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Why China's Zero Covid Strategy Might Underwrite China's High-Quality Development and Common Prosperity Agendas – At Home and Away

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Abstract

The more than month-long strict 'Zero-Covid19' lockdown of Shanghai from April 1, 2022, drew international attention for the fact that one of the world's richest and most trade-connected cities in the world even could be so shutdown. Economists have expressed fear that the scale of the disruption to China's middle-class elite and to global supply chains may have lasting negative impacts for China's economy and globalisation. In a case of making hay while the lockdown sun shines, however, while residents of Shanghai and to some extent also Beijing, have been locked inside, Beijing has been busy announcing some new hukou-related educational and civil administrative reforms. In total contrast to locking Chinese down, these may ultimately and in contrast come to underpin a far more mobile Chinese labour force, a more competitive business environment within China, and even more mobility of Chinese citizens globally. In this way, far from being incongruent with China's economic development or globalisation, via the parallel hukou-related reforms that took place alongside the distraction of COVID19 lockdowns of early 2022, these may prove to have served to underpin not only China's 'high-quality development' and 'common prosperity' agendas, but even the fluidity of the Belt and Road Initiative.

Introduction

China's zero COVID-19 strategy is sending shockwaves throughout global chains alongside China's well-to-do internationally mobile. Among China-watching economists, meantime, the consensus is that the approach is incompatible with China's economic aspirations.

France's *Le Monde* ran with the headline "China's zero-COVID policy accentuates economic slowdown". One of Washington's leading economic think-tanks noted equivalently that "Zero Covid in Shanghai comes at high social and economic cost".ⁱ There may, however, be another less immediately evident version of what happened, with respect to some changes to civil administration procedures concerning China's hukou system, that could draw more positive long-run consequence.

Reference to Chinese history points to such potential. A recent book by Monash University China Studies Associate Professor Xiaoping Fang, *China and the Cholera epidemic*ⁱⁱ, details how in the 1960s amid an intensive outbreak of cholera Chinese authorities used the related disorder and shutdowns to implement reforms that would, in the long-run, preserve the social – and hence economic - order. Looking to China's March 2022 "two sessions" discussions as well as policy announcements from Beijing since can equivalently point to potential for a dual-purpose Shanghai and relatively Beijing lockdown.

Three weeks before Shanghai's lockdown began on April 1 Beijing hosted the annual "two sessions" gathering of China's ruling elite Chinese People's Political Consultative Conference and the National People's Congress took place.ⁱⁱⁱ An annual window into China's politics and policy directions in 2022 reforms aiming to test more flexible school access in Tongzhou, near Beijing, and a proposal to centrally digitise residency-related administrative processes were among those flouted by delegates.

Then, three weeks into Shanghai's lockdown, on April 25 it was announced that a national integrated government services platform had been initially completed.^{iv} Once the platform is completed, elderly Chinese living away from home, with their children

for example, will not need to return to their hometowns to lodge their medical claims, or most other administrative tasks.

To understand why this and parallel reforms may have opportunistically done under the cover of a COVID-19 lockdown takes going a few steps back and deeper into the organisation of China's contemporary socioeconomic order. This paper takes those steps back and projects forward in exploring some hukou-related announcements that evolved during the recent lockdowns of China's megacities. In doing so challenges the assumption that China's lockdowns are necessarily negative for China's longer-term socioeconomic development plans.

The rest of this paper is structured as follows: the second section introduces China's hukou system and its evolution over more than half a century - from pillar of stability to a more recent prospective pillar of instability; the third section introduces China's contemporary "common prosperity" agenda; the fourth section explores some of the hukou-related administration management and educational-enrolment changes during the near six-week-long Shanghai lockdown especially; the fifth section discusses earlier sections and concludes.

2. China's Hukou System: An Introduction

In 1954 under leader Mao Zedong China introduced a 'hukou' system that registered every Chinese citizen by their basic demographic details, and which also served to institutionally pins most people, for life, to their hometown.^v In practice a hukou may, for outsider understanding, be conceptualised as a within-China passport equivalent, where one's hometown is the issuing territory.

