BREAKING NEW GROUND

CIIE fuels wider opening up
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Cover Photo: The first China International Import Expo is held in Shanghai on November 5-10 (VCG)

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A Fair Lesson

There are several reasons why the first China International Import Expo (CIIE), held in east China’s Shanghai, is a landmark. As the first China-oriented import expo, it has conveyed China’s resolve to continue opening up. The international community had doubts if China would continue with the policy which began four decades ago, especially at a time when some developed countries are rebuking globalization and pursuing trade protectionism. There were worries that China would follow in their footsteps.

However, China’s leaders have reiterated their determination to deepen reform and opening up on many occasions to address the international community’s concerns. The slogan of the expo—New Era, Shared Future—indicated it was a platform to enable the international community to seize the development opportunities presented by China in the new era, and that it was an engine to deepen economic and trade cooperation for common prosperity and progress.

At the inauguration of the expo, President Xi Jinping said China would lower import tariffs further, facilitate customs clearance, and reduce institutional costs. China’s door, he emphasized yet again, will never be closed but will only open wider. It is estimated that the volume of China’s imported products and services will exceed $30 trillion and $10 trillion respectively in 15 years.

The CIIE also complemented the Belt and Road Initiative, which envisions building a community of a shared future for humanity. The participating countries facilitated economic cooperation and discussed open trade and innovation. The expo was not the sole effort of China but an orchestra for the world community to work in tandem and create harmony.

The CIIE will serve as an example for countries that are keen to resolve their problems on their own. All countries are bound to face obstacles in the course of their social and economic development. Should they examine their problems first or should they blame them on other countries? How a nation reacts in such a situation shows the wisdom of its policymakers.

The Chinese Government has chosen to promote China’s economic growth through economic transformation and upgrading. Holding the CIIE is an effort to satisfy Chinese consumers’ demand for higher-end products, and will have a positive influence on international society.
China’s Bayi Aerobatic Team performs at the 12th China International Aviation and Aerospace Exhibition (Airshow China) in Zhuhai, south China’s Guangdong Province, on November 6.

More than 40 countries including the United States, Russia and France participated in the event.
A Shared Future in Cyberspace

A visitor experiences VR technology at the Light of the Internet Exposition which took place on November 6. The expo was part of the fifth World Internet Conference held in Wuzhen, east China’s Zhejiang Province, on November 7-9.

President Xi Jinping sent a congratulatory letter, saying “We should speed up the development of the digital economy and promote the global Internet governance system to advance in a just and more reasonable way, so as to inject new impetus to the world economy.”

AI Theme Park

China’s first artificial intelligence (AI) theme park opened to the public in early November, after a 10-month renovation project of a municipal park in northern Beijing. Driverless shuttle buses, smart lamp posts that can record exercise data, and intelligent speakers that can respond to human instructions have been installed in Haidian Park, which covers 34 hectares near the city’s Fourth Ring Road.

The local government in Haidian and Internet company Baidu signed an agreement in January to jointly explore “smart city” building. Haidian Park, which received 1.2 million tourists last year, was chosen to run the pilot program.

A total of 10 government departments and companies participated in the renovation of the park over the past 10 months, said Che Jianqiu from the park’s administration office. In recent years, Chinese hi-tech companies have established themselves in the AI industry, while Central Government also stressed in October that it would boost the development of a new generation of artificial intelligence.

Fresh Victory

For millions of Chinese e-sports fans, this year marks a new apex of excitement after the country’s stellar performance over the weekend. Chinese e-sports club Invictus Gaming, defeated the European club Fnatic, 3-0, to claim the championship at the 2018 League of Legends World Championship in Incheon, South Korea, on November 3. It was the first time that a club from the Chinese mainland won the title in the world championship’s eight-year history.

The long-awaited victory led to a flurry of activity on social media with billions of views on Weibo. At least a dozen of the top 50 trending topics on Weibo was about China’s victory. “Winning the world championship is unreal for me and I never thought it could become a reality,” said Yu Wenbo, known as Jackeylove on the Internet, an e-sports player with club IG.

Yu was not the only one bowled over as China’s e-sports experts surprised the nation multiple times this year. Team China participated in three of the six e-sports events at the 2018 Asian Games in August, which included the game as a demonstration sport for the first time in the Asia’s history. China pocketed two gold medals and a silver at the games.

The victories and the popularity of e-sports are the inevitable results of a dramatically growing market in China.

Undersea Subway Tunnel

China announced that construction has finished on its deepest undersea subway tunnel on the mainland in a statement released on November 6. The cross-sea subway tunnel, running 8.1 km with 3.49 km of the line undersea, links east and west Qingdao, a coastal city in east China’s Shandong Province, said the China Railway No.3 Engineering Group.

It is the deepest undersea subway tunnel on the Chinese mainland, with one section rooted 88 meters below the sea. Construction of the tunnel started in September 2015, according to local media. It is part of a 59.97-km subway line that links downtown Qingdao with Huangdao District, significantly cutting the travel time from one side of the city to the other.

Green Waterway

A total of 1,361 illegal wharfs along the main channel of the Yangtze River have been demolished or renovated, according to the National Development and Reform Commission. Increasing human activity has damaged the ecological environment along the Yangtze River, as well as endangering rare species and biological resources over the years, said Xiong Qiuan from the commission.

Xiong said 1,254 wharfs had been torn down to make room for greenbelt areas, and the remain-
ing 107 have been upgraded. Crackdowns on illegal sand mining, chemical pollution, and sewage disposal have been carried out to restore the river environment and protect the water source. Nearly 900 nature reserves had been established along the main channel of the Yangtze as of the end of 2017.

**Energy Structure**

China has sped up efforts to move from a coal-oriented structure to a cleaner and more diversified energy-production, according to a report released by the National Bureau of Statistics. Natural gas output reached 148 billion cubic meters, and primary electricity came to 1.8 trillion kw hours in 2017, data showed.

The share of clean energy production saw continuous growth. Natural gas made up 5.4 percent of the total energy production, while electricity and other clean energy jumped to 17.4 percent last year, the highest since 1978, according to the report. China’s net energy imports also followed an optimized trend last year with the import of raw coal down 12 percent and natural gas up 18.4 percent when compared with that of five years ago.

**Panda Program**

A public welfare program aiming to share stories of panda-human relationships has been unveiled to the public. The project aims to present China’s tremendous ecological conservation achievements in protecting endangered species.

China Network Television’s iPanda channel and the Chengdu Research Base of Giant Panda Breeding jointly launched the Worldwide Giant Panda Keeper Volunteer Program in order to enable the public, both domestic and international, to better understand giant panda breeding.

Twenty-seven young people from around the world will be selected to come to Chengdu, capital of southwest China’s Sichuan Province and known as “home of the panda”, to undergo closed-door, professional training and witness the breeding of giant pandas. A number of other events have been hosted by the base in recent years to present scientific research on giant pandas, calling on the public to lead an eco-friendly lifestyle.

**Climate Observatories**

China will speed up establishing national climate observatories, an official from China Meteorological Administration (CMA) said on November 6. Climate change has become a worldwide concern and to address the problem it is necessary to conduct comprehensive observations of the climate system, Zhang Zuqiang, Director of the emergency relief and public service department of CMA, said at a press conference.

The national climate observatories will function as integrated meteorological stations to carry out long-term, consecutive and all-around monitoring of the multilayered climate systems and the interactions among different layers.

The observatories will also serve as a platform for scientific research and talent cultivation. They will also be open to administrations at home and abroad, Zhang added.

During the implementation of the 13th Five-Year Plan in China, which extends from 2016 to 2020, CMA will establish national climate observatories in 16 critical areas in the climate systems which are sensitive to interactions among distinctive layers and exchanges of mass and energy, Zhang said.

In 2007, five meteorological observation stations in the Inner Mongolia Autonomous Region and provinces of Anhui, Guangdong, Yunnan, and Gansu were chosen as the pilot areas for establishing the climate observatories.

**Welcoming the Winter**

Children at a kindergarten in Langfang City, north China’s Hebei Province, learn to make dumplings on November 6. An activity welcoming Start of Winter, the 19th solar term of the year, is held to help children learn traditional customs.
New Tech Board
The Chinese security watchdog will speed up work on rules for a science and technology innovation board to be launched in Shanghai, it said on November 5.

China announced its decision to launch a science and technology innovation board at the Shanghai Stock Exchange (SSE) and experiment with a registration system for listed companies.

The China Securities Regulatory Commission (CSRC) said that the commission along with the SSE will step up efforts to bring the mechanisms and rules to completion, including drawing on international experience and improving information disclosure.

There will be differentiated policies on the profitability and ownership structure to help innovative companies go public, according to the CSRC.

The CSRC described the new board as a major reform to drive innovation, promote high-quality development and support Shanghai in cementing its position as an international financial center and a hub of science and innovation.

Green Economic Belt
On November 7, China unveiled a plan to promote the construction of the Huaihe River Green Economic Belt in a bid to foster regional economic and ecological development.

The plan, issued by the National Development and Reform Commission, maps out the strategic position and targets of the economic belt.

It will be developed as a pilot area for ecological civilization, distinctive industries, a new type of urbanization and central and eastern regional cooperation, the plan said.

By 2035, the plan aims to transform the economic belt into a dynamic area with an improved ecological environment, boosting the local economy and narrowing the gap between urban and rural areas.

Covering 243,000 square km, the Huaihe River Green Economic Belt refers to surrounding areas along the river in central and east China.

By the end of 2017, the gross domestic product of the area reached 6.75 trillion yuan ($976 billion), with 146 million residents.

Power Line Development
The construction of an ultra-high voltage power transmission line to deliver clean energy began on November 7.

The 1,587-km-long transmission line starts in Hainan Tibetan Autonomous Prefecture in northwest China’s Qinghai Province and ends in Zhumadian City in central China’s Henan Province, connecting Qinghai, Gansu, Shaanxi and Henan provinces.

According to the plan, the transmission line, with a capacity of 8 million kilowatts, will begin operation in 2020 and deliver electricity generated from solar power, wind and water from Qinghai to central China.

With an investment of 22.6 billion yuan ($3.26 billion), the transmission line is estimated to deliver electricity of 40 billion kilowatt-hours each year, which will help replace 18 million tons of raw coal and reduce 14,000 tons of dust emissions, along with 90,000 tons of sulfur dioxide emissions and 29.6 million tons of carbon dioxide emissions.

Services Import Prospects
China’s cumulative services imports are expected to exceed $2.5 trillion in the next five years, a Ministry of Commerce report showed on November 6.

The country’s services imports will account for more than 10 percent of global services imports, contributing over 20 percent of total global growth in the next five years, according to the Report on China Services Imports.

Over the next five years, China’s imports of travel services are expected to exceed $1.4 trillion, while Chinese tourists will make an estimated total of 700 million outbound trips as the country’s consumption power grows, the

Robots in Place
Smart devices in the Future Park of Cainiao, the Alibaba Group’s logistics arm, carry goods on November 8. Located in Wuxi, Jiangsu Province, the park has become China’s largest robot intelligent warehouse with nearly 700 robots for increasing efficiency and cutting management costs.
Smart Cooking

A worker operates a cooking machine in an automated restaurant in Beijing on November 7. The restaurant is equipped with seven cooking machines programmed to prepare popular Chinese dishes in minutes without the need for human chefs.

Resources to Profits

A technician examines a wind power transmission system in Yulin, Shaanxi Province, on November 6. After it is completed, the system will supply electric power to six cities in the province and help translate the local resource advantages into economic competitiveness.

Meanwhile, the risks brought by utilizing AI technologies in finance should not be neglected, said the PBC, which unveiled a series of regulations to supervise the emerging services backed by AI.

According to the central bank, exaggerated advertisements are prohibited when utilizing AI, and financial institutions should provide clear transaction procedures and offer manual intervention when algorithm defects appear.

Soaring High

China’s general aviation industry has maintained rapid growth in recent years, and the number of general aircraft will increase to over 20,000 with flying hours totaling 6 million a year by 2035, according to a white paper released on November 6.

In 2017, China had 2,984 general aircraft. The annual flying hours of general aircraft increased from 370,000 in 2010 to 840,000 in 2017.

The white paper, released by the Aviation Industry Corp. of China Ltd., said that the Chinese general aviation industry has seen significant changes in business structures as short-distance transportation, low-altitude airspace tourism and business trips increased rapidly, while industrial and agricultural use decreased.

The industry will enter a phase of rapid growth in the next five to 10 years as China continues to push forward the reform to delegate powers, strengthen compliance oversight and improve government services.

China is set to boost development of its general aviation industry to create a market worth more than 1 trillion yuan ($153.8 billion) by 2020.

The country will build new general aviation airports, bringing the total number to more than 500 by 2020, according to a guideline issued by the State Council, China’s cabinet.

It also plans to increase the number of general aircraft, including helicopters and private jets, to more than 5,000 by 2020.

Report said.

During this period, China will see over $700 billion of cumulative imports in emerging services, including charges for the use of intellectual property, telecommunications, computer and information services, financial services, and cultural and recreational services.

China has seen rapid growth in imports of services since it joined the World Trade Organization. Its services imports surged to $467.6 billion in 2017 from $39.3 billion in 2001, with its global share increasing to 9 percent from 2.6 percent, official data showed.

In terms of the global travel industry, China’s outbound travel consumption has contributed 16.7 percent of the added value and created about a quarter of jobs in recent years, according to the report.

AI Expansion

China’s technology companies have gradually transformed the country’s financial sector by incorporating artificial intelligence (AI) into their services. Many top IT companies including Alibaba, Tencent and JD.com have protracted their businesses into the financial sector, establishing platforms after obtaining financial licenses.

In its latest report on China’s financial stability, the People’s Bank of China (PBC) labeled these IT giants engaged in financial business as financial holding companies.

