

Regional Economic Development and Industrial Restructuring in Henan Province: Prospects With an Eye to One Belt, One Road (Summary)

LI Kui

Doctoral Candidate, Graduate School of North East Asia and Development Studies, University of Shimane

MU Yaoqian

Associate Senior Research Fellow, Research Division, ERINA

Focusing on the central Chinese province of Henan, this paper analyzes the region's economy, industry, and policies, with the aim of shedding light on the true state of Henan Province's economy and its growth pattern. More specifically, this paper analyzes the recent state of economic development, based on the provincial economy's expansion between the founding of the People's Republic of China and the present day. It also highlights changes in Henan's industrial structure and growth factors. Furthermore, this paper summarizes Henan Province's initiatives associated with the Chinese government's key One Belt, One Road strategy and examines their impact on the local economy.

Henan has a population of approximately 100 million and its location has made the province an important transport hub for the whole country. Its gross regional product in 2016 totaled 4.472 trillion yuan, placing Henan Province fifth nationwide — behind Guangdong, Jiangsu, Shandong, and Zhejiang — and top among the central and western regions of China. With an economic growth rate exceeding the national average for more than 20 years since 1993, Henan Province has grown in importance on the economic map of China. In international rail freight transport linking China with Europe as part of the One Belt, One Road vision, Henan is the top province nationwide in terms of the number of services, balance of inbound and outbound freight, weight and value of freight, and load factor.

The analysis in this paper showed a decline in Henan Province's primary industry, along with growth in secondary industry and a recent surge in tertiary industry. The core industries that account for the biggest share of secondary industry by value of production are resource-dependent industries such as agriculture, non-metal manufacturing, food and tobacco manufacturing, and chemical industry, while those experiencing rapid growth are high-added-value industries, including general purpose and specialist equipment, IT and communications, electrical machinery, and transport equipment. On the other hand, the industries in which Henan Province enjoys nationwide dominance are those involving a moderate degree of added value, such as non-metal manufacturing, other mining, timber processing and furniture manufacturing, and food and tobacco manufacturing.

The One Belt, One Road strategy is extremely important to Henan Province's regional policies and can certainly be described as a new development. One Belt, One Road is of tremendous significance, as it means promoting regional economic integration within China. It is especially meaningful for Henan Province, which is one of China's foremost transport hubs and has the potential to expand considerably as a result of regional integration.

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