



Celebration of the 40th anniversary of China's reform and opening up at the Great Hall of the People in Beijing on December 18 (XINHUA)

## Passing on the baton

### Four decades of reform and opening up have influenced China's past and will continue to impact its future

By Lu Yan

Although legendary e-commerce entrepreneur Jack Ma this year announced his plan to retire as executive chairman of the Alibaba Group by 2019, what he and his company have achieved will continue to impact China, and indeed, the rest of the world.

In 1999, with just 17 people, Ma founded Alibaba in his hometown Hangzhou, capital of east China's Zhejiang Province. Nearly two decades later, the e-commerce startup has grown into a hi-tech conglomerate with over 80,000 employees and a market value of around \$400 billion.

There are countless reasons for Alibaba's success. But perhaps the most prominent factor is reform and opening up China embarked on in 1978 and the economic and social progress it brought.

"Without the reform and opening-up policy, we wouldn't be who we are today," Ma acknowledged at the annual conference of the Boao Forum for Asia held in Hainan in south China in April.

The relationship has been mutually beneficial. The success of enterprising and innovative companies like Alibaba in turn serves as the engine driving China's development.

At the celebration of the 40th anniversary of reform and opening up in Beijing on December 18, Ma was among the 100 Chinese receiving the Reform Pioneer medal. The others included entrepreneurs like Pony Ma, founder and CEO of Chinese tech giant Tencent, Baidu founder Robin Li, Nobel laureate scientist Tu Youyou, military personnel, economists, model workers, athletes, writers and artists.

#### An evolving roadmap

Honoring those who contributed to reform and opening up, the event, broadcast live on television and the Internet, was a signpost where the Chinese people can look back at the past and feel proud.

President Xi Jinping summed up the achievements of reform and opening up, calling it "a great revolution in the history of the Chinese people and the Chinese nation."

When the drive began in 1978, the outside world was mostly developing fast along with technological advancement. But in China, following the end of the "cultural revolution" (1966-76), the economy was on the verge of collapse and the nation was in urgent need of rebuilding.

Confronted with the dire question of how China's socialist cause would advance after so many setbacks, then Chinese leader Deng Xiaoping underlined the need for reform.

"Our modernization program and socialist cause will be doomed if we don't reform now," he said. "Unless we persevere in reform and opening up, we shall have no way out and no hope of modernizing the country."

Deng said modernization was the "most important thing to set things right" and a "great cause which will determine our country's destiny for generations to come." "The fundamental task for the socialist stage is to develop productive forces," he said.



Chinese President Xi Jinping speaks at the celebration of the 40th anniversary of China's reform and opening up at the Great Hall of the People in Beijing on December 18 (XINHUA)

The first step was to double the GNP and meet the basic living needs of the people. The second was to double the GNP again during the 1990s and achieve a moderately prosperous standard of living. The third step was to raise the economy to the level of a moderately developed country and modernize in another 30 to 50 years.

Today, China is pursuing the two Centenary Goals: to build a moderately prosperous society in all respects by 2021, when the CPC celebrates its centenary; and to transform China into a modern socialist country that is prosperous, strong, democratic, culturally advanced and harmonious by 2049, when the People's Republic of China celebrates its centenary.

#### Scenes of change

Wu Guosuan from Xi'ao Village in east China's Zhejiang Province has participated in the transformation. Xi'ao used to be under the poverty line. But as reform and opening up saw China's market economy develop, over 200 private toy factories sprang up in the village during the 1980s. The emergence of e-commerce boosted the industry.

Wu, as the pioneer entrepreneur in his village, opened his first online store on Tmall, Alibaba's online business-to-consumer marketplace, in 2012. That year, the store's sales reached 3 million yuan (\$436,700). Business grew fast, and Wu opened three more online stores. The sales in 2017 were over 60 million yuan (\$8.74 million).

Currently, over three fourths of the 200-plus households in the village own more than 600 online stores with sales over 200 million yuan (\$29.11 million) in 2018. The store owners are now seeking cooperation with multinational brands and tapping the international market to usher in the next development phase.

"I feel very happy. I now have money to buy my own house and car," a beaming Wu told *Beijing Review*.