Their presence has stimulated the proliferation of FinTech and relevant applications in China, especially in terms of investment advisory services, risk management, and customer services. The utilization of AI technologies in finance also contributed to efficiency improvements and cost reductions for financial institutions.

Along with the rapid use of financial technologies, almost 1,900 FinTech startups established in China over the past three years, according to a FinTech database developed by the Tsinghua University PBC School of Finance.
UNITED STATES

Voters queue to cast their ballots in the midterm elections at a polling station in New York City on November 6. The Republican Party maintained a Senate majority in the elections, while the Democrats gained control of the House of Representatives.

RUSSIA

Singers mark the 101st anniversary of the 1917 October Revolution in Moscow on November 7.

BOSNIA AND HERZEGOVINA

Participants examine a 3D-printed model at the third Conference on Innovation and Technology Cooperation Between China and the Central and Eastern European Countries in Sarajevo on November 5.
NORTH KOREA

Kim Jong Un, leader of the Democratic People’s Republic of Korea (DPRK), shakes hands with Chinese and DPRK artists after a joint performance in Pyongyang on November 3.

SINGAPURE

Founder of the New Economy Forum Michael Bloomberg (left), International Monetary Fund Managing Director Christine Lagarde (center) and Singapore’s Deputy Prime Minister Tharman Shanmugaratnam attend the closing session of the event on November 7.

JAPAN

Disney characters perform on a float during a Christmas Parade at Tokyo Disneyland on November 7.
Chinese paleontologist and evolutionary biologist Zhang Miman was awarded the Science and Technology Achievement Award of the Ho Leung Ho Lee Foundation, the highest award of the foundation.

Born in Nanjing, east China’s Jiangsu Province, in 1936, Zhang graduated from Moscow University in 1960 and received her Ph.D. from Stockholm University in 1982. She has since been a research professor at the Institute of Vertebrate Paleontology and Paleoanthropology, the Chinese Academy of Sciences (CAS).

She was the director of the institute from 1983 to 1991, president of the International Paleontological Association from 1992 to 1996, and president of the Paleontological Society of China from 1993 to 1997. In 1991, she was elected as an academian of CAS.

Zhang has spent decades examining fish fossils, some of which date back to the Devonian period, some 400 million years ago. Her discoveries over the past 50 years have helped explain the causes and timeframe for evolving features in certain species of fish.

The Ho Leung Ho Lee Foundation is a Chinese non-governmental organization founded in Hong Kong in 1994.

Industrial Workers’ Rights

Workers’ Daily
November 2

The Communist Party of China’s Committee and Government of Minxing District in Shanghai recently released a three-year plan on strengthening public services for industrial workers.

Urban policy dictates whether industrial workers can find a home in cities and how well infrastructure such as transportation, healthcare, entertainment and leisure facilities is working for blue collar employees. Issues such as canteen access, rent cost and transportation links all affect their sense of happiness and security and influence their decision to settle in an urban location.

However, public services in many places are inadequate, affecting the stability and development of industrial workers. Migrant workers, who account for the majority of industrial workers, are particularly eager for equal services.

Developing conditions for such workers requires the government to develop feasible policies and ensure their implementation.

Trade unions at all levels should play an active role in improving public services for workers. They should try to secure support from the government by candidly reporting workers’ living and working conditions while also gleaning the support of private capital. The trade union of Futian District in Shenzhen of south China’s Guangdong Province has set up canteens in some industrial parks and office buildings of the district using 20 million yuan ($2.9 million) of private capital.

Only if the government, trade unions, trade associations and enterprises work together will workers be able to enjoy superior services, engendering a preferential quality of life.

“Economic and trade cooperation is still an anchor and propeller for healthy and stable China-U.S. relations. And the essence of the cooperation should be mutual benefit and win-win.”

Chinese Vice President Wang Qishan, at the New Economy Forum in Singapore on November 6

“China will join hands with Africa to uphold the principle of achieving shared growth through discussion and collaboration and promote construction cooperation under the Belt and Road Initiative, so as to consolidate the basis of the China-Africa community with a shared future.”

Wang Yang, Chairman of the National Committee of the Chinese People’s Political Consultative Conference, while meeting a delegation from the Economic and Social Council of Africa on November 6

Shifting Habits in Consumer Finance

Oriental Outlook
November 8

Consumer finance has gained popularity in China with Millennials and Gen Z the primary force of credit-based consumption.

Unlike the elder generations who refrain from making purchases until they have saved enough money, the younger generation’s conception of finance and consumption has shifted significantly. They are keen to upgrade their consumption habits and improve their quality of life through consumer loans. Some e-commerce platforms have either established their own consumer finance models or collaborated with third parties to provide installment services. Ant Financial, the financial arm of e-commerce giant Alibaba, has set up Ant Check Later in 2015 to provide installment loans for consumers.

Compared with traditional loans offered by banks and credit card services, consumer finance is more flexible with a faster approval process and fewer approval criteria. A bank requires information about a customer’s educational background, marital status, housing status, job and financial health when de-
Concerns Over Soil Pollution

**Guangming Daily**
**October 30**

According to the latest research, 21.49 percent of monitoring stations in grain production regions of China have an excessive amount of heavy metal in their soil. The study was conducted by the Institute of Geographic Sciences and Natural Resources Research of the Chinese Academy of Sciences.

Though the pollution is classified as medium in a global context, the problem should not be underestimated and has increased by 2 percentage points when compared to 2014 data. Official statistics show that every year 12 million tons of grain is affected by heavy metal pollution which is potentially harmful to health.

Soil pollution is the result of urbanization, with those living in cities willing to pay a higher price for organic vegetables, free of pesticide and chemical fertilizers. They are paying an inflated price for the negative impacts brought by urbanization.

Areas with the most serious soil pollution are primarily industrial cities and areas between cities and rural areas where industrial waste is discharged.

The effects of soil pollution may not be evident for decades. Therefore, if enterprises continue to pursue economic benefits without paying attention to ecological protection, the environment will ultimately suffer.

Strict law enforcement and punishment are also necessary. No leniency should be given to enterprises pursuing economic benefits at the cost of the environment. Relevant government officials should be held accountable for soil pollution.

A long-term perspective should be adopted to attach more importance to soil pollution prevention and treatment to improve soil quality.

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Shen Yueyue was re-elected president of the All-China Women's Federation (ACWF) on November 1.

The first plenary meeting of the 12th ACWF Executive Committee also elected 14 people as the federation's vice presidents and 40 as its standing committee members.

Born in January 1957 in Ningbo City of east China's Zhejiang Province, Shen holds a master's degree in economic management from the Party School of the Central Committee of the Communist Party of China (CPC).

She served as secretary of the Zhejiang Provincial Committee of the Communist Youth League of China from 1991 to 1993. She was deputy secretary of the Hangzhou CPC Committee from 1993 to 1997 and secretary of the CPC Committee of Shaoxing City from 1997 to 1998.

She served as director of the Organizational Department of the Zhejiang Provincial CPC Committee and deputy secretary of the CPC Committee of east China's Anhui Province before being appointed as deputy director of the Organizational Department of the CPC Central Committee in 2002. She was first elected president of the ACWF in 2013.

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“China is now working with ADB (the Asian Development Bank) to address challenges and share its rich experience with other countries and development partners in Asia and the Pacific... The two sides will maintain close cooperation to ensure the partnership remains responsive to the evolving needs of China and the region.”

**Stephen Groff**, Vice President of ADB, during the book launch of A Partnership Transformed, a book demonstrating the 30-year cooperation between China and ADB, on November 6

“China is willing to strengthen cooperation with countries along the Belt and Road in scientific research on environmental and climate change, biodiversity, and epidemics and infectious diseases.”

**Bai Chunli**, President of the Chinese Academy of Sciences, at a press conference during a two-day forum launching the Alliance of International Science Organizations in the Belt and Road Region on November 5
The first CIIE is an opportunity for foreign players to reach more Chinese consumers By Deng Yaqing
To balance its foreign trade and pursue high-quality development, China has activated a new round of opening up, with expanding imports given top priority. The International Import Expo (CIIE) was held in the National Exhibition and Convention Center in Shanghai, attracting more than 400,000 domestic and overseas purchasers, with roughly 5,000 products making their debut at the expo. In the years to come, the CIIE will be held on an annual basis.

The list of products traveling across borders and on display was all-encompassing, ranging from the largest: a 200-ton planer type milling machine, to the smallest: a cardiac pacemaker the size of a tablet; and from the most luxurious: an Italy-made helicopter with a price tag of 200 million yuan ($28.85 million), to the most common: Iberian ham. Besides tangible goods, various services also found their way to the expo, including logistics, tourism and smart home solutions, among others.

At the opening ceremony of the expo on November 5, Chinese President Xi Jinping announced that the country will further its opening-up initiative in five ways: stimulate the potential for increased imports, continue to broaden market access, foster a world-class business environment, explore new horizons for opening up and promote international cooperation at the multilateral and bilateral levels.

“The CIIE demonstrates China’s consistent position of supporting the multilateral trading system and promoting free trade. It is a concrete action by China to advance an open world economy and support economic globalization,” Xi said.

Common aspirations

The CIIE is the world’s first import expo held at the national level and an innovation in the history of global trade. Xi’s views on openness, free trade and globalization received extensive applause from attendees.

The World Trade Organization head welcomed Xi’s speech. “What we need today is not more borders but less borders,” Director General Roberto Azevêdo said. “We need countries to leverage their potential to help each other and to give more opportunities to business and growth.”

In a statement, Australian Minister for Trade, Tourism and Investment Simon Birmingham praised Xi’s strong commitment to China’s ongoing reform and opening up and his remarks on the need to preserve and strengthen the rules-based multilateral trading system.

The UK’s International Trade Secretary Liam Fox said it was “fantastic” to hear more from Xi on China further opening up its market to imports and investment, adding that the British Government is “delighted to be supporting the event.”

President Xi gave an important speech. He gave direction to China’s future in terms of economic and commercial interactions with foreign countries. I think the future is bright, not only for China, but also for its partners,” said Dhia Khaled, Ambassador of Tunisia to China.

Chinese President Xi Jinping and foreign leaders tour the first China International Import Expo’s Country Pavilion for Trade and Investment in Shanghai on November 5.
Aziz Mekouar, Morocco’s Ambassador to China, said free trade has lifted hundreds of millions of people out of poverty. “President Xi announced new measures to open the market and expressed support for free trade, which can bring enormous wealth to human society,” he said.

“In the future, China’s market will become bigger as per-capita income continues to grow. China’s further opening up will lead to more cooperation,” Mekouar said. In addition, many other participants strongly applauded China’s achievements since reform and opening up began in the late 1970s.

In the past, the focus has been more on the country’s exports, but now the first CIIE signalled that China welcomes overseas products in its own market, which marks a further step toward opening up, said Annette Tabbara, Plenipotentiary of the Free and Hanseatic City of Hamburg to the Federation and the European Union and for Foreign Affairs.

**Trade creating wealth**

Among the experts and entrepreneurs present at the expo, most agreed that free trade can generate wealth for people around the world and is an indispensable element to ensuring peace and prosperity.

“This is a moment for China to take a leadership role in multilateralism,” said John Denton, Secretary General of the International Chamber of Commerce (ICC), referring to the Silk Road Economic Belt and 21st-Century Maritime Silk Road (Belt and Road) Initiative as one example of China’s pushing forward openness.

Denton said almost one in three workers in the world relies on the success of ICC member businesses to ensure their prosperity, and looking through the eyes of ICC members and those who work for them, they want free trade to continue.

“Today, globalization is facing substantive difficulties, and an open mindset and continuous innovation are necessary to deal with the current difficulties,” said Ding Lei, founder and CEO of the Chinese tech company Netease, who believes this is the only way can growth momentum be generated in countries and enterprises.

Long Guoqiang, a research fellow with the Development Research Center of the State Council, China’s cabinet, pointed out that the ultimate purpose of international trade is to benefit as many people as possible. To this end, efforts should be made in three ways: First, an open, inclusive and stable international environment for trade and economy needs to be put in place, which makes the existence of a multilateral trading system necessary. Second, concerted efforts should be made to ensure that businesses and people from less developed countries can be integrated into trade. On this front, consideration should be given to the gap between developed and developing countries and preferential treatment should be made available for the latter. Third, the best use of technological progress needs to be made; innovation in business models and technologies should be fully leveraged in areas like Africa and the Pacific islands.

“To benefit more people, we should be cautious with the employment of protectionist measures such as tariffs,” Long said.

**A huge market**

As the world’s largest opening-up platform focused on imports, the CIIE was extremely popular among enterprises around the world. “The Chinese market accounts for 20 percent of our sales. Today, our largest market outside of the United States is Germany, and we expect China to equal what we are selling in Europe,” said Joseph A. Braun, Vice President of Hurco Companies, Inc., an Indianapolis-based global industrial automa-
tion company that designs and produces interactive computer controls, software and computerized machine systems for metal cutting and metal forming industries.

“The parts that Chinese workers are making today are very sophisticated. They require advanced solutions,” Braun said. Typically, a highly trained operator is needed to run a sophisticated machine tool. But for Hurco machines, anyone can work as an operator after receiving 15 minutes of training, which makes it more likely to be widely used in the ongoing upgrading of China’s manufacturing industry.

U.S. food and agricultural giant Cargill arranged chefs to cook its quality beef at its booth, attracting streams of visitors. During the first CIIE, the company signed cooperative agreements worth more than $2.4 billion with Chinese partners, covering beef, grain, food ingredients, cotton and iron ore.

“The Chinese market is vital to Cargill,” said Liu Jun, President of Cargill China, adding that in the past seven years, Cargill’s investment in China has doubled.

“As far as Cargill is concerned, the first CIIE helped us strengthen ties with our stakeholders and gain a better knowledge of the Chinese market,” said Liu, who confirmed that the company will continuously scale up its investment in China and join hands with its Chinese partners in providing local consumers with safe, healthy food in a sustainable way.

