

China insight



Window on CPC: Building Primary-Level Party Organizations



Photo taken on June 29 shows the third volume of Xi Jinping: The Governance of China in Chinese and English

3rd Volume of Xi Jinping: The Governance of China Published

The third volume of Xi Jinping: The Governance of China has been published by the Foreign Languages Press in both Chinese and English and is available at home and abroad.

The 19th National Congress of the Communist Party of China (CPC) in 2017 included Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era into the Party Constitution and in March 2018, the First Session of the 13th National People's Congress, the national legislature, adopted amendments to the Constitution

and incorporated Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era into it.

All this shows that the guiding ideology of the CPC and the nation has progressed with the times.

Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era is the theoretical banner for building a strong, Marxist governing party and ensuring long-term governance of the Party and long-term stability of the country. It is also a guideline for upholding and developing

socialism with Chinese characteristics at a new historical starting point and achieving national rejuvenation.

The first and second volumes of the book have been well received at home and abroad since they were first published in 2014 and 2017, respectively.

President Xi Jinping has made a series of important expositions in leading and promoting governance in the new era since the 19th CPC National Congress, and put forward many major concepts and ideas, enriching and developing the Party's theo-



A symposium on the third volume of Xi Jinping: The Governance of China in Beijing on July 29



A display showcases the third volume of Xi Jinping: The Governance of China during the Shanghai Book Fair, which kicked off on August 12 at the Shanghai Exhibition Center

retical innovations.

The new volume is a collection of 92 articles, including speeches, conversations, instructions and letters by Xi, who is also general secretary of the CPC Central Committee, between October 18, 2017 and January 13, 2020.

The articles are divided into 19 topics. The volume also contains 41 photos of Xi at various events in that period.

The new volume has been compiled by the State Council Information Office, the Institute of Party History and Literature of

the CPC Central Committee, and the China International Publishing Group.

It records the practices of the CPC Central Committee with Xi at the core in uniting and leading the whole Party and Chinese people of all ethnic groups to make new and major progress in the various undertakings of the Party and the country since the 19th CPC National Congress.

It shows the latest theoretical developments in Marxism in China and the Party's contribution to building a community with a shared future for humanity. It is an authorita-

About the first and second volumes of Xi Jinping: The Governance of China

The first volume contains articles arranged in 18 topics, incorporating 79 speeches, talks, interviews, notes and letters by the Chinese leader between November 2012 and June 2014.

The second volume comprises 99 articles, including Xi's speeches, conversations, instructions and congratulatory messages between August 2014 and September 2017.

The volumes are an organic and unified whole. They have been translated into multiple languages, helping the international community better understand contemporary China and the Communist Party of China.

tive work that reflects Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era fully and systematically.

The new volume will help readers understand Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era. It stresses strengthening the Party's consciousness of the need to maintain political integrity, think in big-picture terms, uphold the leadership core, and keep in alignment.

It urges developing stronger confidence in the path, theory, system and culture of socialism with Chinese characteristics, as well as upholding the authority of the CPC Central Committee and its centralized, unified leadership.

It also motivates the Chinese to secure a decisive victory in building a moderately prosperous society in all respects and strive to make socialism with Chinese characteristics for a new era successful.

It helps them better understand why the CPC can lead the nation and the people to historic achievements, why Marxism works, and the advantages of socialism with Chinese characteristics.

Besides, it will help the international community better understand Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, the CPC, Marxism and socialism with Chinese characteristics. **C**

A Blueprint for China of Tomorrow

By Zheng Changzhong

Recently, the third volume of Xi Jinping: The Governance of China was published in both Chinese and English.

The new volume compiled 92 articles including speeches, conversations, instructions, and letters composed by Chinese President Xi Jinping, also general secretary of the Communist Party of China (CPC) Central Committee, between October 18, 2017 and January 13, 2020. What new enlightenment does this volume bring? What distinguishes the book from previous installments? To fully understand the work, it should be read with proper knowledge of the historical context of the development of modern Chinese civilization.

More than a century ago, China's traditional civilization began to be severely impacted by the waves of modernization.

In the process of building modern civilization in China, the nation chose to reorganize the country and society behind the lead of a political party, and ultimately the CPC accepted the historical mission.

Attempting to "catch-up" to solve the disconnection between the scattered state of traditional society and growing demands for orderly construction of a modernized nation, the People's Republic of China established a planned economic system and unit-based social system in the early days after its founding. Thanks to the hard work of millions over more than 20 years, the tasks for the basic stage of socialist modernization were completed.

