

## China's Regional Competition Engine

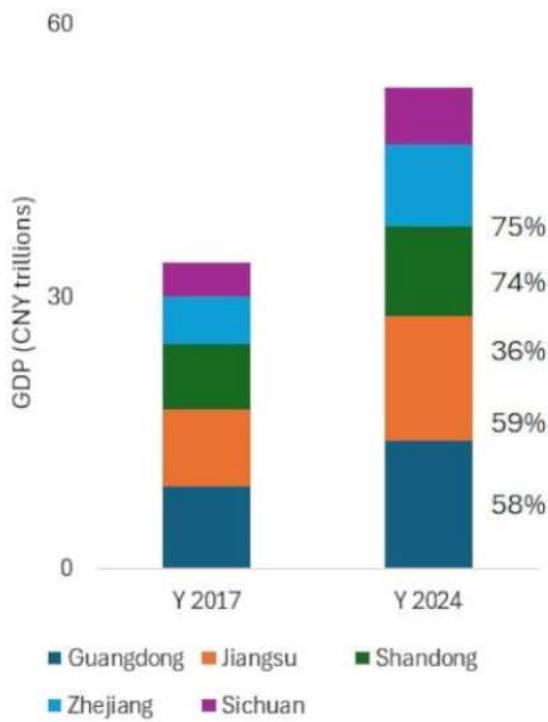
Investors often overlook the power of regional competition within countries.

In China, provincial rivalry and incentives for local officials drive rapid growth. Initiatives like Made in China 2025, are fueling hubs such as Shenzhen for hardware and Hangzhou for software and e-commerce. Infrastructure upgrades also boost productivity and smart urban development.

Other provinces, like Hainan, Yunnan, and Fujian, are growing through niche strategies such as tourism and free trade zones, with tourism now 10.3% above pre-pandemic levels.

These diverse, competitive regional economies make China far from uniform and position provincial competition as a key driver of growth amid rising global trade tensions.

### Rapid Growth in Key Chinese Provinces



Source: National Bureau of Statistics in China

**Sources:** [https://www.csis.org/analysis/made-china-2025#:~:text=Although%20the%20goal%20is%20to,;%206\)%20New%2Denergy%20vehicles](https://www.csis.org/analysis/made-china-2025#:~:text=Although%20the%20goal%20is%20to,;%206)%20New%2Denergy%20vehicles)

<https://wttc.org/news/china-surges-ahead-travel-and-tourism-sector-forecast-to-hit-a-record-13-7tn-this-year>