As supply-side structural reform keeps deepening in China, the country’s home appliances industry is restructuring under the influence of digital and intelligent technologies. Against such a backdrop, Whirlpool Corp., a U.S. multinational home appliances manufacturer, opened a smart factory in Hefei, east China’s Anhui Province, which went into production in November 2017.

“Chinese people’s power of consumption has been growing recently. To fulfill demands arising from consumption upgrading, some new and advanced products should be developed to match specific demands,” said Samuel Wu, President of Whirlpool Asia, noting that the company is used to customizing its products to Chinese consumer needs.

A recently unveiled refrigerator named Frozen Age is one example. A special compartment is designed to store skincare products like masks, with the temperature in different compartments can be adjusted to accommodate different types of foods stored.

Wu said Whirlpool Asia has always competed with its Chinese rivals on a fair playing field, while local governments are willing to offer help when operating businesses in China like in the building of the Hefei-based factory.

“With excellent technologies and customized products, we are confident that Whirlpool Asia will manage to grasp the eruptive growth of China’s kitchen appliances market in the future,” Wu said. (Reporting from Shanghai)
The Shanghai-based Greenland Group started its cooperation with Viet Nam in 2017 when it signed an agricultural import agreement worth $500 million. A year later, on the eve of the first China International Import Expo (CIIE) in Shanghai on November 5-10, Vietnamese Prime Minister Nguyen Xuan Phuc met with Zhang Yuliang, Chairman of Greenland Group in Shanghai, with plans to initiate a $43.5-million purchase order.

The first CIIE, which was attended by more than 1,000 companies from 58 countries along the China-proposed Silk Road Economic Belt and 21st-Century Maritime Silk Road (Belt and Road), has added momentum to the already rapid growth in trade between China and countries such as Viet Nam.

China has been Viet Nam’s largest trading partner for 14 consecutive years, with the bilateral trade volume estimated at $121 billion in 2017. China’s exports soared 277.8 percent from 2009 to 2016. Meanwhile, Viet Nam has also entered China’s top 10 trading partners, with agricultural products and consumer goods two of the top export items. Among all the imported goods in China, 99 percent of cashew nuts, 60 percent of fish, 50 percent of coffee and 40 percent of rice come from Viet Nam.

Viet Nam’s exports to China are shifting from low-value agricultural and sideline products, primary commodities and mineral resources to high value-added products such as electronic goods and components. According to the General Statistics Office of Viet Nam, Viet Nam’s exports to China reached $43.6 billion in the first nine months of 2018, with electronics and components worth $6 billion, up 28.8 percent year on year. China has become its largest export market for electronics and spare parts.

Wang Bingnan, Vice Minister of Commerce of China, said the CIIE has be-
China International Import Expo in Shanghai

President Xi Jinping said China is ready to help Kenya. Kenyan products and increase imports from China and Kenya signed a number of trade agreements for other countries along their routes to expand exports to China.

Top-level design

In 2017, the import and export volume between China and other Belt and Road countries reached $1.44 trillion, up 13.4 percent from 2016, accounting for 36.2 percent of China’s total import and export trade. China’s $774-billion exports to these countries accounted for 34.1 percent of its total exports, a year-on-year increase of 8.5 percent. Its imports were worth $666 billion, up 19.8 percent compared with the previous year and accounting for 39 percent of China’s total imports.

China attaches importance to expanding trade links with other Belt and Road countries. For example, during a meeting with Kenyan President Uhuru Kenyatta, who was in Shanghai to attend the first CIIE, on November 4, Chinese President Xi Jinping said China is ready to help increase added value and competitiveness of Kenyan products and increase imports from Kenya.

China and Kenya signed a number of trade deals on agricultural products such as flowers, horticulture, tea, coffee and nuts during the first CIIE. They are expected to open doors for over 40 percent of Kenya’s fresh produce including avocados, mangoes and cashew nuts into the vast Chinese market.

Another outcome was the signing of a memorandum of understanding (MoU) on the establishment of a trade negotiation working group. The group’s mandate is to negotiate trade tariffs, particularly on Kenya’s tea and coffee exports to China, and explore additional markets for the country’s cash crops.

The construction of the Belt and Road has made progress on different levels. Hu Biliang, Dean of the Emerging Markets Institute at Beijing Normal University, told Beijing Review: “The CIIE has opened a window for countries that have run trade deficits with China to participate in its titanic market and multiply their exports to China. It also gives them the confidence to deepen cooperation with China on Belt and Road construction.” Hu said.

In addition to President Kenyatta, leaders of 17 other countries also attended the first CIIE. According to Hu, high-level exchanges play a significant role in promoting the connectivity of policies and development strategies, as well as promoting bilateral and multilateral investment, security cooperation and people-to-people exchanges.

Significant outcomes

Zhao Beiwen, a researcher on the world economy with the Shanghai Academy of Social Sciences, believes that the wide participation of countries along the Belt and Road routes in the first CIIE not only proves China’s significance in world trade but also demonstrates its determination to drive both trade and investment and implement the strategy of balancing imports and exports.

The Czech Republic’s exports to China totaled $2.41 billion in 2017, up 26 percent year on year, while its imports from China amounted to $11.89 billion, up 12 percent. Eighty Czech companies participated in the first CIIE, showcasing their products in fields ranging from automotive, heavy machinery and financial services. Eight MoUs were also signed at the China-Czech Business Forum CIE 2018.

Czech President Milos Zeman, who attended the first CIIE, said his country welcomes Chinese enterprises to invest and start new businesses and is willing to further enhance dialogue and coordination between the two governments and actively take part in Belt and Road construction.

On the eve of attending the first CIIE, Pakistani Prime Minister Imran Khan and Chinese Premier Li Keqiang attended the signing ceremony of 16 bilateral agreements to boost cooperation in Beijing. The two countries also agreed to accelerate construction of the Gwadar Port and supporting projects, as the facilities are key for cross-regional connectivity and a pillar of the China-Pakistan Economic Corridor. This will further strengthen the all-weather strategic cooperative partnership between the two countries.

According to Zhao, the CIIE has not only expanded China’s foreign trade and investment but also boosted global trade growth, especially between emerging economies and developing countries. “From the traditionally export-focused Canton Fair to the CIIE, from one-way to two-way, it shows the transformation of China’s trade strategy and China’s willingness to develop mutually beneficial trade relations with other countries,” he said.

He Wenping, a senior researcher at the Institute of West-Asian and African Studies under the Chinese Academy of Social Sciences, shared Hu’s view. She said as the connectivity of policy is one of the priorities in Belt and Road construction, the active communication between top leaders and the signing of the intergovernmental memoranda would set a general direction for future cooperation.

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Copyedited by Craig Crowther
Stepping into the Mediterranean Village at the first China International Import Expo (CIIE) in Shanghai, exhibitors—mostly from Corsica, an island located southeast of the French mainland—exclaimed, “Wow, this place looks exactly like a market on Corsica!”

What made them feel at home in the 500-square-meter area was not only Mediterranean-style interior design and decor, but a variety of products such as olive oil, chestnut beer and ham, which are typical to Corsica. Sixteen companies from the island set up exhibition booths, marking their debut in China.

“The pure natural food from Corsica arrived in Shanghai on November 1,” Bertrand Mulot, who represents the Regional Chamber of Commerce and Industry of Corsica, told *Beijing Review*.

Located in the center of the Mediterranean Sea, Corsica, the largest island in France, enjoys extraordinary natural conditions. Its latitude, sunshine and soil quality endow the island with a unique variety of products. On their first visit to China, 16 small and medium-sized enterprises brought wine, cookies, beer, meat products and mineral water to the first CIIE.

Pietra is one of the most distinctive Corsican beer brands. Established in 1996, the company is named after a small village. The water it uses to distill its beer is from a valley spring, while the use of ground chestnut in the brewing process makes the beer savory and mellow.

“I hope we can show and market our traditional brewing technique and convey our passion for the product to Chinese customers. The CIIE is the key step into the domestic market,” Dylan Sanchez Santacruz, from the export department of Pietra, told *Beijing Review*.

Also a brand from Corsica, Canistrelli produces traditional cookies with family recipes that have been passed down for generations. Alfred Fenech, the company’s founder, said the Chinese market used to be inaccessible to small and medium-sized enterprises like his, but the expo served as a direct, convenient and efficient platform for trade, facilitating face-to-face exchanges with Chinese buyers.

“For a long time, our products were restrict-
ed to France and other European countries. We now expect new trade partnerships to develop from the expo,” said Michel Masson, Marketing Director of Orezza, a mineral water brand.

Orezza’s source of water is near a biosphere reserve established by UNESCO, one of the world’s purest water sources free of pollution and nitrate.

“Enterprises from Corsica came to China as a group, introducing our regional characteristics and product features together. The expo opened a window for mutual understanding and cultural exchanges between China and the Mediterranean region,” Mulot said. Pure natural products from the French island attracted a number of purchasers at the expo, and many reached a primary intent of cooperation.

Exploring various fields
Many well-known European companies participated in the first CIIE, including Danone, France Power, Lego, L’Oréal, Mercedes-Benz and Schneider. They took the opportunity to showcase their upgraded products and technologies encompassing civil aviation, pharmaceuticals, agricultural products and food, nuclear power, industrial manufacturing and cosmetics to Chinese customers for further development and potential cooperation in the future.

On the second day of the first CIIE, a number of European exhibitors signed purchase contracts or purchase intention agreements with Chinese trading groups and purchasers. On November 6, at the company cooperation forum, the joint venture FAW-Volkswagen and Germany’s Volkswagen Group signed a memorandum of cooperation. It is expected that in 2019, FAW-Volkswagen will purchase imported CKD auto parts and whole Audi vehicles from the Volkswagen Group to meet production demand and the requirement for high-quality cars from Chinese consumers.

At L’Oréal’s Sharing Beauty With All forum on November 6, a ceremony was held to officially launch a long-term project to recycle empty bottles in China between Terracycle, an innovative recycling company, and Kiehl’s, a sub-brand of L’Oréal. During the project, recycling bins will be placed at Kiehl’s stores to encourage people to join in protecting the environment.

Laure Lemarquis, L’Oréal China Sustainability Director, spoke about the company’s first low-carbon factory in the Asia-Pacific region in Yichang, central China’s Hubei Province, at the forum, and introduced ways that L’Oréal can realize a green business with its employees. More eco-friendly materials have been applied in the phase of raw material selection and product packaging, which will be promoted in retail stores, she said.

“Ecological conservation and sustainable development are emphasized in China, and an increasing number of consumers are paying attention to the environmental impact imposed by the products and the concepts of a brand in addition to the product itself. Hence, a series of measures for sustainable development are carried out by L’Oréal China. Through this, we hope to lead a new trend of green living and contribute to building a Beautiful China,” Lemarquis told Beijing Review.

She said China’s e-commerce market is very huge. In June, L’Oréal China signed a letter of intent for green retail with China’s e-commerce giant Alibaba, to reduce the environmental influence caused by the delivery process and promote degradable materials for packaging.

Thirty-six Fortune 500 companies and industry leading companies have already confirmed their attendance at the next CIIE in 2019. An enterprise alliance established on November 6 will serve as a platform for exchanges and cooperation among exhibitors and collect their suggestions for China’s economic, trade and business development.

(Reporting from Shanghai)
Colorful roses from Kenya, fragrant coffee from Ethiopia and succulent oysters from Namibia. These were just some of the eclectic range of products from Africa on display at the first China International Import Expo (CIIE) held in Shanghai on November 5-10.

Among the companies showcasing their products and services at the expo, 200 were from over 40 African countries, including South Africa, Kenya, Ethiopia, Nigeria and Egypt.

African countries were given special treatment at the CIIE. “We support African countries in participating in the CIIE,” said Chinese President Xi Jinping at the Beijing Summit of the Forum on China-Africa Cooperation (FOCAC) in September, adding that the least developed African countries participating in the expo would be exempted from paying exhibition stand fees.

The expo shows China is open for business, and it promotes trade partnerships and helps close trading gaps between China and Africa," said Kenyan President Uhuru Kenyatta who led a delegation of horticultural farmers and traders to China for the event.

Closer to the market

Elisabeth E. Pali-Tchalla’s booth was one of the busiest at the expo, constantly surrounded by crowds of buyers interested in her products. As general manager of the Togolese shea company STK, she never imagined her shea butter products could be so popular among Chinese customers.

“The expo provides us with a platform to let them know what our products are all about,” Pali-Tchalla told Beijing Review.

Extracted from the nuts of the karité tree that grow in the Sahel region extending from West to East Africa, shea butter products can be used cosmetically to block UV radiation, as skin moisturizing cream and to heal minor injuries and scars. It is also traditionally used in food preparation.

Pali-Tchalla said that with the rise in demand for natural and organic products in China, she expected a significant growth of the shea butter market in China.

In Ethiopia, enjoying a cup of coffee with friends is a longstanding tradition. “Ethiopia is the birthplace of coffee. We have high-quality hand-made coffee. The CIIE is the start of Ethiopian coffee investigating entry into the

A staff member prepares coffee for visitors at the Ethiopian Pavilion at the first China International Import Expo in Shanghai on November 6
Chinese market,” Mirafe Gebriel Marcos, Senior Director of the Agricultural Transformation Agency of Ethiopia, told *Beijing Review*.

Thanks to intensified promotional campaigns, more Chinese customers will have the chance to taste Ethiopian coffee for themselves. According to Marcos, Garden of Coffee, a leading coffee company in Ethiopia, has announced a major expansion strategy into China, in partnership with a Chinese trading company. Chinese coffee lovers could expect to see 100 stores of this chain soon.

As a South African integrated energy and chemical company that has been in China since 1992, SASOL is experienced at doing business with Chinese partners.