To promote the sustainable development of China's modernization, the Third Plenary Session of the 11th CPC Central Committee in 1978 decided to implement a reform and opening-up policy. In 1992, the 14th CPC National Congress made the decision to establish a socialist market economic system, marking the establishment of modern market in China.

In 1997, the 15th CPC National Congress announced intentions to build a socialist country under the rule of law, signifying the comprehensive development of modern country.

In 2002, the 16th CPC National Congress introduced the "Three Represents," marking the CPC comprehensively promoting theoretical innovation and development in

accordance with the requirements of market economy and rule of law.

In 2007, the 17th CPC National Congress proposed building a harmonious socialist society, marking the beginning of modern society in China.

By the 18th CPC National Congress in 2012, the major elements of building a modern civilization such as a modern political party, a modern country, a modern market, and modern society were basically completed in China.

However, development of these elements has been not enough, and construction of modern Chinese civilization still faces two problems. One is insufficient development of internal functions, and the other is a lack of internal integration. Development of China's modern civilization has reached a point in which it needs to leap from the stage of cultivating major elements to sketching the overall picture.

In this context, the CPC held its 18th National Congress and elected the Party Central Committee with Xi Jinping at its core.

To accelerate the shaping of the overall format of China's modern civilization, the 18th CPC Central Committee convened its Third Plenary Session and proposed to comprehensively deepen reforms based on top-level design, improve and develop socialism with Chinese characteristics, and promote the modernization of national governance system and governance capacity.

Subsequently, the Fourth, Fifth, and Sixth Plenary Sessions of the 18th Central Committee respectively arranged for comprehensively promoting law-based governance, completing the building of a moderately prosperous society in all respects, and comprehensively enforcing strict Party self-governance.

The first and second volumes of Xi Jinping: The Governance of China are compilations of the major speeches and concepts of General Secretary Xi to guide the advance of modern Chinese civilization after the 18th CPC National Congress.

Since the 18th CPC National Congress, the CPC Central Committee with Xi Jinping at the core has comprehensively deepened reforms. It has promoted more flexible functionality of the Party, the country, society,

and the market while honing relationships between major elements in accordance with the needs of modernization.

After all this work, it remains necessary to sketch a clear blueprint for China's modern civilization and comprehensively promote its construction. In this context, the CPC held its 19th National Congress in 2017.

In the report delivered at the opening session of the 19th CPC National Congress, General Secretary Xi announced that socialism with Chinese characteristics has entered a new era and that the principal contradiction facing Chinese society has evolved to the contradiction between imbalanced and inadequate development and the people's ever-growing needs for a better life.

The report cited Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and offered basic strategies while clarifying strategic arrangements to secure decisive victory in building a moderately prosperous society in all respects and move on to all-out efforts to build a great modern socialist country.

The report represents comprehensive arrangements for building socialism with Chinese characteristics in the new era as well as a systematic design outlining the format of China's modern civilization.

The third volume of Xi Jinping: The Governance of China contains a compilation of Xi's report at 19th CPC National Congress and other subsequent spoken and written works. The report tops the table of contents, followed by 19 sections arranged by topic to interpret the guiding principles of the 19th CPC National Congress. The content of specific articles shows that this interpretation is not static, but dynamic, forming a multi-layer matrix arrangement with both time and content dimensions.

In fact, the 19 sections basically explain and interpret the guiding principles of the 19th CPC National Congress across three aspects: carrying out proposals made at the congress, implementing the blueprint designed at the congress, and advancing work in practice.

The third volume not only interprets and elaborates the guiding spirit of the 19th CPC National Congress, but also further enriches and deepens the connotations of those guiding principles through practical innovation. Moreover, it collects the new decisions, ideas, and policies put forward by Xi during the process of building socialism with Chinese characteristics.

The book represents not only important "instructions" for building socialism with Chinese characteristics in the new era, but also a blueprint for tomorrow's Chinese civilization. **C**

Xi Jinping on the Building of Primary-Level Party Organizations

Grassroots Party organizations are the cornerstone of our Party's governance and source of its strength. Only if the grassroots organizations are sound and the Party members play their due roles, can the Party's foundation be firm and the Party itself vigorous.

A directive on launching the "Two Studies, One Action" education campaign made on February 4, 2016

Building strong grassroots Party branches; making sure that the Party develops in tandem with the enterprises and Party branches act as a strong organizational guarantee in making SOEs bigger, stronger and better.

