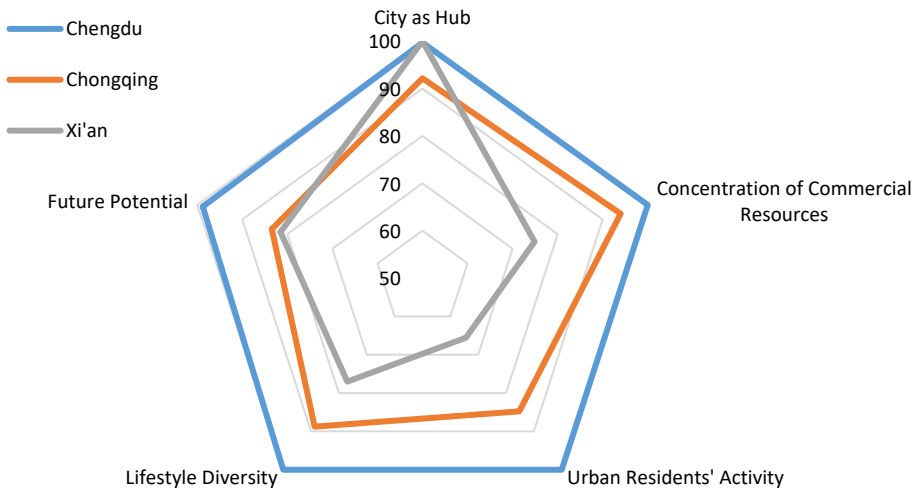
TABLE 2 THE MAIN CITIES OF THE WESTERN REGION IN CHINA

City	Province	Domestic ranking*	International ranking**
Chengdu	Sichuan	New First Tier	Beta+
Chongqing	Chongqing	New First Tier	Beta
Xi'an	Shaanxi	New First Tier	Beta-
Kunming	Yunnan	Second Tier	Gamma+
Nanning	Guangxi	Second Tier	Sufficiency
Guiyang	Guizhou	Second Tier	Sufficiency
Lanzhou	Gansu	Second Tier	Sufficiency
Hohhot	Inner Mongolia	Third Tier	Sufficiency
Urumqi	Xinjiang	Third Tier	Sufficiency
Yinchuan	Ningxia	Third Tier	*Not in the list*
Xining	Qinghai	Fourth Tier	*Not in the list*
Lahsa	Tibet	Fourth Tier	*Not in the list*

*Yicai's 2020 Ranking of Cities' Business Attractiveness.
Source: https://www.yicaiglobal.com/opinion/the.rising.lab, accessed 22 May 2021.
**GaWC Research Network's The World According to GaWC 2020.
Source: https://www.lboro.ac.uk/gawc/world2020t.html, accessed 23 May 2021.

4.10 Among western cities in the new Tier-1 group, Chengdu performed well in all sub-indexes, especially in Concentration of Commercial Resources, Urban Residents' Activity and Lifestyle Diversity (Figure 6). Chongqing was a close second in all sub-indexes, followed by Xi'an, with moderate performance in most of the sub-indexes but did well in the City as Hub Index and Future Potential Index. Xi'an is the only big city in the Guanzhong city cluster, making it a very important hub for the northwest region and for the BRI.

FIGURE 6 WESTERN CITIES IN THE NEW FIRST-TIER GROUP (2020)



Source: Yicai's 2020 Ranking of Cities' Business Attractiveness, https://yicaiglobal.com/opinion/the.rising.lab, accessed 22 May 2021.

Prospects and Challenges

5.1 The harsh geographical and poor economic conditions have made the lack of infrastructure, particularly effective transportation facilities, a salient issue in western region development. Even though the Chinese government has provided many preferential policies on infrastructure construction for western provinces via the WRDS, more capital is still needed to build, upgrade and coordinate the transportation system and support modern logistics development.

5.2 For this reason, China's Premier Li Keqiang had announced the release of another RMB100 billion for the National Railway Construction Fund during *lianghui* in May 2020. For instance, the Lanzhou-Xinjiang high-speed railway is one of the longest high-speed rail in the world that passes strong windy desert areas, and the lowest (Turpan Basin) and highest (Qilian mountain) altitude areas. The difficulties of infrastructure establishment come from not only technical issues, but also the need for huge capital input. The Chinese government is also planning to complete the Sichuan-Tibet high speed railway, another difficult and costly project, according to the report on Sustainable Development of Transport in China.