In sum, people with different hukous have access to different benefits and opportunities. That is, there is labour market discrimination against rural hukou holders in cities, just as urban hukou-holders face constraints to accessing agricultural land, and so on. The net effect is a negative impact on internal migration and the efficient allocation of resources.^{vi}

In more tangible terms, that is, a hukou offers the right to its holder to that territory's health and education services, and the right to work within that administrative territory also, typically a sub-region of a given provincial area. And just as a Canadian cannot simply pack up and automatically re-start life in the United States, a Beijinger cannot simply pack up and re-start life with rights enjoyed in Beijing in Shanghai, or anywhere else outside of his specific Beijing hukou administrative locality. Changing ones hukou is similarly comparable with changing one's passport: it is very difficult both in terms of qualifying and in terms of the administrative hurdles.^{vii}

More relevantly and bitterly for everyday life in China, to undertake most administrative tasks including the process of getting married, applying for a passport, or accessing a pension of unemployment benefits, Chinese are forced to return to the location of their hukou residency – no matter where in the world they live or work otherwise. Those living away from their hukou residence during COVID19 lockdowns, hence, have all but had their administrative-related life journey frozen in time – except in cases where digital alternatives have been evolved in the interlude.

The benefits for China's administrators of such an onerous and mobility-debilitating hukou system is that it helped to control internal migration control of a population that is over one billion strong. It also provided a basis for distributing meagre resources over a large country, not least since over most years since 1954 China has been very poor per capita. It has also been claimed that by preventing the development of urban slums China has mostly avoided the related public health risks, hence speeding up China's frontier development also.^{viii}

The period of opening and reform launched by Deng Xiaoping in late 1978, led to substantive changes to then hukou-related restrictions. In the 1980s China's hundreds of millions of rural poor were incrementally granted permission to migrate to cities - for work. A simplified comparison to understand what happened in the ensuing years is the equivalent of what happened in the 2000s as Europe's East joined the European Union. In Europe, the ascent of countries like Poland, Hungary and Latvia to the Union offered nationals from these countries a new chance to enter the workforces of high-income Western Europe. In China, Deng's reforms equivalently led to new rights for

labour mobility for work across provinces and urban-rural 'hukou' localities, if some years earlier and on a vastly bigger scale in China.^{ix}

There is, however, a massive and important difference between Europe's recent cross-country integration process and China's cross-provincial and cross-urban-rural one. In China's case the hukou system strictly and ruthlessly prevented migrant workers from subsidised access to healthcare and education services in their newly adopted location of work. The new right to move to work in one's home province's urban centre or to a new provincial urban frontier altogether such as Shenzhen or Shanghai, was just and only that – a right to work. It brought no parallel right to send one's children, child even, to local schools or hospitals, for the same subsidised price as local hukou-holding residents, let alone for that worker to see the local doctor for the same fee.^x

A country that famously became the world's factory and re-constructed its frontier urban skylines and transportation systems did so, that is, on the back of an incredibly regionally skewed, inhumane even, sharing of the fruits of their productivity as well as of the health and safety risks. There are many legacies of this administrative set up, including that while overall China has seen sharp reductions in poverty over the last four decades, this has been accompanied by dramatic increases in inequality.^{xi}

Although inequality may have peaked, in around 2008, its compound legacy typically serves as a drag on the rate and durability of growth.^{xii} Moreover, high levels of income inequality can lead to suboptimal health and education, which also weighs on growth.^{xiii} For China this especially ominous as now that the population is ageing rapidly, and the working-age population is falling in number and population share, the productivity and health of the working-age population and indirectly also of those they care for is more important than earlier.

China that is, now requires its remaining workers to be more productive per worker than in the past just to maintain output, let alone continue to increase per capita income in the direction of the high per capita income group.^{xiv} In contrast, however, there is evidence that hukou-related migration controls in China have deeply negatively impacted intergenerational transmission of human capital in China.