Speech at the National Conference on Party Development in SOEs on October 10-11, 2016

Party branches should fulfill their responsibilities for directly guiding, managing, and overseeing their members and for organizing, communicating with, uniting and serving the people.

Report to the 19th National Congress of the CPC on October 18, 2017

In terms of strengthening Party self-governance, responsibilities should be specified for each position in each Party organization, and should be assumed, observed and fulfilled accordingly, so as to strengthen grassroots Party leadership and oversight.

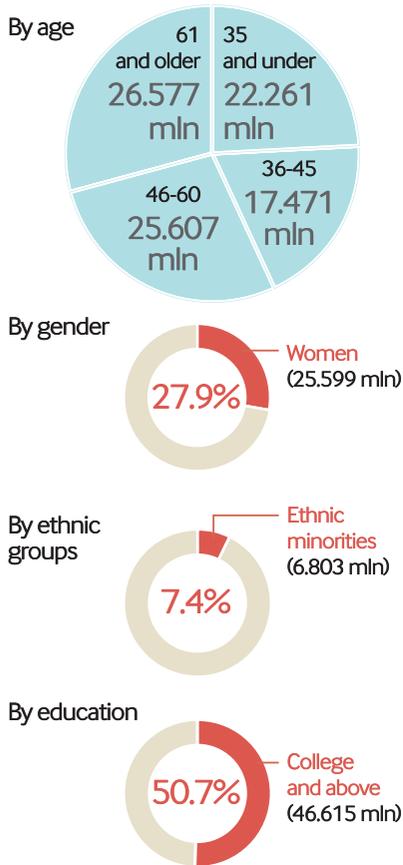
Speech at the Fourth Plenary Session of the 19th CPC Central Commission for Discipline Inspection on January 13, 2020

Party committees at the provincial and city level should take on primary responsibility for work at the county level, and in particular, for strengthening the sense of responsibility in county Party secretaries, improving grassroots Party organizations and officials, and relying on them to fight our war against corruption, in which Party members and officials should serve as role models.

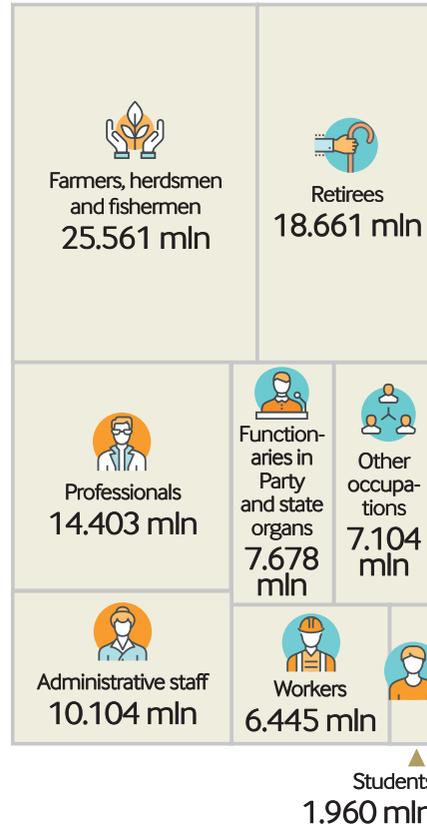
Speech at the Sixth Plenary Session of the 18th CPC Central Commission for Discipline Inspection on January 12, 2016