Such stories of transformation from poverty to prosperity can be found in many villages across the country. According to Liu Yongfu, Director of the State Council Leading Group Office of Poverty Alleviation and Development, over the past 40 years, 740 million

"We are the product of reform and opening up. Without it, startups like us wouldn't even exist," Gabriel Morris, the company's co-founder, told *Beijing Review*. The 32-year-old American left Goldman Sachs to become the Chinese company's chief operating officer.



People awarded for their outstanding contributions accept bouquets during a grand gathering to celebrate the 40th anniversary of reform and opening up at the Great Hall of the People in Beijing on December 18 (XINHUA)

Wu said the Next Generation Artificial Intelligence Development Plan issued by the State Council, China's cabinet, in July 2017 offers opportunities for startups like theirs to be part of the national strategy.

Entrepreneurship and innovation play a positive role in stimulating market vitality and creating jobs, Li said at the opening of the national mass entrepreneurship and innovation week in Chengdu, southwest China's Sichuan Province, on October 9. He said more efforts are required to better implement the innovation-driven development strategy and realize quality development.

An open market, strong and targeted policy support, successful poverty reduction strategy, people's entrepreneurial enthusiasm and a vibrant society have all contributed to China's economic growth. According to the National Bureau of Statistics (NBS), China's GDP rose 33.5 times from 1978 to 2017, with an average annual growth of

covering more than 900 million people and medical insurance covering over 1.3 billion people, Xi said at the celebration in December.

"China has maintained its social stability over a long period, making it one of the countries that provide the greatest sense of safety in the world," he said.

"China's reform movement is one of the most significant global developments of the last century—perhaps in all of history. No nation anywhere has ever grown its economy so large so quickly," Bruce Pickering, senior advisor at Asia Society, a New York-based non-profit organization, told *Beijing Review*.

#### Sharing development

In the 40 years, China has also pursued common development with other countries.

At the beginning of reform and opening up, only a few Chinese companies had business overseas. But from 1980 to 1988, with the establishment of five special economic zones in Shenzhen, Zhuhai and Shantou in Guangdong Province, Xiamen in Fujian Province, and the entire Hainan Province, business interactions with foreign enterprises became frequent. In 1984, 14 coastal cities opened their doors to overseas investors. With China's accession to the World Trade Organization in 2001, Chinese companies accelerated their pace of going out. Since 2003, China has established free trade zones in several countries and regions, boosting global imports and exports. In 2017, Chinese investors spent \$120 billion in 6,236 enterprises in 174 countries and regions, 40 times more than in 2003, according to the Ministry of Commerce and the NBS.

In 2013, Xi proposed the Belt and Road Initiative, a global vision aiming to promote shared prosperity of humanity by cooperation on trade and infrastructure. In 2017, non-financial outbound direct investment (ODI) in countries involved in the Belt and Road Initiative totaled \$14.4 billion, 12 percent of the total ODI.

China has also advanced economic globalization and global governance reform, contributing Chinese wisdom and approaches to resolving global issues. In recent years, it has hosted a number of international conventions such as the Belt and Road Forum for International Cooperation, the Asia-Pacific Economic Cooperation Summit, the G20 Summit and the annual Boao Forum for Asia conferences, where it has shared its experience with people from all around the world.

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An Israeli visitor at a major exhibition to commemorate the 40th anniversary of China's reform and opening up at the National Museum of China in Beijing on December 6 (XINHUA)

Accordingly, the Third Plenary Session of the 11th Central Committee of the Communist Party of China (CPC), held in December 1978, saw the Party shift its focus toward socialist modernization. It was a significant turning point in the CPC's history.

The plenary session marked the beginning of the historic reform and opening-up journey. At that time, China had a weak economy and a large population. The Central Government decided to conquer the challenges step by step. Deng proposed a three-step strategy in 1987 which was endorsed by the 13th National Congress of the CPC the same year.

people in China have worked their way out of poverty and made a major contribution to global poverty alleviation. China aims to eliminate rural poverty by 2020.