More specifically, in the shadows of Shanghai's world-famous skyscrapers and even selective world-class classrooms is a next generational legacy of millions of "left-behind" children. It is estimated that more than a third of children in rural China and more than one-fifth of all Chinese children in recent decades were "left behind", while their parents for example, helped to build Shanghai and Beijing into what they are today.

This is equivalent to some 60 million children having been left behind in rural villages to be raised by barely literate and ageing grandparents while their parents worked tirelessly in the hope of grabbing a fleeting and miniscule slither of China's gilded age.^{xv} Even for children lucky enough to have followed their parents tending to attend sub—standard, ghettoised, migrant child schools.

In their book, *Invisible China: How the Urban-Rural Divide Threatens China's Rise*, American China scholars Scott Rozelle and Natalie Hell detail not only the resulting tragedy – but also its potential future economic costs of the resulting dramatic rural-urban inequality in China, in education especially.^{xvi} They argue that the cost of locking migrant worker children into poorly resourced schools is an education gap between China's One Child Policy shrinking urban elite frontiers and the rural masses that is so large it now presents its own risk to China's very next phase of growth.

According to Rozelle and Hell (2020), meanwhile, a significant share of China's future workers - unlike their parents' generation who worked in very basic manufacturing and construction – are now structurally unemployable in China's now more modern and technologically-advanced economy.

In a parallel Chinese hukou universe, meanwhile, a far more elite phenomenon of 'lying flat' has emerged.^{xvii} Those lying flat represent a new, luxury, phenomenon for China. Akin to the colloquial Western idea of a 'trustafarian', a person lying flat has generally inherited, or is set to inherit, sufficient wealth to not need to put much direct effort in to themselves, even if they are trained to be able to do so. It happens that most of those lying flat are children of those who won China's hukou lottery at birth, and hence can afford to lie flat upon the rents earned by their parents' frontier hukou-backed relative success.

Their attitude, however, is, unfortunately, politically incongruent with China's 1980s decision to let some 'get rich first'.^{xviii} Under the Coastal Development Strategy China opened-up only its eastern frontiers to foreign investment.^{xix} The deal within China, however, was that later those new economic geography-endowed elites would utilise their new wealth and talents to ensure "common prosperity" for all Chinese. That is, to help the rest catch up.

Lying flat in Shanghai while hard-working non-hukou holders seeking merely to be given a chance to elevate China's overall prosperity are shut out, is not, hence, congruent with the Party's promise to the rest of China, or even with its future economic aspirations. Nor was it the long-run deal that migrant workers and less geographically fortunate Chinese agreed to.

The reality is, however, just as the United Kingdom's people voted against an open door to migrants from the European Union, China's hukou-holding elite are equivalently happy to act to ensure the domestic doors to hungrier and foreign dialect-speaking Chinese masses remains firmly closed. For them, national growth and inequality agendas are irrelevant - life in China's elite high per capita-income frontiers is already good but also already competitive enough.

3. Enter China's Contemporary "Common Prosperity" Agenda

In August 2021 when China's President Xi Jinping presided over the 10th meeting of the Central Financial and Economic Affairs Commission, he stressed the importance of "common prosperity". The concept was not his, but instead links back to Deng Xiaoping's mid-1980s long-run national economic geography bargain and beyond this also has deep Confucian roots.

According to Peking University Professor of Economic History, Jianbo Zhou, the Confucian "Book of Rites" from the Zhou dynasty (1046-256 BCE) details the social and administrative forms of the "datong" - 'great unity' – world.^{xx} In datong widows and the lonely are supported by society, translating in modern times to a world offering an elevated and inclusive level of economic and social development, and where excessive inequality is avoided.

In terms of 'higher quality development', the conceptual agenda that is prioritised in China's ongoing 14th Five Year Plan for Social and Economic Development.^{xxi} In the 'datong' world, also, excessive inequality is avoided. To that point, the timing of Xi raising common prosperity in August 2021 was no accident. It followed his February 2021 declaration that China had officially eradicated absolute poverty. That achievement itself equated with realisation of the first of two long-standing centennial goals.^{xxii}

The first centennial goal was set to coincide with the 100th birthday of the Chinese Communist Party. It was also known as the 'xiaokang' goal, referring also to a Confucian notion of 'moderate prosperity'. From 2021, and hence, the second centennial goal comes into focus – that of returning China to the place of a great power, by mid-century. In long-run Chinese context, China's leaders are likely to see this as necessarily underpinned by having realised 'common prosperity' and a 'datong' socioeconomic context where widows and the lonely are being protected.