“Today, the Chinese market is more important to us,” Fleetwood Grobier, Executive Vice President of Chemicals Business at SASOL, told *Beijing Review* at the CIIE. “The Chinese market is vital to understand the local market and consumption preferences.”

With this in mind, SASOL came to the CIIE to source the latest market information in its field and to understand the latest distribution channels to broaden its market.

**Increase in value**

Although many African countries such as Nigeria, Ethiopia and Rwanda rank among the fastest growing economies in the world, most African countries have limited processing and manufacturing capabilities, which is exacerbated by a slow industrialization process. Exports are still dominated by raw materials and primary agricultural products.

To improve the added value of African products, Timothée Bamana Baroma Magolemièna, Secretary General of the Ministry of Commerce and Private Promotion Sector of Togo, suggested it is necessary to further expand China’s investment in Africa, especially in the manufacturing sector, to diversify the continent’s economic structure with industrial capacity cooperation and industrialization support programs.

Ghana is the second largest cocoa exporter in the world, behind Cote d’Ivoire. There are currently some 800,000 cocoa farmers in the country. Each year, cocoa exports bring $2 billion in foreign exchange earnings, which is an important source of Ghana’s fiscal revenue, according to Edward Boateng, Ambassador of Ghana to China.

However, only 20 percent of Ghana’s cocoa beans are processed locally. Most of the cocoa is exported to European and American markets in the form of raw material. The added value and economic benefits of the industry are low.

The CIIE offers an excellent opportunity for Ghanaian cocoa exporters to improve the value of their products. “With the help of the expo, apart from the market, Ghana is also looking to expand its manufacturing capabilities. I hope Ghana’s businesses can learn from China’s industrialization and industrial upgrading process, and take advantage of new opportunities for industrial added value,” Boateng said.

**Narrowing trade gap**

Agak Achuil Lual, Undersecretary of the Ministry of Trade, Industry and East African Community Affairs of South Sudan, is optimistic that the CIIE will help balance trade between China and African countries.

African countries are betting on the CIIE to increase and diversify their exports to the lucrative Chinese market, none more so than South Africa. South African Minister of Trade and Industry, Rob Davies, said, “We look forward to exporting more products to China, especially the ones with high added value, to narrow the trade imbalance between China and Africa.”

According to the Chinese Ministry of Commerce, China’s exports to Africa reached $94.7 billion in 2017, up 27 percent year on year; its imports from Africa hit $75.3 billion, up 32.8 percent. China had a trade surplus of $19.5 billion, down 45.2 percent year on year.

The Chinese Government has made a lot of effort to narrow the bilateral trade gap and begun to promote the entry of African products into China by implementing a tariff-free policy in 2005. At this year’s FOCAC Beijing Summit, China made the decision to allow the 33 least developed African countries to benefit from the zero-tariff policy for 97 percent of their products exported to China. This is also helpful for Chinese enterprises to reduce their own costs and expand options for imports.

*Reporting from Shanghai*
While establishing itself as a major trading nation, China is also trying to expand its import market. Holding an import expo is one of the strategic measures to achieve this goal. It is hoped that this growth in imports will contribute to establishing an open economy and stimulate global growth.

A significant expo
Since its accession to the World Trade Organization (WTO) in 2001, China has been working to live up to its commitments, lowering tariffs, reducing non-tariff measures and increasing trade liberalization and facilitation. While exports rapidly increase, the growth of imports has also seen marked expansion. China has become a major trading partner of more than 120 countries and regions. From 2001 to 2017, China’s goods imports grew at an average of 13.5 percent every year, which was 6.9 percentage points higher than, or nearly double, the world average, making the country the second largest importer of goods in the world. During the same period, China’s imports of services rose from $39.3 billion to $467.6 billion, an average annual growth of 16.7 percent, accounting for nearly 10 percent of the world’s total imports of services. Since 2013 China has been the second largest importer of services in the world.

In recent years China has been expanding its import market in a bid to share opportunities with other countries. The China International Import Expo (CIIE) is a major step in the expansion plans.

The first CIIE was held at the National Exhibition and Convention Center in Shanghai on November 5-10. Before the expo, China organized seven preliminary matchmaking events. It also set up an online exhibition hall and arranged four comprehensive service zones in order to provide top exhibition services. The expo provided free booths for the least developed countries in Africa. Many supporting events such as symposiums and product launches were held during the expo.

As the first national-level expo in the world focusing on imports, the 2018 CIIE was evidence of the latest round of high-level opening up in China. It is a significant move for the Chinese Government to hold the CIIE with a view of firmly supporting trade liberalization and economic globalization.

Besides the CIIE, China has adopted other measures to stimulate imports:
- After significantly lowering import tariffs for investment and consumer goods as of November 1, China’s tariff level was set at 7.5 percent, down from 9.8 percent in 2017.
- China is enhancing cooperation with other countries involved in the Belt and Road Initiative. It sees the countries as a vital import market as it works to improve interconnectivity and accelerates the building of a network of free trade.
- Within the WTO framework, China provides preferential market access to the least developed countries, offering zero-tariff treatment to 97 percent of the tariff items sold to China.
- China is actively looking to expand imports through cross-border e-commerce platforms.
- China is working to boost balanced foreign trade development by establishing national demonstration zones for innovation in import promotion.

Taking the initiative
Hosting the CIIE conforms to the requirement of China’s economic and social development and fulfills the country’s commitment to advancing global free trade and boosting world economic growth.

First, expanding imports satisfies the
The demand of upgrading the consumption structure.

The 19th National Congress of the Communist Party of China made it clear that as socialism with Chinese characteristics has entered a new era, the principal contradiction facing Chinese society has evolved. What China now faces is the contradiction between unbalanced and inadequate development and the people’s ever-growing needs for a better life. In 2017, China’s per-capita GDP surpassed $8,800 and its national income per capita reached $8,790, making it an upper middle-income country. As incomes grow, the upgrading of consumption is accelerating, leading to an increasing demand for high-end, high-quality, fashionable and environmentally friendly products. Services such as tourism, leisure, elderly care, entertainment, culture, sports, and finance are also on the up.

With the world’s largest population, China is the second largest economy and the second largest consumer nation in the world. However, because the domestic supply structure falls behind consumption demand, expanding imports becomes a necessary option.

Second, expanding imports is part of facilitating the economic restructuring program. The Chinese economy is now shifting from high-speed growth to high-quality development. In 2017 China’s primary, secondary and tertiary industries contributed 7.9 percent, 40.5 percent, and 51.6 percent respectively to the country’s GDP, with the proportion of the secondary industry continuing to decline while that of the tertiary sector surpassing 50 percent and further rising. This indicates that the stage of accelerated industrialization has come to an end and the country has entered a new era of economic restructuring. In order to pursue high-quality economic growth, China must increase imports of high-level and new technologies.

Third, expanding imports is driven by the need to further China’s opening up. During this process, China needs to solve trade imbalances to achieve sustainable and steady trade growth and improve the benefits of opening up.

Long-term trade imbalances are likely to cause more trade frictions and affect sustainable trade growth. Once a country’s trade surplus is more than 4 percent of its GDP, it faces an imbalance of its current account. At the Group of 20 Summit held in Seoul in 2010, the United States suggested 4 percent as a standard for sustainability. During the 2005-09 period, China’s current account surplus, particularly the surplus of trade in goods, increased rapidly, leading to a current account balance of more than 4 percent of GDP.

However, as imports have grown, the proportion of China’s current account surplus has been declining since 2010. In 2016 and 2017, the proportion stood at 1.8 percent and 1.3 percent respectively. Expanding imports will help alleviate excessive surplus and imbalances, and relieve trade frictions with countries that have a trade deficit with China in keeping with the principle of mutual benefit.

Fourth, expanding imports is an important measure in addressing trade protectionism.

When addressing its trade imbalance with China, the United States has adopted unilateralism and trade protectionist policies, tightening restrictions on Chinese investment in U.S. technology sectors, raising tariffs on Chinese products, and using “poison pill” clauses to restrict China from establishing free trade areas with other countries and regions. This has seriously damaged economic globalization and the multilateral trade system, impeding global growth.

In contrast, China has adopted a number of measures to expand imports, countering trade protectionism with further reform, strengthening protection of intellectual property, improving the business environment for foreign investors, and giving fair treatment to foreign-invested enterprises.

China will continue to share the opportunities brought by opening up with other countries, recognizing the value of an open and free trade landscape.
COVER STORY

PUSHING FORWARD WITH GLOBALIZATION

China is moving to upgrade its economy by welcoming imports
By Michael Zakkour

The first China International Import Expo (CIIE), a weeklong event, kicked off on November 5 in Shanghai after an opening keynote speech from President Xi Jinping in which he highlighted China’s commitment to the principles of free trade, globalization, and reforms that will make it easier for foreign companies to sell their products in China.

A commitment to globalism
In a climate where global trade tensions are at their highest in decades, where companies and governments around the world are seeking greater access to the Chinese market and where technology, digital commerce, and new retail have made it possible to buy, sell and trade products cross-border, this first of its kind event could not have come at a better time.

The timing of the fair is also important because 2018 marks the 40th anniversary of reform and opening up, launched in 1978 under Deng Xiaoping when China began its shift to a more market-based economy focused on manufacturing, exports and the modernization of the country and the economy.

When I arrived in China for the first time in the early 2000s, one of my first forays out of Beijing was to the autumn China International Import and Export Fair more commonly known as the Canton Fair, held in Guangzhou, Guangdong Province. The Canton Fair was (and is) where tens of thousands of people and companies converge twice a year (October and April) to meet thousands of Chinese manufacturers and trading companies to buy, source and produce goods of every imaginable shape, size, and purpose. The total floor area for the show is the size of 71 Walmart Superstores.

Even more awe-inspiring than the size of the show and the number of vendors was the incredible diversity of the attendees. Moving through the aisles, shoulder to shoulder, women in traditional Nigerian dresses, men in traditional Arab headdresses and robes, Germans in suit and tie, Indians in saris and Nehru shirts, Americans wearing baseball caps, and Israelis in Fedoras and fur.

At any moment in any given spot, you could hear a half dozen languages being spoken. I felt like I had traveled back in time to a Silk Road marketplace or the Grand Bazaar of Istanbul. I could almost smell the spices and feel the silks of those great gatherings of commerce. The key lesson for me was that business transcends culture, language, dress, and politics. The Canton Fair was in many real and symbolic ways the gateway to China for the world in the 1980s, 1990s, and 2000s and the symbol of China’s rise to be the top manufacturing country it came to be known as.

The latest iteration of the Canton Fair finished just days before the kick-off of the new CIIE. That transition tells, in many ways, the journey China has been on for the last 20 years as it shifts its economy from low-cost manufacturing and exports to consumption.
services, innovation, and globalization.

China currently enjoys a trade surplus with almost every economy it trades with, most significantly with the United States, the EU, and its Asian neighbors. I am not of the belief that the true value of globalization and trade between countries can be measured by trade surpluses or deficits. Too many other factors are at play. With that said, there is a gap and there are real and perceived issues that increased market access will help solve.

China also understands that increased consumption is important to the overall economy and that there is a belief that there has been much talk, but little-perceived action in further opening the Chinese market to foreign industrial, agricultural, technology and consumer products.

**Actions trump ideals**

In his opening remarks, President Xi announced that China will cut tariffs, make customs clearance more convenient, reduce institutional costs in the import sector and accelerate the development of new business models.

Xi also pledged further opening up in the telecom, healthcare, education and culture sectors.

The fair was planned well before the current global trade climate developed and before tensions with the United States escalated. It can be seen in two lights now, as a useful tool to increase exports to China, assuaging the Western economies mostly on edge about the subject, and a way to engage smaller, developing nations to increase trade with China.

It should also prove to be a useful building block in reaching future deals and agreements with the United States and the EU that will ensure that trade between the countries and globalization, in general, are allowed to flourish.

There are three key measuring sticks that will prove the CIIE to be successful in the short and long terms.

- **The expo should be the foundation for easing trade tensions with the major Western nations by demonstrating that trade with China is not a zero-sum game; that China is willing to meet the West halfway in order to address real and perceived issues around trade deficits; and that the benefits of free trade far outweigh the negatives.**
- **The plans for the post-expo reforms in China are ambitious, smart, logical and much needed. China should move quickly on implementing reforms and ensuring that there are tangible, quantifiable changes in the short and long terms. Some companies and politicians are skeptical about whether the potential changes that the expo represents will be made a reality.**
- **Foreign companies and governments should commit to working with Chinese business and governmental entities on mutually beneficial deals that ensure the post-expo framework is that of a win-win for all involved.**

**Singles’ Day**

The CIIE kicked off one week before the November 11 Singles’ Day Global Shopping Festival. It is the 10th anniversary of the biggest shopping and consumption day on Earth. Alibaba turned a farcical and fun “holiday” into a commercial opportunity in 2008. The first Singles’ Day Global Shopping Festival featured only 27 merchants. This year more than 180,000 merchants will take part, with a third of them being foreign brands and retailers.

Alibaba, JD.com, Kaola, Little Redbook, and other Chinese digital marketplaces have become the Istanbul Bazaars, Roman Forums and Silk Roads of the 21st century. They are where merchants and buyers from all over the world gather to buy, sell, be entertained and trade.

Last year Alibaba and JD.com sold more than $40 billion worth of goods during the festival. About 30 percent of the products sold were foreign brands.

The e-commerce giants are not only worthy models, but they have made their money and their marketplaces key elements in increasing exports to China in support of President Xi’s vision. Alibaba pledged $200 billion to support the many initiatives the expo has spurred and to facilitate increased imports to China. JD.com, Kaola, Netease and others have pledged an additional $17 billion. These proposed changes and reforms are welcome news to companies, brands, retailers, farmers and industrial producers around the world and the governments that support them.
More than 100 types of new products and technologies were on display at the first China International Import Expo (CIIE) held in Shanghai on November 5-10. Visitors took a closer look at tech-driven products during the six-day event.