The rise of the Internet and entrepreneurship has helped rural areas like Xi'ao transform. The mass innovation and entrepreneurship initiative, proposed by Premier Li Keqiang at the Summer Davos Forum in 2014, embodies China's effort to seek innovation-driven development.

In 2016, Wu Hengkui founded SuperSymmetry Technologies, a startup specializing in financial research systems based on artificial intelligence, in Beijing.

9.5 percent, much higher than the world average of about 2.9 percent during the same period.

The gross national income per capita in 2017 ranked 95th among 217 countries and regions, according to the World Bank, an impressive achievement for a country that started low and has a large population base. At the end of 2017, China's foreign exchange reserves reached \$3.14 trillion, the highest worldwide.

Progress is also evident in literacy, the education structure, public cultural undertakings, health and sports. China has built the world's largest social security system, with basic old-age pension

China's development provides successful experience and offers a bright prospect for other developing countries as they strive for modernization, representing China's contribution to the progress of human civilization, Xi said in December.

"China has shown African countries ... that we should come up with our own development plans based on our own history, national conditions and characteristics. It's obvious that [the Chinese] method works," Ibrahima Niang, Executive Director of the Institute of Asian and African Studies of Sahel, Senegal, told *Beijing Review*.

China has joined over 100 inter-governmental organizations and signed more than 300 international treaties, taking part in global cooperation ranging from anti-terrorism work to the battle against global warming.

"An important factor which enabled China to reach its economic heights has been the favorable global trading environment—one whose rules have been in place since the end of World War II. These rules, primarily initiated by the U.S. and Great Britain, have been underpinned by a range of economic and financial institutions and agreements. The IMF, the UN, the World Bank (including the International Bank for Reconstruction and Development), the Organization for Economic Cooperation and Development and various free trade agreements are all part of a system designed to bind the participating nations into a rules-based order," Pickering said.

"China cannot develop itself in isolation from the world, and the world needs China for global prosperity," Xi said at the December 18 celebration, underlining the commitment to opening up wider and promoting joint efforts to build a community with a shared future for humanity.

**What the future holds**

The past 40 years were the beginning. In the future, reform and opening up will continue. What has been achieved in economic, political, cultural, social and ecological fields must be shared among all, according to Xi.

"The people-oriented approach must be adhered to and efforts should be made to keep delivering on the people's aspirations for a better life," he said.