But it is not only because China has now officially realised the eradication of absolute poverty and that China's intended first rich are now relatively rich (provinces in focus of China's Coastal Development Strategy are mostly now high-income per capita provinces) that "common prosperity" and the embedded 'datong' references are in focus. Beyond even climate change and globalisation-related stressors, within China demographic headwinds in particular risk China's next phase of social and economic development.

Rapid growth from the 1980s until around 2012 may have been built on back of hundreds of millions of cheap migrant worker labourers but many fewer of them exist today. This relates to both income gains in China but also that many fewer children have been born over recent decades than were born in the 1950s and 1960s. Indeed, the total fertility rate (TFR) has fallen from almost six births per woman in the late 1960s to an average fewer than two today (Figure 1). Together with rising life expectancy (Figure 2), meanwhile, this means that where once China was rich in low-income workers, today it is hence fast becoming equivalently rich in low-income pensioners. Enter a new era of common prosperity – to ensure protection of widows and the vulnerable.

Figure 1: TFR, China (births/woman)*

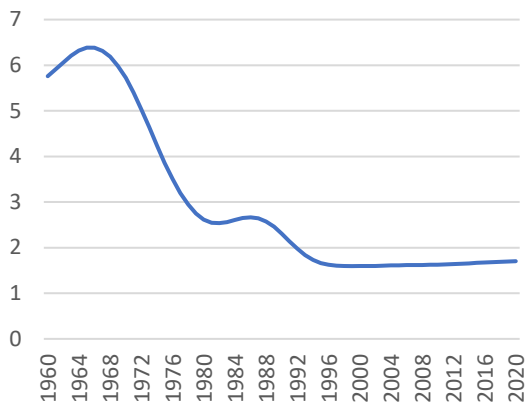
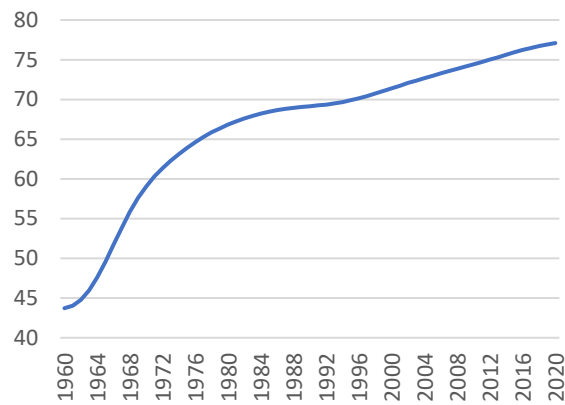


Figure 2: Life expectancy, China (years)



*The TFR represents the number of children that would be born to a woman if she were to live to the end of her childbearing years and bear children in accordance with age-specific fertility rates of the specified year. Source: World Bank (2022).

Preventing the retirement of hundreds of millions of Chinese workers equating with a return to poverty of a good share of them requires some challenging policy reforms in China. Not only does it require fiscal reforms to ensure that meagre social insurances can reach all of China’s rising population share of elders (Figure 3). It also means that today’s - fewer in total and as a share of population (Figure 4) - workers must be able to realise their productivity potential. Indeed, even just to keep productivity per capita constant productivity per worker must be rising. China that is, must shift its productivity driver from worker quantity to worker quality and ensure that quality workers can realise their productive potential. A complex and inter-related set of policy legacies over the last four decades makes this challenging.