In the 60,000-square-meter exhibition area for intelligent and high-end equipment, many exhibitors—including Fortune 500 companies—presented their latest products featuring cutting-edge technologies. In the medical equipment area, several of the most advanced medical devices were displayed. And in the area for automobiles, leading carmakers showcased frontier technologies in automatic driving, connectivity and digital-control.

(Photos by Yu Xiangjun)
1. A robotic arm displayed by L’Oréal is mainly used to test new products.

2. The display of Signify (former Philips Lighting), a world leader in lighting, shows the key role of smart lighting in the development of smart cities. Visitors take a glimpse at urban life in 2030 through virtual reality goggles.

3. General Electric exhibits products and solution plans for six major sectors including medical, aviation, power generation, renewable energy, oil and gas, and intelligent manufacturing at the expo.

4. KUKA, one of the world’s leading suppliers of intelligent automation solutions, sets up a small smart factory at the CIIE with robotic arms working together to show the flexibility, efficiency and precision of robotic production.

5. Visitors check out a new product of Elekta, a leading innovator of equipment and software used to improve, prolong and save the lives of people with cancer and brain disorders.

6. Dupont unveils its first suitcase made of Kevlar fabric at the CIIE. The 20-inch case weighs just 1.68 kg.
Building the Belt and Road: Philosophy, Practice and China's Contribution

Building the Belt and Road: Philosophy, Practice and China's Contribution (in multi-language) is a programmatic document produced by the Office of the Leading Group for the Belt and Road Initiative and published to coincide with the opening of the Belt and Road Forum for International Cooperation. The book provides a clear account of the philosophy, the nature, and the specifics of the Belt and Road Initiative, and summarizes the early results achieved through B&R cooperation.

Headway on the Maritime Silk Road

Headway on the Maritime Silk Road is a book generously illustrated with photos from the documentary film of same name on CCTV. It tells the stories of more than 30 figures from around a dozen countries along the Maritime Silk Road. Inheriting the pioneering spirit of their enterprising ancestors, these figures have received family businesses or passed them on, and the core of their work is exchange with people of different cultures. Through the personal stories of these ordinary people, the book draws together the threads of a Silk Road that has lasted for thousands of years, in which Chinese, Indian, Arabic and European civilizations communicate with each other and coexist in harmony. With more than 200 illustrations, the book brings to life the countries that lie along the Maritime Silk Road and their fascinating inhabitants.

Belt and Road Series

The “Belt and Road Series” makes a systematic explanation on the history, development and cooperation focus of the Belt and Road Initiative. It displays China’s sense of responsibility, and its goodwill to develop together with other countries and build a community of shared destiny.

More than two millennia ago the diligent and courageous people of Eurasia explored and opened up several routes of trade and cultural exchanges that linked the major civilizations of Asia, Europe and Africa, collectively called the Silk Road by later generations. For thousands of years, the Silk Road Spirit – “peace and cooperation, openness and inclusiveness, mutual learning and mutual benefit” – has been passed from generation to generation, promoted the progress of human civilization, and contributed greatly to the prosperity and development of the countries along the Silk Road. In the 21st century, it is all the more important for us to carry on the Silk Road Spirit.
全国翻译专业资格（水平）考试
辅导丛书编写组 又一力作：

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A Forward Walk

Australian local governments take the lead in cementing economic ties with China

By Kerry Brown

Australia has a federal system. In many areas, states have a high degree of independence. They set local fiscal and social policies. As in the United States, they can gather certain kinds of taxes. The federal government maintains principal control over foreign affairs and security. For this reason, there is sometimes discord between the two levels of government. Over China policy, this has become increasingly obvious.

The China bulwark
Since 2010, China has been Australia’s largest trading partner, and its largest investor. At the height of the commodities boom in 2013, Chinese direct investment in the mining sector alone was credited with preserving 27,000 good quality jobs in Western Australia. On top of this, it is widely acknowledged that strong trade links with China meant that Australia was the only major developed economy during the 2008-09 financial crisis to maintain positive growth. It has managed to continue this, having never suffered a single recession since early 1990.

The close connection between China and Australia was cemented by the free trade agreement signed between the two in 2014—one of the most comprehensive of bilateral deals that China has agreed to.

In security terms, however, Australia has a strong alliance with the United States. The Australia, New Zealand, United States Security Alliance underpins this. A treaty commitment, it links the three together in terms of sharing intelligence, in working with one another in third territories (Australians have fought with the United States in every war the latter has been involved in since the 1960s, from Viet Nam to Afghanistan), and in giving logistic help and facilities to one another. Since 2010, U.S. marines have the ability to rotate at a facility in Darwin in Australia’s Northern Territories.

The presidency of Donald Trump has caused the same anxiety in Australia as it has in Europe and among the rest of the United States’ main allies. There has been doubt about just how much Trump cares or knows about the importance of Canberra’s commitments to U.S. interests in the region. Despite this, and despite the new and transformed economic situation, where for the first time Australia’s main security alliance and chief economic alliance are with different partners, there is no sign that Canberra wishes, or would want to, revise its current security arrangements.

The United States is still seen as the most crucial and important partner, one that Australia has to accommodate and find ways to work with.

Much of this is to do with the Australian feeling of vulnerability. With a naval force of only 27,000, despite their geographical isolation, it is clear that Australians no longer feel as protected from the wider world as they once did. Illegal immigration has become almost a political obsession since John Howard’s tenure as prime minister over a decade ago. Radical Islamic-inspired terrorism has started to appear in Australian cities, with the coffee shop attack in Sydney four years ago, in which three people died, typifying this.

The memorandum of understanding signed between the southeastern state of Victoria and China in October to join the Belt and Road Initiative proposed by Chinese President Xi Jinping is typical of this move by local governments to try to attract as much investment, trade and growth potential links from China to their territories as possible. Most of the other six states and two territories along with the capital territory in Canberra would do the same. Some already have.
Increasing divisions

The lucky country, as Australia is often called because of its amazing natural riches and geography, has voted in increasingly divided and disgruntled ways in recent years, with national leaders changing almost every two years. Since 2010 alone, there have been five changes. Another is expected at the elections to be held next year.

All of this makes the division between state authorities and Canberra even deeper. Those that speak to representatives of either of these communities will notice the very big difference in their outlooks and language.

For the former, the attitude is, the more links to China there are, the better. Everything is geared toward doing as much as possible to work with Chinese companies, and encouraging their own to go north and seek opportunities to develop business there.

But for the latter, the situation is much more about control, about ensuring that relationships are kept within a strict and highly monitored matrix, and where the fervor and zeal of their state colleagues are informed by the concerns they have. It is not rare to see frustration and irritation between these two separate groups.

In recent years, the federal government has certainly asserted itself, particularly over large investments into what it regards as sensitive areas. A major land acquisition bid by a Chinese-led consortium in 2015 was vetoed because it has a military installation next to it.

In 2016, the State Grid Corp. of China, wanting to acquire and run a project in New South Wales, was also stopped—again for political rather than commercial reasons, and at the behest of the man who was then treasurer and is now prime minister, Scott Morrison. In each case, local leaders were frustrated by the inability to get the investment they felt was manageable into their areas.

Internal debate

Australia is clearly undergoing a great deal of internal debate about what sort of framework might work for balancing its central concerns with the imperatives of local governments and their economic tasks. This will not be a short or easy process. National discourse about the relationship with China has become increasingly contentious and divisive, with Canberra leaders introducing legislation last year to militate against what they see as any form of interference in their domestic politics.

How this is interpreted and implemented remains to be seen. Elected officials, after all, can argue that they have a principal duty to their constituents, and that first among their tasks is to look after the latter’s economic well-being, which is what building closer links with China might achieve.

At the moment, the best that anyone can say is that the sort of agreements like the one between Victoria and China at least keep the dialogue going and maintain a positive direction. And with so much uncertainty in the wider world, Australia would be wise to keep an open mind until more straightforward times come along.
Conquering Poverty

The International Forum on Reform and Opening Up and Poverty Reduction in China was held in Beijing on November 1-2. The event’s theme was International Cooperation on Poverty Reduction: Building a Community With a Shared Future for Humanity. Attended by more than 400 representatives of governments, business, and academia from 51 countries and 11 international organizations, the forum served as a platform for participants to exchange ideas on various issues. Topics discussed included the role of China’s reform and opening up in poverty alleviation, innovative practices in poverty relief in the new era, and world poverty reduction and development. Following is an edited version of attendees’ comments:

Liu Yongfu, Director of the State Council Leading Group Office of Poverty Alleviation and Development

Over the past 40 years, more than 800 million people in China have worked their way out of poverty and made a major contribution to global poverty alleviation. The number of people living in poverty in China is expected to be reduced by a further 80 percent by the end of the year. China aims to eliminate rural poverty by 2020, 10 years ahead of the reduction goals set by the United Nations 2030 Agenda for Sustainable Development.

China’s efforts can be attributed to strong leadership, a clear poverty alleviation target, precise basic strategies, and strict policy implementation.

Despite China’s success, there are still challenges ahead. Over 300 million people still live precarious lives. We are fully aware that our development is unbalanced and inadequate. Also, winning the war against absolute poverty doesn’t erase the fact that relative poverty will still exist for a long time.

To continuously make progress, China is willing to learn from its sister countries and conduct international exchanges and cooperation with them, in order to jointly push forward the poverty reduction package.

Achim Steiner, Administrator of the United Nations Development Program

One of the defining features of China’s success in eradicating extreme poverty is its multi-dimensional approach. China tackles the issue not just from a per-capita income perspective but also from the risk of falling back into poverty, human capital, public services, and social infrastructure which creates a safety net to prevent regression.

This is one of the distinguishing hallmarks in China’s journey. It’s not just based on a developmental design in a technical sense, but based on a deeper commitment to a balanced approach to progress.

In China, leaving no one behind—one of the powerful commitments of the sustainable development goals—has been one of the driving principles over the past 40 years. The rural economy, geography, generational divides and investment in education were all significant contributors to lifting hundreds of millions out of poverty while maintaining accelerated economic growth. China also transformed from a nation from what was originally a country in the lowest category of the UN human development index to rising to the highest.

It’s also remarkable to see China’s increasing engagement in the context of global development by being a prominent actor in helping countries dealing with their development challenges. They are sharing lessons of their own journey and supporting countries in seeking their own pathway, principally through the Belt and Road Initiative.

K. V. Kamath, President of the New Development Bank

Today around 700 million people still live in extreme poverty and the UN’s Sustainable Development Goals (SDGs) target to eliminate poverty in all its forms by 2030 is a challenge which lies ahead. In order to make further progress in achieving poverty reduction, as well as delivering a better life for the world’s poorest citizens, several areas need to be addressed. One of the most critical is a provision of quality infrastructure across all sectors. There is also an urgent need to maintain and renovate existing infrastructure in many countries.

Infrastructure drives economic growth during the investment phase and has a multiplier effect thereafter. It creates long-term productivity gains and facilitates poverty alleviation and job creation. If we want to pursue a poverty reduction agenda where gains are shared by all, it needs to begin with access to quality infrastructure for all.

However, the future landscape for infrastructure is changing rapidly. We stand today at the dawn of a new industrial revolution where technology-led innovation is transforming the way we perceive and think about poverty alleviation.

The infrastructure that we need to build today, for use over the next several decades, is fundamentally different from what we have built in the past. It is also becoming increasingly apparent that the impact of
technology will completely revolutionize approaches to economic development and service delivery and therefore has the potential to achieve exponential gains in poverty reduction.

Here again, there are several examples from China. The Ping An Good Doctor, China’s largest online healthcare platform provides artificial intelligence-based medical services to nearly 200 million users, is revolutionizing healthcare provision. The contribution of the Alipay and WeChat Pay platforms to financial transactions and the financial inclusion has also been colossal.

These, and more innovations like these, will continue to transform the world at an ever-accelerating pace and make huge contributions to poverty reduction going forward. What we will need to do is ensure that a comprehensive ecosystem, including infrastructure, is in place to enable these innovations to happen, just as China has done.

**Jin Liqun, President of the Asian Infrastructure Investment Bank**

Our late leader Deng Xiaoping paved the way for China’s continued upward movement on the global production chain through the reform and opening up of China. Once the national agenda was set, the entire nation never compromised on its single-minded commitment to economic development and unwavering adherence to broad-based economic and social development.

At the very outset, China attached great importance to the experience of many other countries—developed or developing—by applying these experiences to the Chinese context in a creative and innovative style.

These initiatives bore fruit because of a Chinese traditional virtue: self-reliance. This quality has always been close to the Chinese. And with the new era of reform and opening up, this virtue took on a new relevance.

While depending on its own labors, China continued to actively engage development partners for financial and technical support. China’s success story is a tale of balance between national efforts and international cooperation. Reform and opening up are implicit to national ownership and the elusive answer to what seems to be the myth of China’s success.

A country should never allow itself to be left with only one model, with no options or new approaches to explore. Rather, the country should move with the times. It should reform and open up. It should restructure its economy to adapt to the global situation. It should adjust its position against global financial trends as the permanent backdrop.

**Gilbert F. Houngbo, President of International Fund for Agricultural Development (IFAD)**

China’s progress in poverty eradication has been truly extraordinary. Looking at China today—as the world’s second-largest economy—and its dramatic progress in all areas of human development, it is hard to imagine that as recently as 1981, 88 percent of the population lived below the international poverty line. It was China’s outstanding progress in poverty reduction between 1990 and 2005 that allowed the world to reach the second-millennium development goal of halving extreme poverty.

Much of this progress came from improvements in agriculture following the reforms of the 1980s. This is a significant achievement and one that confirms the importance of governments having the wisdom and vision to implement policies and direct investments.