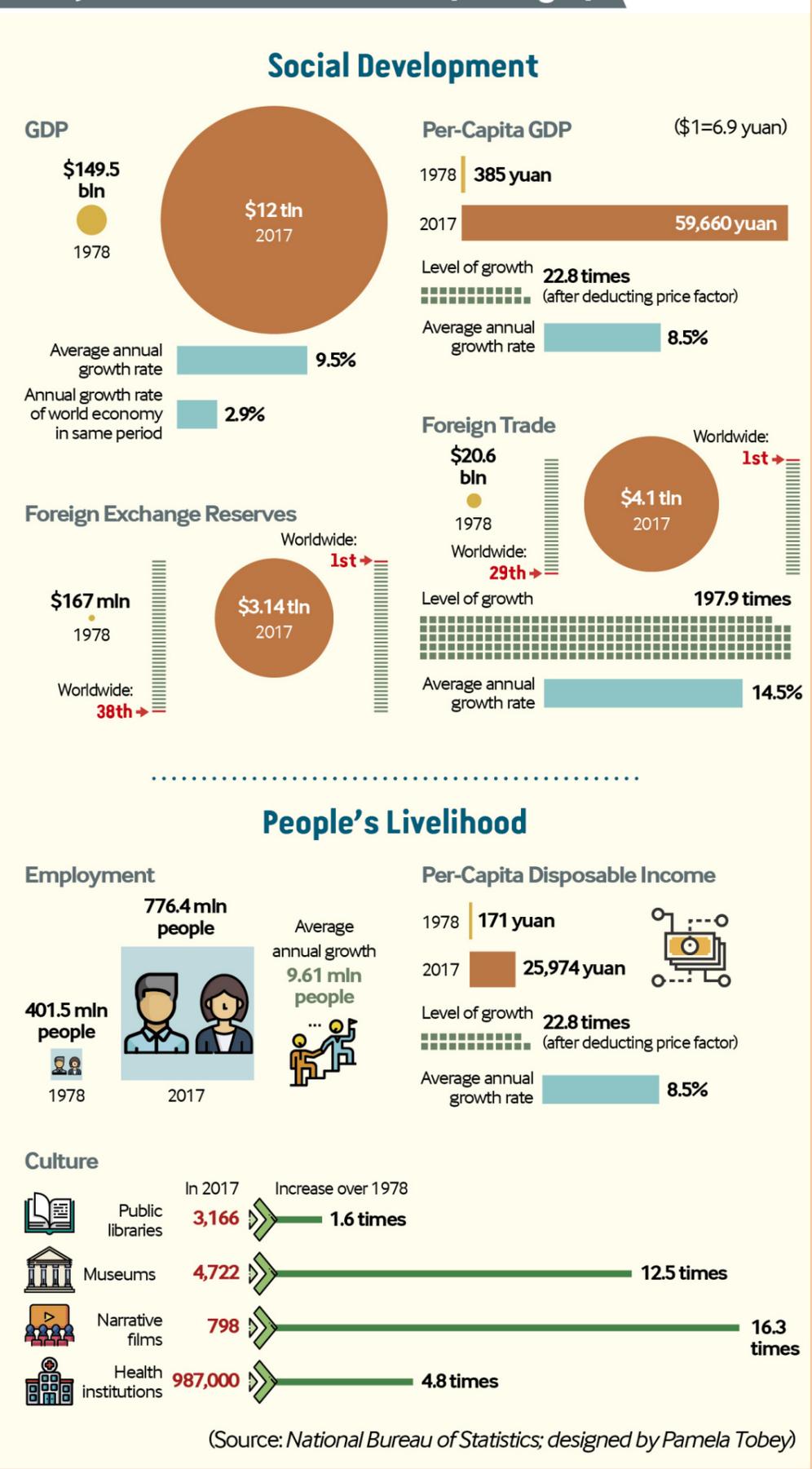
"Bearing in mind China's internal and international situations, we have stayed committed to the fundamental national policy of opening up, followed a proactive approach to opening up, and entered a new stage of comprehensive, multi-level and wide-ranging opening up, thus creating a sound

international environment and broader development space for China," Xi said at the December 18 gathering.

The president likened realizing socialist modernization and national rejuvenation to a relay race. "The baton should be passed

on for generations and each generation should achieve a good result for the next generation," he said.

**Forty Years of Reform and Opening Up**



**A race to the future**  
 Forty years of a transformational China

By Michael Zakkour



Visitors view the sand table of Shanghai's Lujiazui area during a major exhibition to commemorate the 40th anniversary of China's reform and opening up at the National Museum of China in Beijing on November 14 (XINHUA)

**The author is Vice President of China/Asia Pacific strategy and global digital practices at consulting firm Tompkins International**

It might be the transformation of Pudong in Shanghai from farmland to futuristic megacity. Or, it might be the metamorphosis of Shenzhen from a fishing village to a technology hub with a population of 12 million. Perhaps it is the emergence of Beijing as the Capitol of capital, for the second largest economy in the world.

From a purely human level, it could be the rise of hundreds of millions of people from abject poverty to working and middle-class living standards. Was it the release of pent-up entrepreneurial energy and brilliance that helped transform a moribund economy?

Maybe it's the fact that farmers and villagers in remote villages across the country can, and

do, sell their goods to the world via online marketplaces like Taobao and Jingdong via smartphones.

The question we are trying to answer is: What best symbolizes China's re-emergence as a prosperous world power over the course of 40 years of reform and opening-up era?

The answer is all the above and so much more.

There is nobody, from inside or outside of China, who could credibly claim that they foresaw the speed and depth of China's transformation in less than half a century.

The task of summarizing and reflecting on what has happened in China between 1978 and 2018 is an almost impossible task for any one observer. But the hundreds of volumes of text that have been, and will be, produced on the subject are a good place to start.

The story of China's development over the last forty years is one of, if not the most, fascinating, complex and recent stories of the late 20th and early 21st century. Reform and opening up was not the result of a single decision, a single person, a single meeting, or a single master plan.