Figure 3: Working-Age Population Share (% of total population aged 15-64)*

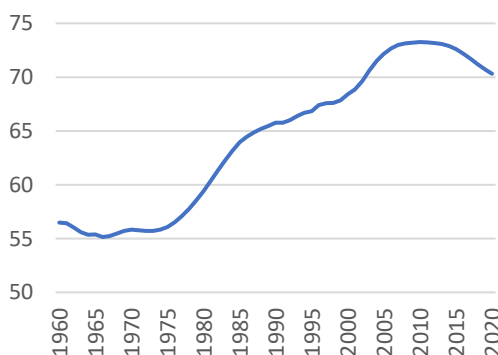
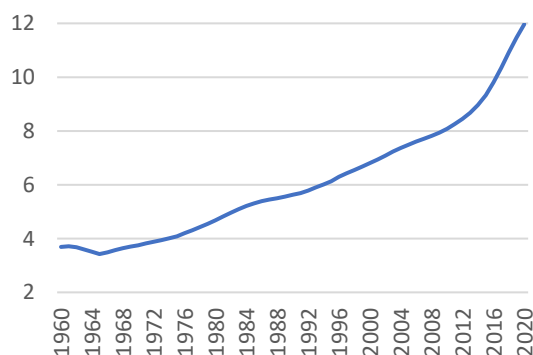


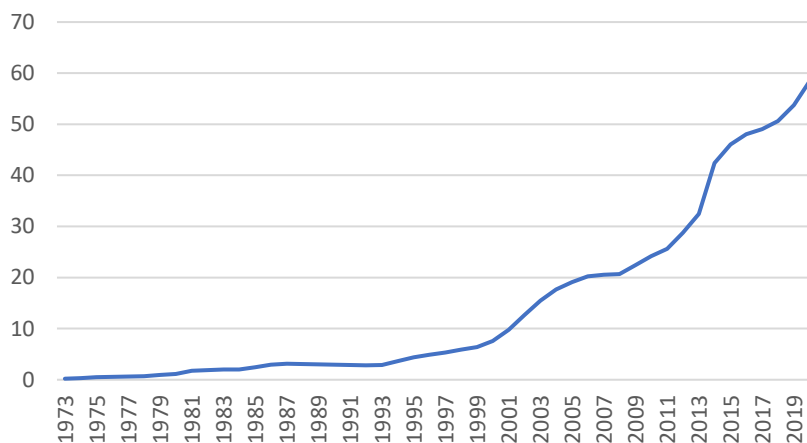
Figure 4: Share of persons aged > 64 years (% of total population)



*China’s retirement age is varied by industry and gender, and ranges from 45 (for women working in high-risk and potentially toxic industrial jobs) to 65 years (for urban educated professional males). Given that variation, for international comparability, and since China promises to steadily increase the retirement age also, the World Bank standard working-age definition is presented here. Source: World Bank (2022).

In terms of China's stock of worker quality, there is an added and unusual inequality challenge. The 1980s decision to let some 'get rich first' and China's hukou-related educational inequalities disadvantaging migrant worker children happen to have coincided with a period of strict family planning also. From around 1980 also, China implemented a strict family planning regime, known as the One Child Policy, that was especially strictly implemented in China's richer urban frontiers.

Figure 5: Gross School Enrolment Ratio (Tertiary), China (%)



Data: World Bank (2022).

What this translates to is that where today is that although the national gross tertiary enrolment ratio has reached almost 60 per cent, in fact this equates to something closer to 100 per cent of China's younger urban elites, say under the age of 40 – who were mostly only children in households and cities benefitting from rapid household incomes gains. This share of China's population is broadly comparably educated with OECD standards.

On the other hand, their far more numerous rural and hinterland provincial peers may be lucky to simply be literate (nonetheless this still being an improvement on their parents' educational level). Hidden in the rising recent overall gross enrolment rates over time in China, that is, is dramatically unequal educational attainment between China's urban frontiers and rural hinterland. At the baseline, however, China claims a 97 per cent basic literacy rate (World Bank, 2022).

Those lumpy education successes – and failures - in turn not only risks growth speed and quality at a time when growth itself is slower and harder to realise than over the years from 1980 to 2008. It also means that there is another wave, even if much smaller, of poor youth and emerging adults in China who, from far behind, may disproportionately newly and nationally importantly benefit, subject to being able to adapt to entry to urban frontiers, from a second – fairer - urban-rural migration.