5.3 The western region such as Chongqing and Chengdu has taken advantage of China's industrial upgrading and improvement in the transportation and logistics system. The industrial structure of the eastern and coastal regions, such as the Yangtze River Delta and Pearl River Delta, has gradually shifted from light manufacturing-based to high-tech manufacturing and modern services since China's opening up in the 1980s, particularly in the last two decades.

5.4 With prominent GDP performance, the factor cost in the eastern and coastal regions has been increasing. Huge industrial investment from the eastern and coastal provinces when land fee and wages surged goes chiefly to western provinces mainly for labour-intensive manufacturing of, for instance, electrical consumer products. For example, electronics contract manufacturer, Foxconn, relocated some of its production lines to Chongqing in 2010 due to surging production cost in the coastal region and launch of the China Railway Express to Europe.

5.5 However, factory relocation to inland China has been interrupted by the decoupling efforts of the Trump administration in trade and technology. Many foreign companies could not decide if moving to the central-western region is more beneficial or to move out entirely to neighbouring countries such as Vietnam. The Biden administration does not seem likely to provide "re-coupling" opportunities after its negotiations with China.

5.6 The BRI has become one of the important economic drivers for western development. It enhances the connectivity between China and countries along the BRI, and between western provinces as well. The guiding opinions of the WRDS has urged western provinces to join the BRI. Chinese government support for Xinjiang is in the BRI's logistics and commercial activities. The government is concurrently promoting Sichuan, Chongqing and Shaanxi as regions for greater opening up; exploring the historical roles of Gansu and Shaanxi in the Silk Road Economic Belt; deepening ecological cooperation in Guizhou and Qinghai for green BRI development; preparing Inner Mongolia for the China-Mongolia-Russia economic corridor; and encouraging Yunnan to widen the Lancang-Mekong River regional cooperation.

5.7 The success of the BRI is highly contingent on the country's progressive engagement with foreign countries, and the geopolitics and geoeconomics between Guangxi province and Vietnam, between Yunnan province and countries in the Indo-China peninsula, and between western provinces and Central and South Asian countries, which will affect the success of the BRI and western regional development.

5.8 According to the 14th FYP, the Chinese government is keen to adjust its factor market mechanism, including land, manpower, capital, technology and data, to enhance domestic circulation. For example, it is opening the market of unused desert land to private enterprise for commercial use. The factor market reform is hence a relational adjustment between the government and market. If the Chinese government allows more mobility for factors based on market principles, western provinces may receive more investment because of their comparative advantage in land and labour cost.

5.9 The lack of administrative coordination is slowing the progress of western region development among provinces, cities or city clusters. While the importance of city clusters has been emphasised in the recent 14th FYP, the Chinese central government is eager to break the administrative barrier by integrating the resources of some cities into a bigger agglomeration. In political reality, provincial economic performance rather than regional coordinated development is more important to officials' political career. As every province has its own FYP, having the same targets for industrial development is common. Without the effective division of labour, it will result in wasted resources and unnecessary competition.