It was not a single event launched at a single moment in time with a linear series of predictable and ordained outcomes.

Rather, reform and opening up was a process of debate, compromise, experimentation, adjustments, false starts, detours, successes, and long-term commitments by the government and the people which have led to what any impartial observer would define as a successful path to transforming the lives of 20 percent of humanity.

It is important to note that some of the great success stories of the era have posed challenges and downsides which still have to be overcome. These include the tasks China faces in taking a positive and active role in the global community, addressing pollution and sustainability and the transition to a consumption, services and innovation-led economy.

Following the official commemoration on December 18, expanded versions will continue with a review of some of the key achievements and challenges during 40 years of reform and opening up and a preview of what the next 40 years may hold for China.

# Innovation's paradise

## Young and tech-savvy entrepreneurs play a key role in expanding Hangzhou's Internet industry

By Ding Ying & Wang Hairong



Business partners from Japan watch the big screen demonstrating Dfire's operations at the company's headquarters in Hangzhou (WEI YAO)

Hangzhou in Zhejiang Province is the home of Alibaba. But the city's Internet industry is much more than the Internet giant, encompassing a large number of small and medium-sized Internet companies as well.

And new businesses continue to mushroom. "On average, every day, 602 market players and 109 valid invention patents are born in this digital city," Zhou Jianguo, Secretary of the Communist Party of China's Hangzhou Municipal Committee, said in an October meeting on building the city into a leader of the digital economy.

"An innovative and entrepreneurial spirit runs in the veins of the Zhejiang people," Yu Hao, Chief Financial Officer of the Aicai Group, a Hangzhou-based financial service organization, said. "In Zhejiang, when people enter their 20s and 30s, they are often asked, 'Why don't you go out and do some business?'"

Several Internet industry start-ups born in this city in the 1970s, 80s and 90s shared their unique stories with *Beijing Review*.

has been adopted in several Asian countries, while agents from other countries are trying to introduce the system.

"Customers can save time ordering and paying, and can thoroughly know about every dish they order through the text, picture and video descriptions. As for the administrators, they save money on printing and continuously upgrading menus and hiring employees," Zhao said.

He showed some more functions of the 2dfire system on his phone. Through the page of a restaurant in Dfire's headquarters in Gongshu, a district in Hangzhou, Zhao can check on the restaurant's operations and the performance of the 2dfire system. The page has multiple function units, such as cashier, storage manager and even adviser. The system can issue instant messages like a list of most popular dishes, the customer volume and the inventory of all raw materials, and even advise on operation.

"The system can compare all the data of the restaurant with those of all restaurants using

Wang has a development model. His editing team follows the latest ranking of the business, plans new programs based on data analysis, and launches games on different social media platforms.

The company has launched 150 games on WeChat. Since its inception nearly three years ago, it has developed five games every week on average. It broke even in the first year, and now has a monthly turnover of 10 million-20 million yuan (\$1.4 million-2.8 million), mainly from games released on WeChat, Wang said. Their most popular game Shootand, a parkour adventure game released on WeChat, has more than 30 million users, and more than 1 million daily active users, he said.

Recently, the company has begun to release games on Facebook, with three already on. There are over 6,000 games in use on Facebook right now. To Wang, this will be the next growth point of his company, which is expected to generate as much revenue from Facebook as from WeChat in half a year. Wang plans to develop social functions of leisure games through voice talk and voice broadcast. "We hope the company can go public on Nasdaq in the United States soon," he said.



Game developers at work at Hangzhou Xiaowan Technology Co. Ltd. (WEI YAO)

### Easy eating

Eating in a restaurant has never been easier. Walk in, choose your table, scan the QR code on your table with your phone, and you get the digital menu. Place your order through your phone and soon your food is served, either by a human or even a robot. Once you've finished eating, scan the code again to pay, using your digital wallet, and you are ready to leave. Thanks to Zhao Guangjun, a man who barely travels and never eats outside, people now eat at restaurants in such a time- and speech-saving way, based on an artificial intelligence (AI) system known as 2dfire.