CPC Membership in 2019

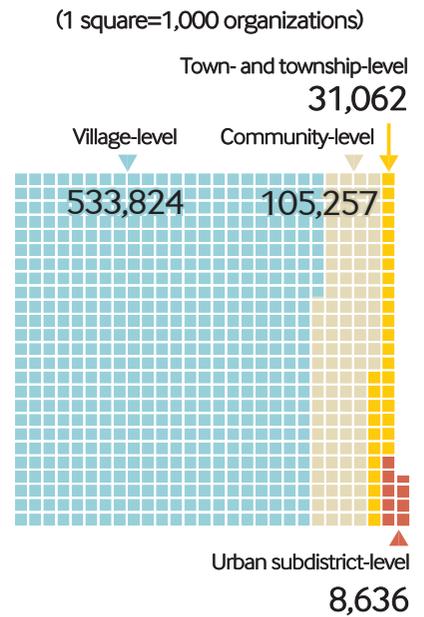
Membership Composition



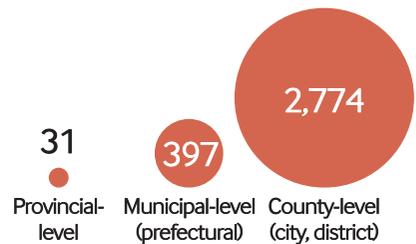
By occupation



Primary Party Organizations

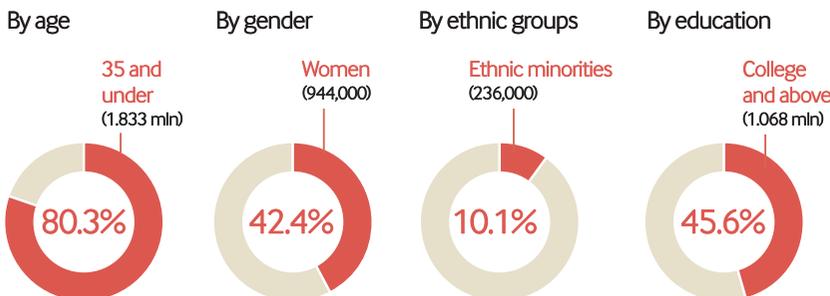


Local CPC Committees



Total party membership in 2019: **91.914 mln**
(Up 1.32 mln over 2018)

New Recruits



Membership in 2018



(Source: Organization Department of the CPC Central Committee; designed by Pamela Tobey)

Party Building Online

CPC primary-level organizations explore cloud-based activities

As the novel coronavirus disease (COVID-19) has not yet been eradicated, the primary-level organizations of the Communist Party of China (CPC) have innovated their Party-building methods to ensure the “Three Meetings and One Class” (attending the Party branch general meeting, Party branch committee meeting and group discussions as well as taking Party classes), and other Party activities go on smoothly during this special time.

Online Party building via cloud computing, big data and Internet technologies has enabled the primary-level organizations to stay in touch and hold Party activities in safety, overcoming the limitations of space and time. It has ensured that while Party members continue their education, the actual meetings are fewer. It is an innovative model in building up primary-level organizations, resolving the challenges posed by the epidemic.



Participants take notes at a meeting to advance the work on coordinating COVID-19 prevention and control with economic and social development, in Beijing on February 23. President Xi Jinping, also General Secretary of the Communist Party of China (CPC) Central Committee and Chairman of the Central Military Commission, addressed the meeting



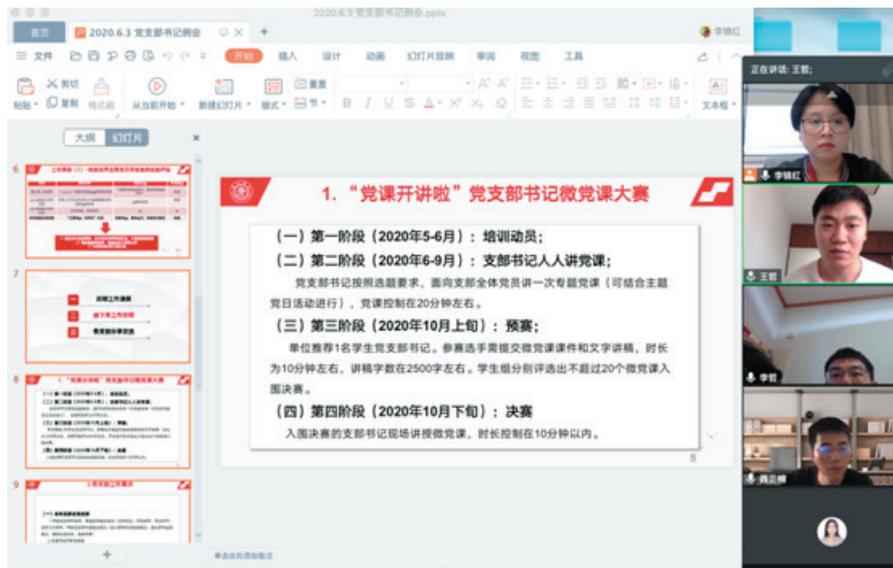
CPC members attend the February 23 meeting via video link in different regions nationwide

Case Scenarios

Scenario I Innovative Forms of Learning and Education

CPC primary-level organizations are making full use of online platforms, such as apps like Xuexi Qiangguo and WeChat Work, to organize Party activities under various themes. Through these channels, Party members can follow Xi's speeches and instructions on epidemic prevention and control and orderly restoration of social and production orders. They can also learn about the model Party members who have contributed to the epidemic prevention and control work. Party branch committees can organize courses online.