Appendix 1 The Western Regional High-Speed Railway

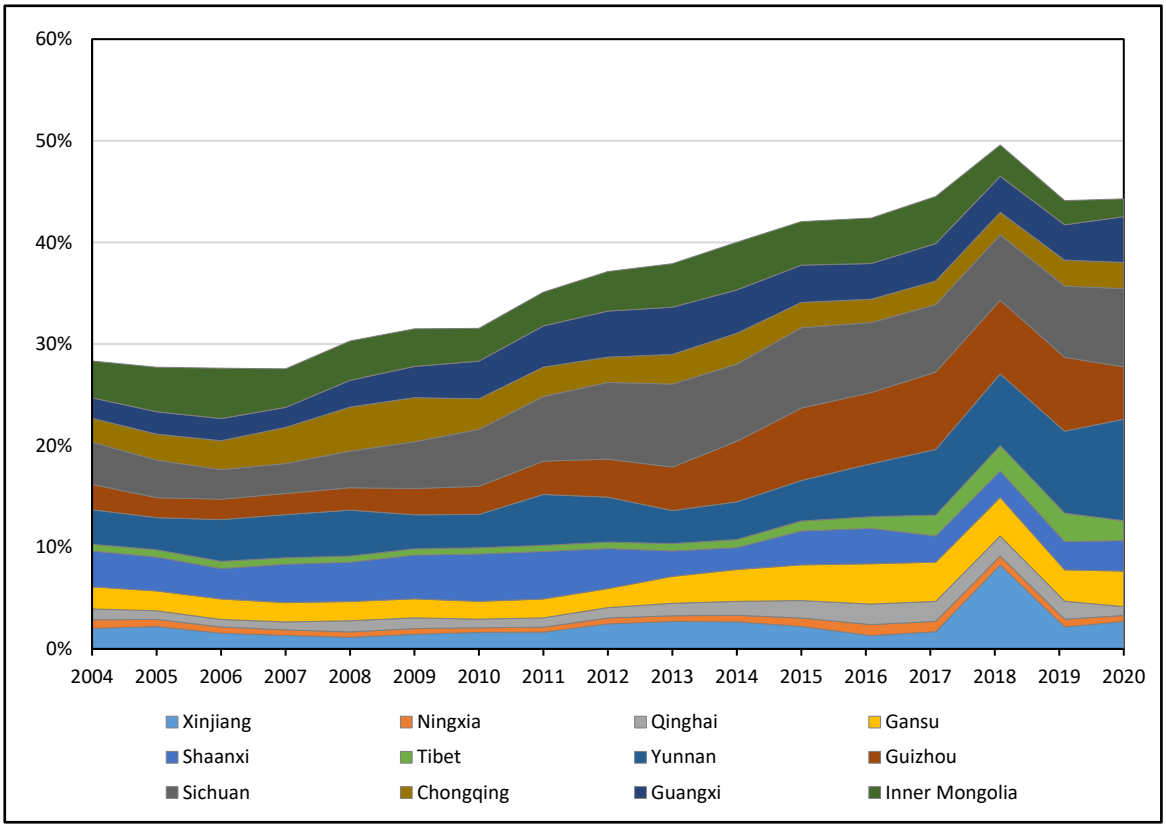
#	Western Provinces	Items	Length of Railway (km)	Launched date	Verocity (km/h)
1	Sichuan	Suining-Chengdu Railway (遂成铁路)	146	7/7/2009	250
2	Sichuan	The Guan Prefecture of Chengdu Railway (成灌城际铁路)	65	12/5/2010	200
3	Sichuan	The Pengzhou Subline of the Guan Prefecture of Chengdu Railway (成灌城际铁路彭州支线)	21	30/4/2014	200
4	Sichuan	Chengdu-Mianyang-Leshan Passenger Line (成绵乐客专)	31	20/12/2014	300
5	Sichuan/Guizhou	Chengdu-Mianyang-Leshan Passenger Line (成绵乐客专)	131	20/12/2014	300
6	Sichuan/Guizhou	Chengdu-Guizhou Passenger Line (成贵客专)	141	15/6/2019	250
7	Sichuan/Guizhou	Chengdu-Guizhou Passenger Line (成贵客专)	372	16/12/2019	250
8	Sichuan/Shaanxi	Chengdu-Mianyang-Leshan Passenger Line (成绵乐客专)	152	20/12/2014	300
9	Sichuan/Shaanxi	The North of Xi'an-Jiangyou Section of Xi'an-Chengdu High Speed Railway (西成高铁西安北-江油段)	469	6/12/2017	250
10	Sichuan/Tibet	Chengdu-Pujiang Prefecture Railway (成蒲铁路), Zhaoyang-Ya'an Section of Sichuan-Tibet Line (川藏线朝雅段)	140	28/12/2018	200
11	Sichuan/Chongqing	Chengdu-Chongqing High Speed Railway (成渝高铁)	308	26/12/2015	350
12	Chongqing	Suining-Chongqing Railway (遂渝铁路)	158	30/12/2012	200
13	Chongqing	Chongqing-Lichuan Railway (渝利铁路)	278	28/12/2013	200
14	Chongqing	Chongqing-Wanzhou Intercity Railway (渝万城际铁路)	245	28/11/2016	250
15	Chongqing/Gansu	The North of Chongqing-Guangyuan Section of Langzhou-Chongqing Railway (兰渝铁路重庆北-广元段)	352	26/12/2015	200
16	Chongqing/Guizhou	Chongqing-Guizhou Double-Track Railway (渝黔铁路复线)	345	25/1/2018	200
17	Guizhou	Guiyang-Guangzhou High Speed Raiway (贵广高铁)	857	26/12/2014	300
18	Guizhou	Guiyang-Kaiyang Intercity Railway (贵开城际铁路)	65	1/5/2015	200
19	Guizhou	Guizhou-Zhangjiakou-Changde Railway (黔张常铁路)	335	26/12/2019	200