Born in 1971, Zhao is one of those early birds who mastered computer technology in the 1990s. As early as when he was a college student majoring in chemistry in Zhejiang University, he started his little business of assembling computers. When he graduated, he had amassed over 500,000 yuan (\$72,500). Then he worked for a local company as its youngest vice president, under 30, in charge of financial software development.

"It was in 2005 that I heard the concept of cloud computing for the first time at an IT conference. I realized here was my opportunity," Zhao said. "I decided to combine cloud computing with the restaurant business, as I am interested in both fields."

Next year, he founded Dfire and one year later, developed his cloud restaurant management software version. The system basically functions as a cash and inventory register in collocation with touch-screen tablets serving as the e-menu. The novel system soon captured the market and brought him a fortune.

When smartphone technology was introduced in China in 2007, Zhao and his team worked to apply the software to smartphones. "We spent over five years on research and development before we could finally eat in a restaurant by scanning a code through our 2dfire system," he recalled. Many Internet companies including Dfire had tried different kinds of codes including barcodes, and most of them gave up after years of failure.

"My team of developers and I were under high pressure, financially, physically and psychologically, as there were different reactions after we continuously put large amounts of time, energy and money into a project that sounded hopeless," Zhao said, calling the period "the darkest days" of his life. "I used up all my savings, tried to pay employees' salaries by taking tens of thousands of yuan as loan with high interest every month, worked over 10 hours in my office with the development team every day, and spent the equivalent of less than \$100 on personal use during a whole year."

In 2014, Dfire obtained financing from venture capital firm China Growth Capital and turned the corner. One year later, Zhao and his team marketed 2dfire and obtained investment from Alipay, Alibaba's third-party mobile and online payment arm. Today, over 350,000 restaurants and beverage shops in China are using the 2dfire system, which costs them 5,000-10,000 yuan (\$725-1,450) per year. According to Dfire's sales department, 2dfire



Luo Likang, chief software engineer of Shanghai Lintex Digital Co.'s R&D center in Hangzhou, demonstrates the 3D fashion design process (WEI YAO)

this system throughout the country, and tailor practical suggestions such as updating menus, restocking or even redecorating the restaurant," Zhao explained. "A good product, like the iPhone, will train users to adapt to the system. After they form a habit of using the product, it will be hard for loyal customers to get rid of the product."

Dfire has over 1,000 employees and over 60 percent are in the research and development (R&D) department. "R&D of new products will always be the core of this company," Zhao said. However, despite the success, he still lives like a modern hermit, spending most of his time with his development team.

"The best business model runs like a natural and healthy ecological system," Zhao said, pointing to a huge aquarium he has built himself, one of his few hobbies. "It will take everyone's demands into consideration, which is also the principle of our R&D."

### Big little game player

The business of Wang Kai, the 35-year-old CEO and co-founder of Hangzhou Xiaowan Technology Co. Ltd., might make millennials go green with envy: It is based on phone games.

Wang started his career as a young journalist for a local daily after graduating from Shanghai University. In 2006, he quit his job to work for a local Internet portal, and became its chief operating officer in 2010. Six years later, he co-founded Xiaowan, with his two friends, both born in the 1980s.

Xiaowan mainly develops leisure games that users can play on social media platforms, primarily WeChat, TikTok and Baidu, Wang said. The company has a registered capital of 500,000 yuan (\$72,500), obtaining funding from an investment company. Today, it employs more than 80 people, over 90 percent of whom were born after the 1990s. About 60 percent of them had worked for IT companies in Beijing.

said Luo Likang, the center's youngest partner and chief software engineer.

The center has put the research achievements of a national-level science laboratory in Zhejiang University into use with its branch company in Hangzhou located outside the university's campus in Xihu District. "We chose Hangzhou because the computer-aided graphic design program of Zhejiang University is the best in the country," Luo explained, adding that all members of the original team of the center graduated from there. Luo himself was an award winner in a national-level computer program when he was in that laboratory.

Lintex is the Alibaba of the apparel industry, for it puts suppliers and purchasers of raw materials and apparels on the same platform, which has been in trial operation for more than a year now. Sample designs can be done on the platform and displayed to customers. They only need to log in and the year-old Luo says the platform's service fee, 27-year-old Luo said.