Even as China works toward overcoming poverty in rural areas, it has been helping other countries around the world. I note that China’s foreign aid rose from $631 million to almost $3 billion between 2003 and 2015. With respect to agricultural development, China has provided substantial aid and investment, especially in Africa, including technical cooperation.

IFAD’s partnership with China dates to 1981 when China became an IFAD Member State. We know that, in partnership, China and IFAD can be extremely effective in reducing rural poverty. Earlier this year, for example, China and IFAD set up a South-South and Triangular Cooperation (SSTC) Facility at IFAD. The Facility aims to be a resource for expertise, knowledge, and resources that can promote business-to-business links and investments across developing countries.

I invite China to support traditional and new international financial institutions alike. In this way, we can strengthen partnership among multilateral development organizations for improving food security and nutrition as well as fighting poverty. This, in turn, will move us closer to achieving a key element of the SDGs.
On the Way
Newly established Westlake University aims to be a world-class private research facility
By Wang Hairong

China's youngest university, Westlake University, consists of a cluster of buildings on a plot of land encircled by water. It is named after the West Lake, the iconic landmark of Hangzhou City, capital of east China's Zhejiang Province.

“Westlake University officially sets sail,” announced Shi Yigong, the university’s president and also a world-renowned scientist, on October 20 at its launching ceremony. Shi introduced the university as the first private research university in the history of the People’s Republic of China, which is also nonprofit and supported by the government.

The nascent university currently has a small team, with 68 key instructors, 139 doctoral candidates, 96 staff members, 159 other researchers as well as 17 employees of the Westlake Education Foundation, which is financing the school.

Small as it is, it harbors a big dream. Shi said that the university hopes to explore China’s higher education reform and become a world science and technology leader.

Meeting the demand
In the four decades since the launch of reform and opening up, China’s higher education has made great progress. A number of excellent public universities represented by Tsinghua and Peking universities have come abreast with the world’s first-class universities in many aspects, said Shi.

However, currently and in the predictable future, “Chinese universities cannot fully meet the public’s desire for high-quality educational resources, nor can they meet the country’s need for cutting-edge science and technology to achieve sustainable development and economic transformation,” he pointed out.

“This gap needs to be filled by the joint efforts of a generation of people,” he said. That is why he and some like-minded people turned to private universities for solutions.

Throughout the modern history of science and education development, private universities have shown great strength because of their flexibility and diversity, Shi noted. A number of private universities, such as Harvard, Yale, Princeton, Massachusetts Institute of Technology and Stanford University, have not only trained generations of outstanding scholars, including many Nobel laureates, but also become the engines powering science- and technology-intensive economic development.

On March 11, 2015, several scholars and people from the business circle submitted a proposal to the Central Government to establish a private research-oriented university. The initiators included Shi and Chen Shiyi, President of Southern University of Science and Technology, and former Vice President of Peking University, as well as Pan Jianwei, the arch designer of China’s quantum satellite and Vice President of China University of Science and Technology.

On December 10, 2016, the Westlake Institute for Advanced Study, the predecessor to Westlake University, was established, with Shi as its first president.

On April 2 this year, the Ministry of Education approved the establishment of Westlake University and on October 20, it was inaugurated in Hangzhou.

The university is positioned to be small but of high quality. Within the next six years, only doctoral candidates will be admitted. Currently, it only has three schools, namely, science, engineering and life sciences. In the future, even after it admits undergraduates, its total enrollment will not exceed 5,000.

Qiu Min, the university’s vice president, recently said that the short-term goal of the university is to build a first-class academic team and have a group of first-class students. In the future, the university will strive to be a first-class university.

Heralding reform
The launch of Westlake University has received widespread public attention because of the fact that it distinguishes itself from other universities in that it is private, research-oriented and high-aiming. Most universities in China are government funded, whereas a small number are private.

According to Shi, when the People’s Republic of China was founded in 1949, there were 69 private institutions of higher learning in the country. In the early 1950s, they gradually turned into public schools. After that, there was no private higher education for 30 years. Since the 1980s, private higher education has gradually reemerged and developed remarkably in recent years. Private universities are becoming an important force in China’s higher education system. However, compared with public universities in the same period, private universities are still in the initial stage, and they tend to be small and underdeveloped, focused on vocational skill training to prepare students for the job market. Moreover, a significant number of private colleges and universities are for profit.

The funding of Westlake University is organized by a foundation, the Westlake Education Foundation. China began to implement the Private Education Promotion Law in September 2017, requiring private nonprofit universities to be funded by foundations. However, the law also stipulates that nonprofit private universities should be treated like public ones. “This means that local governments will give nonprofit private universities the same support and preferential land, tax policies and other treatment as
run the school, making the president the soul of university president the greatest discretion to the Westlake Education Foundation, under this guidance of the Board of Trustees, which is the highest decision-making body. According to Shi, it is important for the university to attract a batch of first-class international talent who will then bring in other outstanding people.

A new start has been made, but Shi is keenly aware of the difficulties lying ahead. “The road will be bumpy and long,” he said, as a new university, Westlake will naturally encounter many difficulties, just like a newborn who will suffer many falls to learn to walk.

In Chen’s view, the first challenge is to rally a first-class team as soon as possible. Active recruiting is ongoing, with information issued by Westlake showing that it offers internationally competitive remunerations and benefits as well as research funding.

In addition, more funds need to be raised. The foundation’s goal is to raise 20 billion yuan ($2.9 billion). Currently, it is still far from achieving this goal.

At the same time, how to practise the operation system headed by the university president under the guidance of the Board of Trustees and guarantee the leadership role of the Party committee needs to be explored in the future, Chen said.

Xiong Bingai, Vice President of the 21st-Century Education Research Institute, said that the major initiators of Westlake University are the vice presidents of several prominent universities in China. Thus he asked that if they only bring to Westlake University what they have already achieved, what would be the new things they will create for the country.

In his opinion, the core of higher education reform in China is still to give universities greater autonomy in running themselves, which was championed by the Shenzhen-based Southern University of Science and Technology, a public university approved to be established by the Ministry of Education in 2012 to pilot higher education reform. Xiong said the key to Westlake University’s success is whether a real modern university system can be established effectively.

Meanwhile, discussions online have raised good viewpoints. One netizen remarked that whether a university can continuously attract top students is crucial to its development. The netizen thought academic freedom and flexibility in management are the advantages of private schools, while lack of money and other resources is the disadvantage, and it takes time to accumulate resources.

Making a school, making the president the soul of the school.

During his inaugural speech, Shi said that teachers are responsible for formulating university governance rules and regulations and submitting them to administration and scientific research teams for implementation. Professional administrative services will free teachers from red tape, he said.

According to the university, it will set up a Westlake University Committee of the Communist Party of China according to law, and the Secretary of the Party Committee will participate in the decision-making of major school matters as a member of the Board of Trustees and the school affairs committee.

Westlake University also departs from many existing universities by using different academic evaluation methods. “We will first assess whether a scholar’s research is at the forefront of academia, rather than how many articles he or she has published,” Shi said. As long as he or she works hard and is heading in the right direction, the university will have enough patience to wait for five to 10 years for him or her to produce research results that will have an impact on human society, he added.

Making a start

Currently, the university’s campus, located in Yunqi Town, Hangzhou, is in operation and the Yungu campus in the same city is under construction. Some internationally renowned scholars have already joined the faculty. Deng Li, former Dean of the Chemistry Department of Brandeis University in the United States, now serves as the Executive Dean of the School of Science at Westlake University. Xu Tian, now Vice President of Westlake, was an associate dean at Yale University. According to Qiu, it is important for the university to attract a batch of first-class international talent who will then bring in other outstanding people.

Shi Yigong, President of Westlake University, delivers a speech at the university’s inaugural ceremony.
Zhang Linchao, a 29-year-old piano teacher, left his studio in Beijing to travel to Shanghai with one specific goal in mind. The first China International Import Expo (CIIE), which opened in Shanghai on November 5, attracted a large number of attendees eager to see the numerous novel exhibits. Zhang was especially interested in the Steinway & Sons piano on exhibit which can play over 3,000 pieces of classical music automatically.

“We are working on smart pianos to teach students in a more convenient and efficient way. I hope this visit can bring some inspiration to our products for it is really a good chance to learn about advanced international products,” Zhang told Beijing Review.

Following the just concluded 124th Canton Fair, China’s oldest and largest trade fair that has been held every spring and autumn since 1957 and facilitates domestic enterprises going global, the CIIE further showcased China’s efforts to widen opening up to share its development opportunities with the world, better meet domestic consumer demands and pursue industrial upgrading.

Over the past 40 years of reform and opening up, China has been committed to opening its door toward the global stage. Today, as the second largest economy in the world, the country resolves to maintain its status as a leading global trader despite the uncertainties caused by protectionism and trade tensions which have cast a shadow on global trade.

**Prominent efforts**

“China’s previous policies were mainly launched to encourage exports and increase domestic employment and income, while boosting imports is a win-win move for both China and the rest of the world to share the fruits of China’s development and its vast market,” said Xu Hongcai, Deputy Chief Economist of the China Center for International Economic Exchanges.

The country is seeking higher-level opening up by boosting both inflow and outflow, improving the domestic business environment and furthering international cooperation. Once a global factory, China is now on track to become a major manufacturing and consumer power with more accessible markets.

In fact, China’s imports have grown exponentially over the past 40 years. Official data show that China’s goods imports increased from 18.7 billion yuan ($2.7 billion) in 1978 to 12.5 trillion yuan ($1.8 trillion) in 2017, with an average annual growth rate of 18.1 percent. Meanwhile, the country’s service imports also saw an average annual growth rate of 16.8 percent from 1978 to 2017. China is now the world’s second largest goods and services importer.

“China’s economic growth and widening domestic market have increased the importance of its imports,” said Dong Yan, a research fellow with the Chinese Academy of Social Sciences. According to Dong, China needs to open itself wider based on its 40-year experience and boost imports and exports in a dual-pronged manner to achieve higher-level opening up.

As part of its efforts to boost imports, China has strengthened its efforts to cut tariffs, facilitate customs clearance and meet growing domestic demands. Tariffs on a variety of goods closely related to consumers’ daily life have been lowered. In terms of agricultural imports, tariffs on wines from Georgia and Chile which ranged from 14 to 30 percent have been reduced to zero. Import tariffs on manufacturing products such as certain Swiss watches have been halved.

Zhao Ping, an official with the China Council for the Promotion of International Trade, said that improving imports can help meet Chinese consumer demands, since quality-first concepts and increasingly diversified demands from the expanding middle-income group have posed high requirements on domestic products and services. China needs to improve its imports to propel consumption upgrading and boost domestic demand.

“Apart from satisfying people’s demands, improving imports can also drive industrial restructuring and upgrading in China, since a more open market can encourage the domestic service industry to seek transformation amid rising competition and raise the capacities of goods and services supplies. It
A report titled Doing Business 2019: Training for Reform released by the World Bank on October 31, revealed that China made a giant leap forward in terms of improving the business climate for small and medium-sized domestic enterprises, ranking among the top 10 most improved in the world in 2018. As the country undertook the largest number of reforms in the East Asia and Pacific region, China has moved up on the global list from 78 in 2017 to 46.

“China has made rapid progress in improving its business climate for small and medium-sized domestic enterprises in the past year. This progress, which now puts China among the top 50 economies in the world to do business, signals the value the government places on nurturing entrepreneurship and private enterprises,” said Bert Hofman, the World Bank’s Country Director for China.

In his keynote speech at the CIIE, Chinese President Xi Jinping said China will further protect the lawful rights and interests of foreign companies and crack down on intellectual property (IP) rights infringement. In addition, the credibility and efficiency of IP examinations will be increased and a punitive compensation system will be put in place to significantly raise the costs for offenders.

Through improving the domestic business environment, China will attract more high-quality products, capital and technologies, and provide new markets for other countries, said Yang Changyong, a researcher with the Beijing-based Academy of Macroeconomic Research.

Although China’s manufacturing industry has been open to foreign investment across the board, its service industry is yet to be open wider to the global market in education, healthcare and culture. “The global service market has seen increasingly fierce competition among the major developed economies. In view of this, allowing more foreign capital to enter China’s service industry can create opportunities for global investors and make it more competitive,” said Dong.

China’s bold trials on FTZs have also bore tangible fruits. Since 2013, when the Shanghai FTZ was established, the number has increased to 12, with the largest FTZ in south China’s Hainan Province recently taking shape, providing new driving forces for higher-level opening up. According to recently released official announcements, China will expand the area of the pilot FTZ in Shanghai and strive to develop Hainan into a pilot free trade port.

“China has taken the initiative to widen its opening up against an anti-globalization trend. Such a move has demonstrated the resilience and potential of the Chinese economy,” Xu said.

Copied by Rebeca Toledo  
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Transforming Hainan Into an Innovation-Oriented Pilot Free Trade Zone

China unveiled a detailed plan to establish the country’s southern province of Hainan as a pilot free trade zone (FTZ) in mid-October, generating new opportunities for the island to achieve further development. Despite unique advantages due to its geographical location, resources and ecological environment, Hainan still confronts several challenges in translating its potential into competitiveness and developing into a high-level pilot FTZ.

An optimized business environment can help Hainan evolve from a pilot FTZ to a free trade port. But prominent problems, mainly caused by the sluggish market and low-efficient administrative sectors, still surround the local business environment, a major concern for investors at home and abroad.

At present, Hainan needs to boost the local market so that it can play a decisive role in allocating resources. The key to fully augmenting the market in Hainan lies in further opening the service industry. To develop into one of the leading open service markets in China, Hainan needs to take the lead in launching free trade policies in the areas of tourism, shopping, healthcare, culture and entertainment, education, and shipping in line with its local conditions to produce multi-pronged effects. The move will propel Hainan’s free trade port development and become a trailblazer in the modern service industry.