Moreover, China's cities need such migrants: those same demographic trends together with China's urban elites enjoying longer life expectancy than those in rural and hinterland areas, mean that China's cities are ageing fast. The pensions and healthcare subsidies enjoyed by China's elders, especially the elevated such subsidies of those longer-living frontier hukou holders, largely, however, rely upon a pay-as-you-go system.^{xxiii}

Given now fewer workers overall and as population share (Figures 1 & 3), the lying flat choice of some local hukou holders, and the accumulated discrimination faced by migrant workers pushing them to now stay home, the intra-provincial bargain in China appears to risk resembling a let some get rich first national Ponzi scheme. In other words, the hukou system may even now have transformed from pillar of stability to pillar of instability.

Regardless, for most Shanghai-ese and Beijingers, the idea of, for example, letting the children of urban-based migrant workers into local schools is something of the ultimate red line. Such children at best are now so far behind educationally and socially that such merging would be impossible, let alone counterproductive. At worst, the more academic competitive children among them will undermine the chance of their own child or now children entering top schools and universities.

Moreover, from elite hukou-holding parents' perspectives there is already too much competition for a healthy life for their own child/ren. Indeed, I experienced that reality when living in a prestigious school catchment zone near the Forbidden City in Beijing a decade ago. Within a year of my move a super connected Beijing-hukou-holding friend asked if he could register as living at my home too such that his child could attend a famous local school. For Deng's first-rich lottery winners, in other words, life

is already competitive enough. Akin to a Brexiteer, they sternly request that Beijing find a third way route to common prosperity.

In this context, the ideas of German economist Albert Hirschman shed light on Beijing's conundrum.^{xxiv} He elaborated that while poor countries can enjoy early fast-tracked catch-up on back of an increase in capital deepening, that upon reaching a higher level of capital deepening, much more politically difficult institutional reforms are needed to allow workers and businesses to absorb higher levels of investment productivity.^{xxv} Since the beneficiaries of earlier capital deepening, however, seek to preserve their privileges, many countries fail to transition from capital to non-capital deepening sources of growth.

Faced with mounting need to reform its own over-reliance on debt and capital-intensive growth, and to foster new labour quality, consumption and innovation-oriented growth drivers, and resistant elites, and in echo of the 1960s cholera outbreak, Beijing seems to again be using a health emergency for dual-purpose: public health management and an administrative re-ordering.^{xxvi}

4. Hukou-Related Changes and Online Enrolment Necessity During 2022 Megacity Lockdowns

4.1 Digitisation of Civil Administration Procedures

Since both the two noted hukou reform-related proposals put without little media fanfare to the 2022 "two sessions" by CPPCC members Yang Weimin and Lian Yuming, and the Shanghai lockdown began, there have also been active steps to realise them. With respect to Yang Weimin's proposal that the hukou-anchored administrative burden should be reduced, on April 25 state media announced that the early phase of building an integrated national government services platform had been completed. As it comes into use, Chinese citizens will no longer have to personally return to their hometowns to complete the most basic of administrative tasks.

What that means in practice is something of a revolution for ordinary Chinese. For families, for example, this will ultimately (when finalised) inaugurally mean that elderly parents undertake all related administrative procedures to sustain their health and

pension entitlements – from and for example, their adopted hometowns which may be where their children are employed. It will equivalently and also, for example, empower young Chinese meeting in third countries to marry without having to return to their respective hometowns to obtain a marriage license.

For migrant workers, meantime, it will enable them to perform civil administrative tasks from their adopted home in place of being faced with making an expensive ‘red tape’ trek home. Another example is that businesses run by migrant workers in one province will, when the new database is finalised and live, be able to be set up on site, placing migrants and local hukou holders on a more equal competitiveness footing.

Indeed, with a nod to Hirschman, under the cover of COVID19 lockdowns of China’s urban elite it appears that China’s state administrative system is being both digitised and centralised. Alipay, for example, is part of the system and being used to many of the transactional features. From tax to payment to business, civil and social security registration, underpinned ultimately by China’s new digital currency, it appears that a 21st century digital ‘datong’ is taking shape in COVID19’s shadow.

