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COMMENT: It's not just business China's after – Xi wants UK's political and tech power too

[Yu Xiong](#), Chair Professor of Technology and Operations Management, [Newcastle Business School](#), writes about Chinese president Xi Jinping's recent visit to the UK for The Conversation.

Much has been made of Chinese president Xi Jinping's [visit to the UK](#). Amid all the fanfare, both countries have hailed it as the dawn of a “golden era” of relations. While the benefits seem clear to the UK, which seeks Chinese investment in a number of key infrastructure projects, what is golden for

China about the visit?

The key areas for international collaboration can include political, business, economic, educational, cultural and scientific exchange – to name a few. Certainly, all of these apply to China on some level. But it is political influence and technological gains that are the most important the most beneficial to China from deepening ties with the UK.

British private schools are popular in China. But [harsh policies](#) towards international students when it comes to staying in the UK after graduating mean that many Chinese students can choose alternative destinations such as Australia and Canada. This is something the Chinese government is not too concerned about.

When it comes to business, the UK is also not a high priority for the Chinese government. Yes, Xi will be signing a lot of business deals on his trip, but these are more in the UK's interest than China's. Although China will profit from them and is keen to increase its international trade in light of its recent slowdown, the UK is not its only choice. Compared to many other countries, it has a small market and China has many other options for better business opportunities. In Europe alone, France, German and Italy are all queuing up to increase their trade with China.

[Much has also been made](#) of Chinese investment in the UK property market. But this is not on the agenda of the visit and the UK's policy of having a free market is not specific to China. It is as open to buyers from Saudi Arabia, Russia and Malaysia as it is to Chinese citizens.

Cultural exchange is another area where some believe that China is enamoured with UK culture. But China is a country steeped in its own history and culture. It's certainly not a key factor in China's desire to embrace the UK.

The real business

That leaves political influence and technological gains for China. In terms of politics, it is likely that China sees a partnership with the UK as an example of East-West coordination that could rival the US-Japan partnership. Plus China needs a partner in the western world to influence other western countries. The UK is an ideal choice [to play such a role](#).

Then there is technology. China is well-known for having been the world's workshop over the past three decades, manufacturing low-quality, low-price products. As its economy transitions, China is keen to increase the quality of the products it produces and to foster technological innovation in its manufacturing industry. The majority of firms in China that export high-tech products [are foreign](#) – and this is something it is keen to change. It is for this reason that the president's trip includes visits to Imperial College London, Manchester University and the UK's silicon roundabout in London.

Though China's GDP growth is slowing, average incomes are growing very fast and increasing numbers of Chinese people want more skilled and better-paid jobs. Thus there is a demand for design and innovation to grow. The lack of technology infrastructure at present means China is [looking to import it from abroad](#) and the UK is an ideal source. And this is an area of investment from which the UK [could hugely benefit too](#).

As well as gaining technology itself, China is also interested in learning from the UK's innovation environment. As China transitions from having a manufacturing and export-driven economy to one based on domestic consumption and services, it has a lot to learn from the UK, which went through a similar economic transition in the second half of the 20th century. Now the UK generates more innovation outputs per researcher than any other country in the world, [including the US](#). This is something China is very keen to learn from.

So, while the big infrastructure projects that are making the headlines during Xi's visit are important to China, it's the investment in building political relations with the UK and learning from its technology prowess that is the real draw for China.

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