Another priority task is to improve the efficiency of the local government. The Hainan Provincial Government’s ranking declined from 29 to 31 on the administrative efficiency list among 31 provincial-level governments in the country in the period from 2011 to 2016. The local government needs to cut redundant items and allow enterprises to operate more independently. A feasible policy option is to establish specialized courts to provide legal protection for hi-tech industries focusing on the digital economy.

Despite sound environmental conditions, the added value brought by the agricultural industry in Hainan is still low due to the inadequate processing of agricultural products. In addition, local land resources need to be further exploited to maximize profits. In view of these problems, the local government needs to further release the potential of local resources. It should eliminate the urban-rural division in the household registration system so that personnel can flow more freely between urban and rural areas. Urban-rural disparities in the market for land for construction should be abolished to enable rural residents to obtain stable property income.

Tangible progress should also be made to build Hainan into an internationally influential tourism and consumption center, since an insufficient supply of products and services of international standards is hindering Hainan’s development amid the rising demands for service-oriented consumption in China. According to a survey conducted by Hainan’s tourism authorities, the average daily spending of domestic visitors to Hainan was 815 yuan ($118) in the third quarter of 2018, of which the basic consumption of transportation, accommodations and food accounted for 69.27 percent. Expenditures on shopping, entertainment and other services represented only 21.68 percent.

To boost tourism, Hainan needs to foster new growth poles. It should improve duty-free consumption policies by granting more companies the right to operate duty-free stores and remove constrains on the types of consumer goods allowed. The local government can also focus on opening up the healthcare market by making imported drugs and medical facilities more accessible, taking the lead in exempting value-added tax on imported drugs and expanding the coverage of preferential policies for healthcare-related tourism.

Cooperation with Hong Kong is essential. The two regions can jointly create an industrial and consumption chain for duty-free products and launch better service management standards and market supervision regulations.

Top-notch talent is also a key driving force. To attract competent professionals, the local government needs to focus on supporting innovation. Since the transformation from a pilot FTZ to a free trade port can help Hainan attract more talent, multiple platforms should be established to create opportunities for them to innovate and start businesses.

Hainan should encourage universities, research institutes and enterprises to make technological innovations by offering incentives and preferential policies. The overall educational level in Hainan also needs to be enhanced by introducing prestigious colleges at home and abroad to run certain new campuses of local universities.

This is an edited excerpt of an article by Chi Fulin, Dean of China (Hainan) Reform and Development Research Institute, published in Economic Information Daily. Copy edited by Rebeca Toledo. Comments to dengyaqing@bjreview.com

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$3.05 tln
China’s foreign exchange reserves in October, down $33.9 billion month on month

113
Number of new foreign-invested manufacturing companies founded in Guangzhou in the first three quarters, up 52.7 percent year on year

86%
Year-on-year growth of profits in the steel industry for the January-September period

424.6 bln yuan
Revenue of the courier sector from January to September, up 24 percent year on year

1.65 tln yuan
China’s goods trade surplus in the first 10 months of the year, down 26.1 percent year on year

19.4%
Year-on-year growth of business revenue of Chinese Internet enterprises during the January-September period

1,420
Number of new companies incorporated in Macao Special Administrative Region in the third quarter, up 170 year on year

1.26 tln yuan
China’s imports of goods in October, up 26.3 percent year on year

(Source: National Bureau of Statistics)
Fantastic Novels

With Jin Yong’s passing, the legacy of his wuxia novels grows stronger
By Pan Xiaoqiao

He has left Jianghu behind, but his wuxia (martial arts) masterpieces will live forever,” said one reader on social media after hearing about the passing of Jin Yong on October 30 at the age of 94. “He has gone to another Jianghu,” said another reader, using concepts and sentences from his wuxia novels to express their condolence and sorrow.

Literally, Jianghu means rivers and lakes, while metaphorically, it refers to the world of martial artists, of thugs and heroes, beyond the reach of the imperial government.

Jin Yong is the pen name of Louis Cha Leung-yung, China’s bestselling martial arts and chivalry novelist, who was born in Haining in east China’s Zhejiang Province in 1924 and moved to Hong Kong in 1948.

Statistics from China’s online shopping giant JD.com and online book retailer Dangdang.com show that orders began to shoot up on the evening of Cha’s death, while many online and offline retailers reportedly ran out of stock, as people rushed to buy his complete works.

More than meets the eye

Wuxia as a branch of Chinese literature has been around for centuries, but has been mostly sidelined and looked down upon by the mainstream literature world.

“The strong reaction to Cha’s passing makes the whole Chinese society aware of the extensive influence of his wuxia novels. Meanwhile, China’s literature research circles have increasingly realized that they treat popular literature like wuxia unfairly,” said Long Qilin, a professor of literature at Guangzhou University.

In 1995, a Jin Yong wuxia research course was established at Peking University and since 2007, one of the novels, Fox Volant of the Snowy Mountain, has been included in middle school Chinese language textbooks nationwide.

Jin Yong stories have gripped generations since 1955 when he published his first book in serialized form in Ming Pao, a leading newspaper in Hong Kong, which he co-founded.

“Martial artists, swordsmen and warriors in Jin Yong wuxia novels reflect the images of heroes in ordinary people’s hearts, what they admire and what they want to be. Readers can also find themselves in different characters in the books,” said Ning Jiayu, a professor of literature at Tianjin-based Nankai University. “For some, they read them for entertainment, but for quite a few readers, they find an ideal world in these fantasies that they can’t find in the real world.”

Books related to Jin Yong are displayed prominently at the Qingchunlu Book Center in Hangzhou, east China’s Zhejiang Province, on October 30.

Different readers have different reasons for being glued to these books. Cha once said, wuxia novels were a kind of entertainment, but he hoped to endow these books with some philosophy and personal ideas, and to express his views on society.

Legend of the Condor Heroes is set in the 13th century during China’s Southern Song Dynasty (1127-1279). The stories about the novel’s hero Guo Jing are not purely about struggles or conspiracies in Jianghu, but are also filled with efforts to defend the nation against attacks and invasions. Guo’s most famous assertion is...
that a real swordsman is one who fights for his
country and people, which is also the core of Jin
Yong’s wuxia novels.

In his lifetime, Cha sold more than 300
million copies of his works across the Chinese-
speaking world, excluding electronic and digital
versions. Multiple spin-off films, television series,
comics and games have emerged from his origi-

In the 1980s, Chen Hong, Chairman of the
Tianjin Federation of Literary and Art Circles,
predicted that in 500 years, Jin Yong wuxia
novels would gain the status that Heroes of the
Marshes enjoys today as one of China’s best-
known great classical novels from ancient times.

“Although they are seen as pulp fiction today,
unacceptable by mainstream literature circles,
Jin Yong wuxia novels will inevitably become
classics thanks to their high literature level and
extensive social influence,” said Chen.

Influence and inspiration
Where there are Chinese, there are Jin Yong nov-
el readers. This is an exaggerated praise for Cha,
one of the world’s most-read Chinese writers.

President Xi Jinping expressed condolences
on November 2 over the passing of Cha, ac-
cording to the Liaison Office of the Central
People’s Government in the Hong Kong Special
Administrative Region.

Ong Ye Kung, Singapore’s Minister for
Education, expressed his condolences on his
Facebook page, commenting how his whole
family enjoys reading Cha’s books and how he
got to know a lot about Chinese culture and
history through them.

Nga Kor Ming, Deputy Speaker of Malaysia’s
Parliament, also said on social media that he is a
fan of Jin Yong novels, recounting how he would
even forget to eat or sleep because he was too
focused on reading the novels. He attributed his
mastering the Chinese language to the novels.

Jack Ma, Chairman of e-commerce giant
Alibaba, expressed his sadness on Cha’s pass-
ing, saying that without Cha, he did not know
if Alibaba could have come as far as it has. Ma,
a fan-turned-friend, uses Jin Yong as a cor-
porate ethos, choosing one character, Feng
Qingyang, as his avatar. The company’s value
system, Six Vein Spirit Sword, is taken from
one Jin Yong novel and represents customer
first, teamwork, embracing change, integrity,
passion and commitment.

In addition, many Chinese people living
outside of China use Jin Yong novels to improve
their Chinese language. Kung Fu fiction set in
ancient times also helps to strengthen their
knowledge of Chinese culture.

Kai-Fu Lee, former President of Google
China and also former Vice President of Google
and Microsoft, began studying in the United
States at the age of 11, during which he read
Jin Yong wuxia novels at least five times. He said
that it was due to reading these books that he
did not forget Chinese after spending so many
years abroad.

“Jin Yong is a champion of China’s tradi-
tional culture. He presented a series of excellent
Kung Fu fantasies that are rich in culture and
encourage moral virtue and patriotism. His nov-
el novels are becoming a symbol of China’s national
image and its culture,” said Long.

International reach
The influence of Jin Yong wuxia novels is not
limited to the Chinese-speaking world, however,
as the books slowly sneak into the English-
speaking world.

A Hero Born, the first volume of the English
dition of Legends of the Condor Heroes,
translated by Anna Holmwood, a professional
translator and literary agent in the UK, was re-
leased in February. The volume has since been
republished seven times to satisfy the unprece-
dented demand from English-language readers.
To date, the rights to the book’s publication
have been sold to seven countries including the
United States, while British publisher MacLehose
Press plans to publish the 12-volume trilogy of
Legends of the Condor Heroes series.

One of the reasons it took more than half
a century for the first story to be translated into
English is the complexity of the language in Jin
Yong novels, which integrates prose and poetry
and makes extensive use of four-character
phrases and other Chinese idioms, making
translation a very daunting task.

Holmwood conceded that “there are a lot
of references and things in his writing essen-
tially impossible to convey in their wholeness
in English because we simply don’t have the
knowledge of Chinese literature and the ability
to express all the history and tradition in a com-
pletely different language,” in an interview with
Beijing Review last June.

The number of non-Chinese speakers be-
ing lured by the Chinese language and culture
because of Jin Yong wuxia novels has surged
recently. Indian actor Aamir Khan posted on
Weibo, China’s leading microblog platform, “I
am very saddened to hear the sad news of Mr.
Louis Cha passing away. His book The Dear
and the Cauldron was a lot of fun. I wish I could
have met him. I am a big fan.”

Holmwood said that her primary hope is
that the excitement of Jin Yong wuxia novels will
encourage more people to explore the Chinese
language and culture.

Cha said in a speech published in 2005, “It
does not matter to me whether I will become
a historical figure. All I want is that after one or two
hundred years, there will still be people reading
my books.”

Copied by Rebeca Toledo
Comments to panxiaoqiao@bjreview.com
On the playground of the Zhongguancun No.2 Primary School in Beijing, students were amazed by the 55-year-old folk art expert, Zhao Xuejun, playing with diabolos. The spinning, buzzing juggling toy flew around like a bird. Inspired by Zhao, who is their teacher, all the students began to imitate her actions with their own diabolos.

Diabolo, or kongzhu in Chinese, is a traditional Chinese game using a double-coned bobbin that is spun, tossed and caught on a string secured by two wands held in each hand. It requires great skill and, when played rapidly, the spinning bobbin produces a range of buzz saw sounds that can be heard from a distance. The game dates back more than 1,000 years. It has been passed down from the hands of lords and dignitaries to become a household pastime. In 2006, it was included among the first group of national intangible cultural heritage items by the Chinese Government.

“In the past, playing diabolo was only popular among seniors who wanted to keep healthy. However, with its promotion in schools, this traditional Chinese game has been revived among the young,” Zhao told Beijing Review. In addition, the diabolo is beneficial for children to gain upper body strength and increased flexibility.

“For my students, they may not know the profound history and cultural background behind the game, but they are aware of the traditional culture behind the game when they play it.” Zhao said. “This is what inheritance means.”

Know it! Love it!

“I know this is the facial mask of Cao Cao (a famous politician in the late Eastern Han Dynasty, 25-220) because his mask uses white to indicate that the character is evil and hypocritical,” answered 8-year-old Gao Mingyang. In the Peking Opera facial mask class of the same primary school, led by Shi Haoran, a representative inheritor of Peking Opera facial makeup, students are actively competing to be the first to figure out the character on mask cards shown by the teacher.

Peking Opera facial masks were listed as
one of Beijing’s intangible cultural heritages in 2009. Shi, 50 years old, inherited her family’s legacy of drawing masks and she constantly develops innovations in the ancient art to produce works imbued with rich folk culture and diverse themes.

In her class, Shi demonstrated her creations, which showed the different roles the masks represent. All the children were instantly intrigued by the exquisite, festive and amusing works and were eager to try their hand at creating them.

Shi introduced the historic origin and cultural implications of each mask, as well as the painting techniques, to the children before they got to work on blank masks.

“You can create your color scheme but you must remember that the color on the facial mask should be fairly symmetrical,” said Shi. About 20 children took part in the mask painting class, all fascinated by the ancient cultural legacy.

Supported by the Beijing Municipal Government, the class is one of the projects in a bid to introduce and teach intangible cultural heritage to children. Beijing Dingsheng Traditional Culture Institute was appointed to select qualified representative inheritors as teachers.

“I’m delighted that kids have so much passion and interest in learning to draw Peking Opera facial masks,” said Shi after the class. “To pass on the traditional cultural heritage, the first step is to let people know it and then love it.”

**Difficulties in inheritance**

In the past, cultural inheritors, like Zhou and Shi never imagined they could be teachers in a primary school; but a year ago, they became members of the Beijing Dingsheng Traditional Culture Institute. The social organization aims to build a bridge between Chinese traditional cultural craftspeople and communities and schools to protect and promote Chinese intangible cultural heritage. According to Tong Yanhong, dean of the institute, despite China’s continuous efforts to strengthen protection of intangible cultural heritage, historical preservation still faces big challenges.