As state media has reported, "It reflects the modernisation of the national governance system and capacity, and plays an important role in the stability, unity, stability and harmony of the whole society, as well as our response to the epidemic and the achievement of the 'Six Stabilities' (stable employment, finance, trade, foreign investment, investment, and expectations)." Liu Junhai, Professor and Director of the Institute of Commercial Law at Renmin University of China, said.

4.2 Migrant Worker Children Educational Access

In the footsteps of recent changes that allowed migrant worker children to take their school exams in their adopted province (provided the locally working parent met a set of conditions), it appears during recent COVID19 lockdowns some new school access changes were announced for non-local-hukou-holding children of migrant workers.

For example, in Beijing – China’s more desired educational sub-region - on April 19 Beijing’s Municipal Education Commission published the Opinions on Enrolment for Compulsory Education in 2022. From the outset, these state clearly that each district

is responsible for implementing compulsory education requirements within their district, and for ensuring the working principle that “every school-age child has equal access to compulsory education”.

Moreover, the school enrolment of school-age children without a local hukou “shall be handled in accordance with relevant regulations”, in the Opinions is followed by “Each district education commission should actively and steadily promote the admission mode based on multi-school division, strengthen the linkage of departments, and jointly examine the admission qualifications of relevant departments.”. Finally, to preserve inclusive access to local schools, the Opinions also emphasise that admission based on any type of pre-examination score, or entrance interview is strictly prohibited, and that any such violation will be dealt with seriously.

In accordance with the spirit of the document "Opinions of the Beijing Municipal Education Commission on Enrolling in Compulsory Education in 2022" (Jing Jiao Ji No. 2 [2022] No. 5) and the actual practice of the district's compulsory education enrollment, it is legally guaranteed that children and teenagers who are not registered in this city will be equally accepted. By April's end various districts in Beijing were issued parallel announcements. Not only did the outer Beijing district of Mengtougou announced that “it is legally guaranteed that children and teenagers who are not registered in this city will be equally accepted”, but even the most coveted education district in all of China, Haidian district (home to Peking and Tsinghua universities, among others) had too.^{xxvii}

Shanghai's municipal education authorities have also loosened entrance requirements for those without local hukous. For example, the time-period for having contributed to local social security funds to be able to attend local schools was reduced for the children of migrant workers.

In addition, the requirement to provide hard documentation via a visit to the home hukou city was also suspended and a digital alternative arrived at, since it was not possible for migrant workers to return home in order that their children could be enrolled in compulsory education. Equivalently, an online verification service was established for the purpose of enabling school-to-school and school-parent verification

services of earlier educational achievements of migrant children to make enrolment in an adopted province possible during lockdown (Shanghai).^{xxviii}

5. Review and Conclusions

In China there is an ancient war strategem for winning that advises to ‘loot from a burning house’ (‘chen-huo-da-jie’). That is, when a country is beset by disease, famine, corruption, or crime, it will be poorly equipped to fend off attack. Another says that, in the process of carrying out one’s plans, do not miss an opportunity to ‘pilfer a goat’ (shun-shou-qian-yang), and then build upon the associated profits. Standing between a new elite minority of rent-protecting urbanites and hungry and frustrated masses waiting for their turn to ‘get rich’, it seems China’s leaders may have adopted such tactics during pandemic-related COVID19 lockdowns.

In the case of hukou-related privileges and general administrative burden imposed on migrants especially, the strict lockdown of Shanghai and loose lockdown of Beijing – two of China’s prized hukou heartlands, especially so. When the COVID19 lockdown 2022 curtain is lifted, in other words, the worst job in Beijing and Shanghai might newly be to be a district education official on the frontline of facing down parental school enrolment ambition. Moreover, it awaits to seen as to whether district planning officials are next willing to approve new housing proximate to the best schools – and make this both affordable to and targeted at new arrivals to town. Common prosperity – the promise of helping the rest to catch up – is on the march.