The Academic Affairs Office of the School of State Affairs of Shanghai Jiaotong University hold the fourth regular meeting of student Party branch secretaries via Zoom on June 3 afternoon. Party building instructor Li Jinhong, all student Party branch secretaries and members of the branch committee attended the regular meeting online.



← **Sub-District Party Branch Group Chat**

@All Dear Comrades,

According to the decisions made by the Party branch committee in July 2020, the Party member meeting will be held on July 8 (Wednesday) at 15:00 via video link. Please schedule your work accordingly and make time for it. Please wear the Party badge be punctual and keep the necessary records in the Party member handbook.

The meeting agenda is as follows:

1. According to the work requirements of the higher-level Party committee, General Secretary Xi Jinping's important speech at the Extraordinary China-Africa Summit on Solidarity Against COVID-19 will be studied. Each group will send a representative to discuss what they've learnt.
2. Announcement of the results of the 2019 democratic evaluation of the work of Party members.
3. Announcement of the approval opinions of the higher-level Party committee on the acceptance of three comrades Zhang San, Li Si, and Wang Wu as official Party members.
4. A Party course themed "General Secretary Xi Jinping's Important Statements on Poverty Alleviation" will be held.
5. The Party Day activities for July will be held after the video conference.



Members of the primary-level Party organizations of the Architectural Design and Research Institute of Guangdong study, take part in discussions and attend other Party activities via online platforms

Scenario II Democratic Evaluation of Party Members

Primary-level Party branches are carrying out democratic evaluation of Party members using WeChat Work's video conference and form functions.



A Party member at a Party branch of Baofu High-Speed Company in Hebei Province in north China votes online in the democratic evaluation of members during the epidemic in 2020

← **Sub-District Party Branch Group Chat**

@All Dear Comrades, the 2019 Party branch's 2019 democratic evaluation of Party members will be conducted by online voting today. A voting notice has been given online. Please pay attention to the notice in the form function section of WeChat Work and vote in time. The deadline for online voting is this Wednesday afternoon. Thank you!

Form for Democratic Evaluation of Party Members (Party members only)
You have a form to fill. [Click here.](#)
Details...

Form for Democratic Evaluation of Party Members (Party members only)
You have a form to fill. [Click here.](#)
Details...

Successfully submitted: Form for Democratic Evaluation of Party Members (Party members only)
You just submitted the form. [Click here.](#)
Details...

Successfully submitted: Form for Democratic Evaluation of Party Members (Party members only)
You just submitted the form. [Click here.](#)
Details...

Scenario III New Party Members Take Oath Online

In this special period of fighting the epidemic, various primary-level Party organizations have held an online oath-taking ceremony for new members to join the Party.



Ten people working on the frontline of the fight against the epidemic take the oath online and become probationary Party members in Sunwu County, Heilongjiang Province in northeast China, on February 17. Despite the epidemic, Sunwu has continued to recruit outstanding people as Party members

Letter to the Editor of the Special Issue of China Insight on the CPC's 99th Anniversary

I carefully read the special issue of China Insight on the Communist Party of China (CPC)'s 99th anniversary. First of all, the content of the special issue is well designed, reasonable and detailed. It illustrates many areas in which the CPC leadership has won global praise, especially in economic development and technological innovation. It also mentions China's professional approach to the Hong Kong issue, clarifying false information and rumors mainly spread by Western media.

Besides, under the leadership of the CPC, China has made great contributions to the global fight against the epidemic by sharing expertise and donating medical supplies, which is commendable.

Second, I greatly appreciate the CPC's adherence to its core mission, which is the "Two Centenary Goals." Especially in terms of poverty alleviation, the systematic strategy adopted by the CPC to help the poor in China get rid of poverty is amazing. This is a case that the majority of developing countries should learn from.

Stephen Ndegwa, lecturer-scholar at the United States International University, Nairobi, Kenya

Congratulations to the CPC on its 99th anniversary! Since its establishment, the CPC has always relied on the people to realize the country's transformation from standing up to achieving prosperity and becoming the second largest economy in the world.

China has two magnificent goals for this century. One is to eradicate absolute poverty by 2020, and the second is to build a fully modernized socialist country by 2049. China's most commendable achievement at the moment is that under the strong leadership of the CPC Central Committee with Comrade Xi Jinping as the core, the prevention and control of the COVID-19 epidemic has been consolidated. The prevention and control work has been transformed from emergency to a regular state.