20	Guizhou	Anshun-Liupanshui Passenger Line (安六客专)	120	8/7/2020	250
21	Guizhou/Yunnan	The West of Xinhuang-The North of Guiyang Section of Shanghai-Kunming High Speed Railway (沪昆高铁新晃西-贵阳北段)	286	18/6/2015	350
22	Guizhou/Yunnan	The North of Guiyang-The South of Kunming Section of Shanghai-Kunming High Speed Railway (沪昆高铁贵阳北-昆明南段)	463	28/12/2016	350
23	Yunnan	The North of Guangtong-Kunming Double-Track Railway (广昆铁路复线)	115	27/12/2013	200
24	Yunnan	The Kunming-Yuxi Railway (昆玉铁路昆明-玉溪段)	86	28/12/2016	200
25	Guangxi	Liuzhou-Nanning Railway (柳南铁路)	223	28/12/2013	250
26	Guangxi	Hengyang-Liuzhou Railway (衡柳铁路)	499	28/12/2013	200
27	Guangxi	The Qinzhou-Fangcheng Port Section of Guangxi's Coastal Railway (广西沿海铁路南钦、钦北段)	197	30/12/2013	250
28	Guangxi	The Nanning-Qinzhou Section and Qinzhou-Beihai Section of Guangxi's Coastal Railway (广西沿海铁路南钦、钦北段)	61	30/12/2013	250
29	Guangxi	Nanning-Guangzhou Railway (南广铁路)	574	26/12/2014	250
30	Guangxi/Yunnan	The Nanning-Baise Section of Second Line of Nanning-Kunming Railway (南昆铁路二线南宁-百色段)	223	11/12/2015	250
31	Guangxi/Yunnan	The Baise-Kunming Section of The Yunnan-Guangxi Railway (云桂铁路百色-昆明段)	487	28/12/2016	250
32	Shaanxi	Zhengzhou-Xi'an High-Speed Railway (郑西高铁)	523	6/2/2010	350
33	Shaanxi	The Second Double-track of Jining-Baotou in Hohhot-Baotou Section (集包第二双线呼包段)	173	3/12/2012	200
34	Shaanxi	Xi'an-Baoji High-Speed Railway (西宝高铁)	167	28/12/2013	350
35	Shaanxi	The South of Taiyuan-The North of Xi'an section of Datong-Xi'an High Speed Railway (大西高铁太原南-西安北段)	571	1/7/2014	250
36	Shaanxi/Ningxia	Yinchuan-Xi'an High Speed Railway (银西铁路)	543	26/12/2020	250
37	Shaanxi/Gansu	Baoji-Lanzhou Passenger Line (宝兰客专)	401	9/7/2017	250

38	Gansu	Zhongchuan Airport Intercity Railway (中川机场城际铁路)	60	30/9/2015	200
39	Gansu/Xinjiang	Lanzhou-Xinjiang Passenger Line (兰新客专)	1786	26/12/2014	250
40	Ningxia	Yinchuan-Zhongwei Passenger Line (银中客专)	207	29/12/2019	250
41	Inner Mongolia	Zhangjiakou-Hohhot Passenger Line (张呼客专呼集段)	126	3/8/2017	250
42	Inner Mongolia	Zhangjiakou-Hohhot Passenger Line (张呼客专)	161	30/12/2019	250
43	Inner Mongolia	Kazuo-Chifeng High Speed Railway (喀赤铁路)	156	30/6/2020	250

Source: Compiled by the author from Gaotie.cn, http://crh.gaotie.cn/, accessed 12 February 2021.

Appendix 2 National Share of Fixed Asset Investment in Transport in the Western Region: Highway, Waterway and Others



Source: CEIC data.

Appendix 3 Major Emerging Industries Listed in the 14th Five-Year Plans of Western Provinces

Industries /Provinces	Gansu	Guangxi	Guizhou	Yunnan	Tibet	Qinghai	Ningxia	Xinjiang	Sichuan	Shaanxi	Inner Mongolia	Chongqing	Frequency
New generation information			*	*			*	*	*	*	*	*	*9*
Energy saving and environmental protection			*	*	*	*	*	*		*	*	*	*9*
Advanced equipment	*		*	*			*		*	*	*	*	*8*
New material	*	*	*	*			*		*	*		*	*8*
Biomedical and engineering	*	*	*	*					*		*	*	*7*
Chemical engineering	*		*				*		*	*	*		*6*
Green food and beverage		*	*	*	*						*		*5*
New energy	*		*			*			*	*			*5*
Life and health					*	*	*			*			*4*
New energy and smart vehicles		*								*		*	*3*

Source: Data compiled by author from the 14th FYP of western provinces.