Rozelle and Hell have brought international attention to the vast and deeply inhuman educational inequalities in China – and their potential to harm China’s economic next steps. Under cover of COVID19, meantime, it seems China’s leaders have taken steps to strike against China’s urban elites, in Beijing for example in publishing opinions that guarantee equal access for school-age children to schools in frontier cities for both hukou and non-hukou holders alike.

Moreover, a digital system has also been progressed, with digital steps taken between in terms of distance-based online educational verification services, that will ultimately ensure the process of related applications is also much more efficient. Migrants will

not need to return home to enrol their children in a local school, let alone send them to a school in their home hukou. Migrant workers will even be able to bring their parents and have their parents able to access their social security procedures from their child's new hometown online, while helping to raise a local school-enrolled migrant child.

What it means for China is that social mobility and productivity across provinces and time will, over time, be better enabled. Also, that as China's population ages, its elderly will be able to move to where they can be most productive and best cared for, without the stress of a physical journey to their hometown to sustain their social insurance rights and guarantees. In this new, emerging era of 'digital datong', that is, Beijing appears not to have wasted the opportunities available while the Shanghai elite were locked up to protect not just their health, but it seems perhaps the long-run health of the nation and the Party too.

In other words, and as criticisms of China's isolationist zero COVID19 approach mount, on the surface it may appear that China's leaders have disregarded the nation's economic health – and opted for slower growth today. Yet, it could be that they have their eyes on the long-run instead, and on quietly addressing challenging underlying structural imbalances that are otherwise more systemically and systematically choking China's long-run socioeconomic aspirations than recent COVID19 lockdowns are equivalently.

Come September, when a new generation of children start school in China's urban frontiers, that is, there may be a different judgement of China's Covid strategy. If, for example, there is a newly elevated share of migrant worker children in Beijing's more elite public schools especially. Even more so if this leads to their sustained progress in that school over and above that of their parents and of the 'left behind' and infamously educationally marginalised school children of China's recent urban migrant past.

The same also, and over time, as China's emerging online-based civil administrative procedures take shape. That is, by and for example the joy of China's elders in finding they or their children on their behaves can undertake administrative necessities from

their children's living room of their newly adopted hometown of Shanghai - or even California.

Same again of the new productivity potential of a migrant entrepreneur in Shenzhen who will be newly empowered to compete more efficiently and on equal footing with a local hukou holder once able to fulfil administrative business registration and tax requirements from Shenzhen. That is, without having to take time off to return home for the sole purpose of red tape.

To the outside world, China's blocked ports and the empty streets in Shanghai may be getting all the media attention. COVID19 and China's handling of it may today be taken as a disaster for China's immediate and longer-term growth and development also. Yet, and in something of a Darwinian game of aspirational survival, for China's migrant workers who have economically been able to sustain themselves during the COVID shutdowns in their adopted urban frontiers, it may, that is, be even easier to continue to thrive in these adopted urban frontiers post-COVID – across generations too.

Xiaopang Fan has recently written about China's use of cholera to undertake administrative reforms to sustain the Chinese state going forward. Of COVID-19 equivalently, today it is still too early to tell if what appear to be significant hukou-related educational access and civil administration reforms progressed in early 2022 especially, come one day to be associated the beginning of the end of China's cruel and counterproductive hukou-based administrative and educational apartheid.

In other words, far from the economy not being in focus, or the China's common prosperity agenda having been put in the backburner, it seems rather that related structural reform has been somewhat dramatically progressed during China's lockdowns. That is, that those agendas remain very much ongoing and prioritised works-in-progress.

A socioeconomically-advanced digital 'datong' version of China, in other words and despite all the international headlines to the contrary, remains the unchanged and prioritised goal of Beijing.

- ⁱ <https://www.piie.com/blogs/realtime-economic-issues-watch/zero-covid-shanghai-comes-high-social-and-economic-costs>
- ⁱⁱ <https://upittpress.org/books/9780822946625/>
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- ^{iv} 全国一体化政务服务平台初步建成——“跨省通办”，异地办事不再难
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