China will definitely get better and better under the leadership of the CPC. All the best to the CPC!

Jinith de Silva, acting President, Sri Lanka China Society, Sri Lanka

Congratulations to the largest political party in the world. Happy anniversary. The CPC has gone through 99 glorious years, and I wish it more success in the future!

Regional leader of the Communist Party of Bohemia and Moravia

Thank you for sending the special issue of China Insight on the CPC's 99th anniversary. It is of great significance for us to enhance our understanding of the achievements and understanding of the CPC and the Chinese working class. We will continue to follow the CPC through various media channels.

Communist Party of the United States of America

Thank you very much for sending us information about celebrating the 99th anniversary of the founding of the CPC and the records of the history of the CPC! Congratulations on the 99th anniversary! The long-term ruling CPC has brought precious wealth to the people of China and the world. The experience of the CPC in the fields of party building and poverty alleviation has important reference significance.

I would like to thank the CPC for its assistance to South Sudan in all aspects, including the fight against COVID-19. Under the strong leadership of General Secretary Xi Jinping, the CPC will forge ahead.

Bol Makueng Yol, Secretary for External Relations of the Sudan People's Liberation Movement

Please visit the following websites via scanning the QR codes to read more about CPC.



Qiushi Journal



People's Daily Online



Beijing Review



China.org.cn



Global Times

China's Economy Rebounds in Q2 From Epidemic Headwinds

China's economy bounced back to growth in the second quarter (Q2) this year as the country gradually resumed work and production after effectively containing the COVID-19 epidemic, official data showed on July 16.

The country's gross domestic product expanded by 3.2 percent year on year in Q2, following a 6.8 percent contraction in Q1, according to data from the National Bureau of Statistics (NBS).

It has not been easy for China to contain the epidemic in a short time and reverse an economic downturn, said NBS spokesperson Liu Aihua.

In the second quarter, while witnessing a gradual rebound in major economic indicators and holding employment and inflation levels stable, China has managed to ensure people's basic livelihoods and promoted new economic sectors, Liu said.

Restorative growth

China's value-added industrial output went up by 4.4 percent year on year in Q2 as factories stepped up production amid COVID-19 control. Meanwhile, fixed-asset investments went down by 3.1 percent year on year in H1, narrowing from the 6.3-percent decline in the first five months.

Retail sales, a gauge of consumption, declined by 3.9 percent year on year in Q2, shrinking by 15.1 percentage points from the first quarter's decrease.

The Chinese economy overcame the adverse impact of the epidemic in the first half gradually and demonstrated a momentum of recovery, further manifesting its development resilience and vitality, the NBS said.

The bounce was bolstered by the surge of new engines, new businesses, and new models. Investment in the pharmaceutical industry and e-commerce services, springing up amid COVID-19, registered a sharp rise of over 10 percent and 30 percent respectively.

Meanwhile, China registered better-than-expected foreign trade performances in H1, with exports and imports both rising in June.

To shore up the economy against the epidemic shock, the government has rolled out a raft of measures, including more fiscal spending, tax relief, and cuts in lending rates and banks' reserve requirements to revive



China-Laos Railway workers build the Luang Prabang cross-Mekong River Railway Bridge north of Vientiane, Laos, on April 23

the coronavirus-ravaged economy, and support employment.

Data released on July 16 also showed China's job market improved slightly in June, with the surveyed unemployment rate in urban areas standing at 5.7 percent, down 0.2 percentage points from the previous month.

Further recovery expected

Liu said she expects China's economy to continue recovering in the second half of the year, powered by the steady economic recovery in H1, rapidly growing new industries and business models, as well as the strong support from macro policies.

But she also stressed that China's economic recovery is still under pressure, given the continuing global spread of the epidemic,

the evolving impact of the epidemic on the global economy, and the noticeably mounting external risks and challenges.

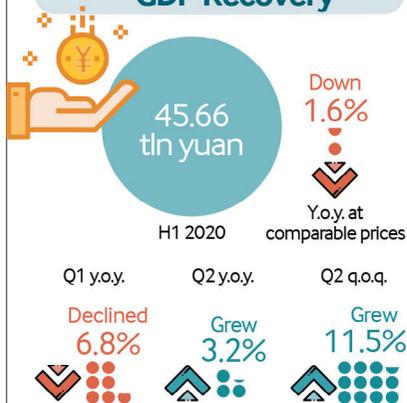
The worries were echoed by Wen Bin, chief analyst at China Minsheng Bank, who said in a co-authored research note that further efforts should be made to enhance macro-control and expand domestic demand, citing external uncertainties and the lingering impact of the epidemic.