“It is not an easy thing to promote traditional cultural heritage in modern times,” Tong said. “Most representative inheritors have not accurately grasped the demand of the modern market and have been weak with innovation. As a result, though intangible cultural heritage products have high technical and artistic content, they do not meet the aesthetic standards of current consumers.”

Put simply, the craftspeople cannot make a living from their skills. Moreover, intangible cultural heritage was generally passed on via word of mouth in ancient China, making it one of the most vulnerable parts of tradition and a difficult thing to inherit.

“Without a systematic teaching theory, it is difficult for inheritors to train successors on a large scale,” Tong told Beijing Review.

**Into schools**

Insiders say that schools are fertile ground for passing on these ancient skills, making the introduction of intangible cultural heritage into the syllabus of great significance. In recent years, the Chinese Government has taken measures to encourage institutions to help introducing intangible cultural heritage into schools nationwide, with the Beijing Dingsheng Traditional Culture Institute being an example. Financially supported by the government, the institute is responsible for selecting and training teachers to effectively pass on traditional crafts.

“This is an innovative and sustainable way of inheriting traditional culture,” said Tong. “It helps relieve the financial burden of craftspeople and also creates a path for handing down the heritage to the next generations.”

Now, traditional paper cutting, kite-making, palace lantern-making, embroidery, clay sculpting and other traditional arts have been introduced into the syllabus of many primary schools across China.
The China Academy of Translation has analyzed prevailing terms concerning the reform and opening-up policy and translated them into a number of foreign languages. The research institute is affiliated with the China International Publishing Group, the country’s leading international publisher. In each issue, *Beijing Review* presents a selection of these keywords to help readers more deeply understand this program.

**Key Terms to Understand**

**Reform and Opening Up**

In the late 1980s and early 1990s, China stood at a crossroads of reform and opening up and its growth model. If the country did not make the right choice, the theoretical, organizational and political guidelines the Party had established after the Third Plenary Session of its 11th Central Committee, the basic principle established at the Party’s 13th National Congress for the primary stage of socialism, socialist reform and opening up, and Chinese socialism itself might all go to sidetracks.

At this critical moment, Deng Xiaoping—the chief architect of reform and opening up—who had retired from the core post of the Party’s second generation leadership, made an inspection tour of south China, visiting Wuchang, Shenzhen, Zhuhai and Shanghai between January 18 and February 21, 1992. The 88-year-old Deng gave some important talks, collectively known as the South Tour Talks. He expressed a deep hope for the cause of the Party and the people, displayed a strong sense of political and strategic issues, and demonstrated an acute awareness of potential dangers.

Deng Xiaoping’s South Tour Talks

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Targeting the misgivings among the people, Deng reviewed the experiences and lessons from China’s reform and opening up over the previous 14 years and stressed the importance of deeper reform and faster development. He also put forth new ideas and new approaches regarding major theoretical and practical issues and answered a number of questions that had troubled officials and the general public for quite some time. His talks were deemed of great political value to both the Party and the nation.

**The Third Plenary Session of the 11th CPC Central Committee**

The 11th Communist Party of China (CPC) Central Committee convened its third plenary session in Beijing between December 18 and 22, 1978. Discussions centered on the issue of shifting the Party’s focus to socialist modernization. During the session, important decisions were made on such issues as economic adjustment, economic governance reform, promoting agricultural development and improving the people’s well-being. The session also reaffirmed the Party’s commitment to Marxist ideological as well as political and organizational guidelines.

The event had far-reaching significance. It marked a major turning point in the CPC’s history since the establishment of the People’s Republic of China, an end to the long dominance of leftist dogmatism that placed China in the shackles of blind adherence to the instructions of Mao Zedong. It also set guidelines for moving forward with unity, emphasizing the need to break free from rigid ideological constraints and seek truth from fact. Since then, reform and opening up has been high on the agenda of the CPC Central Committee.

The Four Cardinal Principles

At the beginning of reform and opening up, some trends emerged in China, both among CPC members and in wider society. There was still a tendency to rigid thinking, while a handful of people expressed opposition to socialism, the CPC’s leadership and the guidance of Mao Zedong Thought—preaching anarchy and bourgeois liberalization as an alternative. This caused ideological confusion and had a direct impact on social stability and the orientation of reform and opening up. Against this backdrop, a forum on the principles for the Party’s theoretical work was held, and Deng Xiaoping was entrusted by the Central Committee to deliver a speech entitled Upholding the Four Cardinal Principles on March 30, 1979.

The Four Cardinal Principles are:

- Keeping to the path of socialism
- Upholding the people’s democratic dictatorship
- Upholding the leadership of the Communist Party of China
- Upholding Marxism-Leninism and Mao Zedong Thought

At the 13th CPC National Congress in October 1987 the Four Cardinal Principles were identified as an important element of the Party’s basic line at the primary stage of socialism.

**The Culture**
For almost 60 years, Beijing Review has presented contemporary news and views of China to the world in English and other languages. Targeting an African audience, ChinAfrica, an English and French monthly published by Beijing Review, brings news, views and analysis on hot topics related to China, Africa and China-Africa relations over the past 30 years. Find out about the world from a Chinese perspective. You will discover in-depth analysis, special columns and comprehensive reporting by professional journalists and editors from China and around the world. Follow us on our Twitter, YouTube and Facebook accounts and keep up with the latest developments.

And get in on the conversation

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How Should People React to A Fight on a Bus?

Thirteen people were killed on October 28 when a bus with 15 people on board plunged into the Yangtze River after colliding with a car on a bridge in Wanzhou, southwest China's Chongqing Municipality. A further two people are still missing 10 days later.

Investigation results released by local authorities on November 2 stated that the accident was caused by a fight between the bus driver and a female passenger. Video footage of the surveillance camera on the bus retrieved from the river indicates that the female passenger missed her stop and asked the driver to drop her off. After he refused, she began to hit him with her mobile phone. The driver hit back and lost control of the bus. The bus took a sudden turn to the left and collided with a car driving in the opposite direction before ploughing through the safety barriers and plunging into the river below.

The accident has spurred a heated online discussion concerning public safety. Some blame the passenger and driver for losing their tempers, some say other passengers on board are also to blame as they took no action to stop the fight, while others say laws and regulations should be improved to enhance punishments for passengers who fight with drivers to deter similar offences occurring in the future.

Rule of law required
Zhao Minghao (Guangming Daily): A lack of legal awareness is the primary cause for the accident. The rule of law is not only a consensual idea agreed upon by society but a set of practices, laws and regulations to be obeyed by all. Relevant parties involved in the accident have failed to show an adequate level of awareness of regulations and paid a heavy price for this ignorance.

The driver should have stopped the bus to reconcile the dispute. Similar cases of passengers fighting with bus drivers have occurred many times before. If the public transport company the driver works for had trained its drivers on resolving such disputes, the tragedy might have been avoided.

We should prevent actions that endanger public safety through the binding force of law and regulations, though the role of morality should never be dismissed. It should be noted that any transgression committed by a member of society has the potential to cause threats to public safety. The accident serves as a warning to the public that they should maintain adequate respect for rules and other people's rights rather than letting their rage gain the upper hand.

Disputes and conflicts are inevitable. Only by improving relevant rules and regulations and inculcating a sense of safety in all members of society will there be a more secure society.

Li Daixiang (www.xinhuanet.com): Lack of awareness of safety and law is the primary reason for the tragedy.

The passenger who missed her stop should have waited to get off at the next one. However, instead she chose violence without any consideration for her safety or for the safety of others on the bus.

Ensuring safety of passengers should be one of the pillars of a bus driver and their training. They should know how to deal with an emergency to ensure passengers' safety.

Both the driver and the passenger seriously endangered public safety and violated criminal law. The case has taught the society a lesson and hopefully spurred it to improve legal awareness and prevent any such action that affects public safety. It should become our bottom line to respect lives and obey rules.

Similar cases have happened frequently across China, though normally with less serious outcomes. We should learn a painful lesson from the Chongqing tragedy by improving safety awareness, respecting lives and rationally dealing with disputes.

Distraction leads to tragedies
Li Xiaopeng (Qianjiang Evening News): Ensuring one's temper is under control is a precondition for safety. Quarrels and fights do nothing to solve a dispute. The only solution should be to analyze the problem and find a solution to it. The female passenger in question should have waited to get off at the...
next stop and taken another bus to reach her destination. Her loss of control has cost the lives of many others who were traveling on the bus.

Passengers should under no circumstances interfere with the driver. This should not only be a moral code but also stipulated in law. Any action that seeks to interrupt a driver should be subject to a harsh legal punishment. However, the punishment stipulated in current laws is far from enough.

Also in Chongqing in June last year, a man asked the bus driver to let him off when the bus had traveled 200 meters past his stop. He grabbed the steering wheel and, luckily, the driver stopped the bus which was only a few centimeters from a ditch. The man was only subject to administrative detention for five days.

Bus drivers need to concentrate their attention to the job in order to cope with emergencies and prevent accidents. Passenger quarreling or even fighting with the driver will inevitably distract the latter's attention and lead to tragedies such as this. Actions such as these seriously threaten public safety and should be subject to harsh punishments.

In addition to enhancing punishments, promotional activities should be held to raise the awareness of dangers of interfering with the driver while they are in control of a vehicle.

Other passengers on the bus should not stand by but attempt to curtail a dispute in a bid to ensure their own safety. On April 20, a male passenger on a bus from Hengyang to Changsha in central China's Hunan Province stopped a passenger from grabbing the steering wheel, a laudable act.

**Imperative training**

Yan Xiaofeng (*China Newsweek*): The public transport company should assume responsibility for the accident as passengers entrust their lives to the company when they buy a ticket to take a bus journey. If public transport companies paid enough attention to the problem and provided relevant training, the tragedy could have been avoided.

The key to preventing tragedy when a bus driver is attacked is to stop the bus immediately rather than fighting back. Therefore, drivers should receive pre-job training, ensuring passengers' lives are put first in every situation. They should learn to deal with such circumstances in a calm manner rather than losing their tempers.

On September 19, a female bus driver in Wuhan, central China's Hubei Province, instantly put the brakes on when a male passenger tried to hold the steering wheel. Her actions prevented a major traffic accident.

In addition to strengthening training, awareness of rules and safety should be improved by enhancing education, starting in primary school. Accusations are meaningless. We should think more about what we can do to prevent tragedy from happening again.
For many people in China, traveling during the national Golden Week holiday in early October means taking excursions around China or to foreign destinations. And those trips usually involve seeing the famous sites and monuments of whatever place is chosen. For me and my husband, we decided to head off the beaten path to see a side of northwest China’s Xinjiang Uygur Autonomous Region that not many get to see.

So instead of planning a trip to a famous tourist destination, which would likely be crowded during the holiday, we signed up for a weeklong trip to Xinjiang, organized by Beijing Hikers, an English-speaking group of outdoors enthusiasts. Described as a trip along the Silk Road from Korla to Kashgar, it was planned to take advantage of the region’s beautiful scenery from central to southwest Xinjiang. We were divided among a group of all-terrain SUVs piloted by experienced drivers who took us on a route skirting the northern fringes of the Taklamakan Desert over seven days. We hiked once or twice each day in the sparsely populated wilderness.

The ever-changing scenery was beautiful, with the valleys and mountains of the Tianshan Mountain Range clad in varying shades from red and gold to gray and green, and each place had different hues and landscapes. Our first hike after leaving Korla was among arid, undulating landforms colored in shades of white and gray sand that looked like we could be hiking on the moon. With plenty of water stashed in our small backpacks, we wove around small conical shapes and wound our way atop narrow ridges, our views only of more white and gray hills and valleys stretching into the distance, the soft sand making us expend more energy with each step.

The next day, after an overnight stay in Kuqa, we headed to the Subashi Buddhist ruins which were built about 2,000 years ago. They cover a large area and encompass both sides of the Kuqa River, although only the east side allows visitors. Under royal blue skies, the colors ranged from the dark green foothills to the golden mud brick ruins of the temples and buildings. After an easy walk among the ancient city ruins, our caravan headed out to the Keziliya Grand Canyon, where we walked along a dry riverbed flanked by tall red mountains framed by bright azure blue skies. The towering red mountains ranged from slanted peaks to eroded yardang landforms that resembled a fantastical ruined city and our hike included a few forays into the lower reaches of the cliffsides. The third day of our tour was supposed to end with a night of camping in the desert not far from the canyon, but the area was closed so we stayed at a hotel in Baicheng after having a camp-style cookout in the valley.

The fourth day included a visit to the Kızıl Buddhist Caves, which didn’t involve hiking but instead quite a lot of climbing stairs to see the intricately painted caves carved into the cliffside around 1,800 years ago. It was a rather strenuous trek to see six of the 236 open caves discovered along 2-km jagged rocks. We ended our day with a short hike across a mostly dry riverbed lined with tumbled rocks that snaked along the highway to Aksu. We skirted the base of some small rugged mountains colored with alternating stripes of beige, gray and red, while the more adventurous and experienced hikers climbed to the tops of the steep slopes.

I missed out on our final hike after succumbing to a short illness that had me napping in the back of one of the SUV’s to gain enough energy for the last two days of the tour while my traveling companions hiked the nearby mountains. Maybe it was the surfeit of scenery that laid me low. The drivers prepared another camp-style picnic with their portable stoves, large woks and charcoal grills before we bade farewell to the wilderness and headed to Kashgar, where our hiking was limited to walks around the city to see markets, neighborhoods and historical attractions.

Leaving Kashgar by plane allowed us to look over some of the same area we had traversed. Our flight from Urumqi to Beijing led us over imposing black mountains topped with snow, a magnificent goodbye as we left Xinjiang, a land of inspiring beauty.

Tourists hike in the Keziliya Grand Canyon in northwest China’s Xinjiang Uygur Autonomous Region

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