Currently, the platform mainly serves ODM manufacturers worldwide. "The advantage of computer-aided design is that the design cycle is short and customers can be offered many patterns to choose from without any extra cost or risk of waste," Luo said. If necessary, people can even get themselves scanned holographically to see how they would look in the newly designed clothes. In 2017, the center obtained 15 million yuan (\$2.18 million) from electronics company Xiaomi, and about 20 million yuan (\$2.8 million) from its parent company Lintex. A 30-million-yuan (\$5.36 million) investment is expected by this year.

"I entered the business as a software engineer. But the thinking mode was different after I initiated the center and became a partner," Luo said. "You need to wrack your brains for product development and operation. There is no boundary between working hours and spare time."

(Reporting from Hangzhou, Zhejiang Province)

# A test of time

China-U.S. cooperation is the only realistic choice as uncertainties remain after the Buenos Aires tête-à-tête

By An Gang



Chinese President Xi Jinping and U.S. President Donald Trump in Buenos Aires, Argentina, on December 1 (XINHUA)



The author is an op-ed contributor to *Beijing Review* and a researcher at the Pangoal Institution

When the working dinner between Chinese President Xi Jinping and U.S. President Donald Trump ended after the G20 Summit in Buenos Aires on December 1, Chinese State Councilor and Foreign Minister Wang Yi told the media that the meeting has “chartered the course for China-U.S. relations,” with the two presidents reaching an important common understanding.

The two sides decided to avoid escalation of trade-restrictive measures, open their market to each other and resolve the reasonable concerns of the U.S. in the process of China’s new round of reform and opening up. The work teams of the two sides will follow the consensus and step up negotiations to remove additional tariffs, so as to reach a specific agreement with mutual benefit and win-win results at an early date.

political factors deeply involved. The issue is not confined to the trade sector, but will affect the two countries’ strategic judgments of each other, with the negative influence spreading to political, military, security and cultural fields. China perceives the U.S. acceleration of the adjustment of its strategy against China as aiming to hold back the rise of China; the U.S., on the other hand, is accusing China of intervening in its domestic affairs.

In his speeches at U.S. think tank Hudson Institute on October 4 and the Asia-Pacific Economic Cooperation CEO Summit on November 7, U.S. Vice President Mike Pence alleged China was using a variety of tools to advance its influence in the United States and also obtain American intellectual property, further intensifying bilateral divergence.

### A changed relationship

A combination of issues concerning trade, Taiwan, the South China Sea and human rights has brought Sino-U.S. relations to an all-time low since the two countries established diplomatic ties in 1979. In China, the focal points of discussions in strategic circles for some time have been how China should cope



Rick Anderson (left, front), Boeing Vice President of Northeast Asia Sales, and Che Shanglun (right, front), Chairman of Xiamen Airlines, attend the signing ceremony for the delivery of the 2,000th Boeing airplane to China in Seattle, on November 30 (XINHUA)

### Blow to global growth

For most of 2018, the intensifying trade frictions between China and the United States became a world topic and the core agenda of the bilateral relationship, seriously discouraging global economic recovery and growth. In June, Trump approved a 25-percent tariff on \$50 billion worth of goods imported from China; in September he announced a 10-percent tariff on \$200 billion worth of Chinese goods and this was expected to increase to 25 percent on January 1, 2019. If China had retaliated, tariffs were to have been imposed on \$267 billion of additional goods.

Calling the action “trade unilateralism, protectionism and bullying,” China responded with 5 to 25 percent tariffs on \$60 billion worth of U.S. products. These covered more than 5,000 categories, reducing imports of farm produce, daily commodities and chemical and medical products from the U.S.

As the pressure of the Chinese economic slowdown intensifies and the U.S. economy shows increasing signs of pre-recession, such fierce trade frictions will, if they continue, lead to damage to both and even other countries. The Wall Street as well as the U.S. industrial and agricultural circles have been lobbying to stop the trade war.

This conflict unfortunately occurred in the year of U.S. mid-term elections, with domestic

with a possible change in U.S. policy against it and how China should readjust its reform and development strategies. Such discussions still continue, with no conclusion reached.