But Wen is confident that with further containment of the virus, and continued implementation of counter-cyclical policies, China's economy will swing back to expansion in the first three quarters and achieve moderate growth for the whole year.

In its latest projection, the International Monetary Fund said China is expected to

China's Economic Performance in H1 2020

GDP Recovery



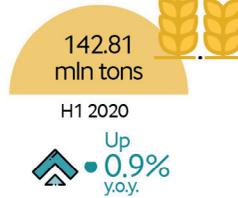
Growth by Sector

AGRICULTURAL SECTOR

Value added of agriculture (crop farming)

H1 2020 y.o.y. **Grew 3.8%**

Overall output of summer grain



INDUSTRIAL SECTOR

The manufacturing purchasing managers' index

June **50.9**
Contraction | Expansion



It has stayed above the threshold for the **fourth** consecutive month.

Value added of hi-tech manufacturing

H1 2020 **Grew 4.5%**

Total value added of industrial enterprises above the designated size

H1 2020 y.o.y. **Declined 1.3%**

The value added of equipment manufacturing

Grew 0.4%

SERVICE SECTOR

Total value added of the tertiary industry dropped 1.2 percent year on year, 3.6 percentage points less than the decline in Q2.

Troika of Economy

INVESTMENT

Total fixed assets investment



Investment in hi-tech industries

H1 2020 **Increased 6.3%**

Q1 2020 **Declined 12.1%**

Investment in property development

H1 2020 **Increased 1.9%**

Q1 2020 **Declined 7.7%**

CONSUMPTION

Total retail sales of consumer goods

H1 2020 **Down 11.4%**

Online retail sales of physical goods

H1 2020 **4,3481 tln yuan**
Up 14.3%

EXPORT

Total value of imports and exports of goods

H1 2020 **14.22 tln yuan**
Down 3.2% y.o.y.

People's Livelihood

CPI

H1 2020 **Up 3.8% y.o.y.**

PPI

H1 2020 **Down 1.9% y.o.y.**

Total newly increased employed people in urban areas



Nationwide per-capita disposable income of residents

H1 2020 **15,666 yuan**
Nominal growth of 2.4% y.o.y.

(Source: National Bureau of Statistics; designed by Pamela Tobey)

be the only major economy that could see growth this year by growing 1 percent in 2020, followed by an 8.2-percent growth in 2021.

Yang Yuanqing, Lenovo Group's chairman and CEO, said "smart" ways of consumption, production, and working emerged

during the epidemic, and will continue even after the virus is contained. This would drive China's economic recovery, and become an important engine for global growth.

In light of the adverse impact of COVID-19, China has set no specific targets for economic growth for this year, and prior-

ity will be given to stabilizing employment and ensuring living standards.

The country has laid a decisive foundation for completing the building of a moderately prosperous society in all respects, and is striving to fulfill the tasks and goals for the whole year, Liu said. **C**

World's Best Consumer Story

Continuing rebound in consumer spending lays the groundwork for China's recovery By Andy Rothman

China's V-shaped economic recovery continued for a fourth consecutive month in June, led by strong domestic demand. If the novel coronavirus disease (COVID-19) remains under control, China can remain the world's best consumer story.

The recovery of sales of autos and homes reflects that middle-class and wealthy consumers have both sufficient money and enough confidence in the future to spend it. And it was not only big-ticket items that bounced back. Online sales of goods rose 25 percent year on year in June. During the first six months of the year, online sales accounted for one quarter of total retail sales.

It is significant that this healthy economic recovery has come without a dramatic stimulus. Credit growth, for example, has accelerated only modestly. Augmented total outstanding social finance, the broadest metric for credit growth, was up 12.9 percent year on year by the end of June, compared to an 11.5-percent growth rate during the same period in 2019, far from the 31-percent growth rate during the same period in 2009, when China implemented a massive stimulus in response to the global financial crisis. This highlights the strength of an organic recovery, and leaves the government with plenty of dry powder if the recovery were to falter.

Unemployment remains a concern, but the absence of social unrest and the continuing rebound in consumer spending suggest that the government's support for workers and businesses has provided a cushion for many who lost their jobs, laying the foundation

for an economic recovery. But if services companies in hospitality, entertainment and travel take a long time to return to normal levels of business due to COVID-19 fears, unemployment (or underemployment) among migrant workers will persist, exacerbating income inequality.