Despite the meeting in Buenos Aires, many scholars and media professionals from both China and the United States believe the relationship between the two countries will never revert to what it was in the past. The “new normal” including long trade frictions may become a reality that both parties and even the international community have to accept. Chinese scholars still doubt whether Washington, controlled by hawks, is trustworthy. They are also concerned that the consensus reached on trade is temporary. Its results will depend on the negotiations in the next three months, so there may be changes during this period. If the negotiations do not go well, the “ceasefire” in the trade war is likely to see more fierce trade frictions.

Nevertheless, both China and the United States clearly recognize that given the huge sizes of their economies and their deeply interwoven interests, any changes in their relations will have a profound influence. Even if there are irreconcilable structural conflicts, stronger and wider competition, and unavoidable “disconnection” in some fields, there should not be all-round confrontation and open conflicts. The two countries must

## Major events in November

**December 2: [China eases curbs on stock-index futures trading](#)**

**Keywords: China; ease; Stock-Index Future**

The China Financial Futures Exchange (CFFEX) announced on December 2 that it was further easing restrictions on domestic stock index futures trading in a “sound and orderly” way in a bid to facilitate market functions.

**December 4: [China releases report on global engineering frontiers](#)**

**Keywords: CAE; pioneering engineering S&T; report**

The Chinese Academy of Engineering (CAE) released a report on the global frontiers of engineering science and technology on December 4 in Beijing, which analyzes pioneering engineering science and technologies on a global perspective based on existing papers and patents.

**December 6: [China asks Canada to release Huawei CFO](#)**

**Keywords: Canada; Huawei; Meng Wanzhou**

China’s Embassy in Canada has urged Canada to immediately release Meng Wanzhou, Chief Financial Officer of China’s tech giant Huawei, and for the United States to drop any potential extradition charges in a statement on December 6.

**December 12: [New Diary Reveals More Details on Nanjing Massacre](#)**

**Keywords: Nanjing Massacre; diary; Liaoning**

A new diary released at a seminar on December 12 in northeast China’s Liaoning Province offers more details into the notorious Nanjing Massacre by Japanese troops that led to 300,000 deaths in 1937.

**December 13: [Xi presides over meeting on economy, anti-corruption](#)**

**Keywords: Xi Jinping; Political Bureau; economy**

Xi Jinping, General Secretary of the Communist Party of China (CPC) Central Committee, presided over a meeting of the committee’s Political Bureau on December 13, which studied the economic work for 2019 and made plans for building good conduct and political integrity within the CPC as well as fighting corruption.

**December 18: [China’s central bank unveils new targeted monetary tool](#)**

**Keywords: PBOC; targeted medium-term lending facility; banks**

The People’s Bank of China (PBOC), China’s central bank, is now open to applications from qualified banks for the use of a new tool called targeted medium-term lending facility (TMLF) to get stable long-term funds to support their businesses.

**December 25: [China unveils annual patent award](#)**

**Keywords: China Patent Award; NIPA; 40**

The National Intellectual Property Administration (NIPA) announced recipients of the 20th China Patent Award, the nation’s top award for patents on December 25.

**December 27: [China’s BeiDou officially goes global](#)**

**Keywords: BeiDou Navigation Satellite System; global services**

China on December 27 announced that the primary system of *BeiDou-3* has been established and started to provide global services, meaning its home-grown *BeiDou* Navigation Satellite System (BDS) officially went global.

have professional management of disputes, and continue their cooperation wherever possible.

At Buenos Aires, China repeated its position that “common interests outweigh the differences and the need for cooperation is greater than frictions.” The two sides agreed to take proactive steps to strengthen cooperation in law enforcement and drug control, including control of fentanyl-like substances.

As Xi said, as two major countries, China and the United States jointly shoulder more and more important responsibilities in promoting world peace and prosperity, and cooperation is the best choice for both. The two heads of state agreed that China-U.S. relations must be and will be improved, and consented to promote bilateral relations based on coordination, cooperation and stability.

This is not merely a good vision, but also a realistic choice. However, given the uncertainties, the results have yet to be tested by time.