In a June update to its World Economic Outlook, the International Monetary Fund (IMF) forecasts that China will be the only major economy to grow on a year-on-year basis in 2020, and the fund forecasts 8.2-percent year-on-year GDP growth for China next year. In my view, the IMF's China forecast growth rate for next year is too high, but I agree with the overall trend.

Whether the V-shaped economic recovery described here continues depends primarily on the Chinese Government's ability to continue keeping the coronavirus under control. At this point, there are reasons to be optimistic.

Because China is a domestic-demand driven economy, there is a low risk that a possible COVID-19-driven global recession, or the ongoing downward spiral in U.S.-China relations might derail the recovery. Last year, domestic consumption accounted for almost 60 percent of GDP growth. So while a collapse in demand for Chinese exports would be a drag on the recovery, it would likely be a modest drag. **CI**

The author is an investment strategist at San Francisco-based investment firm Matthews Asia



Workers assemble smart robots in a hi-tech industrial zone in Hengshui, Hebei Province in north China, on July 15

Commentary: China's Economic Bounce Good News for Global Recovery



Workers on the construction site of a bridge specifically used for rail transit in Chongqing Municipality, southwest China, on July 15

China has become the first major economy to grow since the start of COVID-19. The bounce-back smashes predictions by naysayers of China's economy and provides hope to other countries looking to recover from a crisis that has caused a global recession.

The 3.2 percent year-on-year growth in the second quarter of the year, versus a 6.8 percent contraction in the first quarter, demonstrated that the world's second-largest economy has a solid base for further expansion.

Ever since the outbreak of COVID-19, China adopted comprehensive, strict and precise measures for prevention and control despite misunderstanding and smearing from some Western countries. The government has rolled out a raft of measures, including more fiscal spending, tax relief and supportive employment policies, to revive the economy.

Chinese economy has shifted from slowing down to rising, strong evidence that the adverse impact of the epidemic can be overcome with resolve, courage and correct actions.

The world's confidence in the prospects of China's development is well-founded. The country's economic recovery will continue in the second half of the year, powered by the rapidly growing new industries and business models, as well as the strong support from macro policies.

China, now in a better position to handle any contingencies in the future, remains an important engine for global growth. Its market is still huge, inclusive and open where wise foreign enterprises have every reason to stay rooted and seek further development.

The dark moment is passing, but the full recovery could take time. China needs to deepen reforms, expand opening-up and improve its business environment to achieve high-quality development.

The government will make further efforts to expand domestic demand, as China is still facing constraints in consumption recovery, with retail sales of consumer goods declining 11.4 percent in the first half of the year. Policies and measures to ensure employment, people's livelihoods and development of market entities will be comprehensively implemented, which will provide new opportunities for Chinese and foreign enterprises.

In today's world, the interests of all countries are highly integrated. Win-win cooperation is the trend of the times. China will be unwaveringly committed to pursuing the path of peaceful development, promoting the building of an open world economy and supporting international solidarity against the coronavirus until victory is won for all.

The year 2020 is a difficult time for the world facing waves of virus cases, rising protectionism and other uncertainties. During these trying times, no matter how the domestic and international economic situation evolves, China will always stand on the right side of history. **C**

Beijing Battles the Novel Coronavirus Epidemic

At a press conference on July 19, Chen Bei, Deputy Secretary-General of the Beijing Municipal Government, said that Beijing will lower its emergency response to COVID-19 from level II to III on July 20, as the city has effectively contained the spread of the virus after taking the most decisive, resolute and strict measures to control the source of infections at the very beginning, obstruct infection channels and beef up the prevention and control network.

From June 11 to July 19, Beijing reported 335 confirmed COVID-19 cases in relation to the Xinfadi wholesale market, the source of the epidemic flare-up in the capital city.

After 26 days' of arduous effort, Beijing on July 6 reported no new confirmed domestically transmitted COVID-19 cases. By August 24, the city has reported no newly confirmed cases of COVID-19 for 18 consecutive days.

Ensuring food security

On June 13, Xinfadi, the largest wholesale market with fruit, vegetable and meat supplies in Beijing, was suspended for disinfection after personnel working there and the surroundings have tested positive for the novel coronavirus.

Soon, Beijing resumed its orderly vegetable and fruit sales. Produce supply was sufficient and markets functioned orderly.

To ensure the market supply, special sections have been set up for sales of vegetables and fruits with close-off management.



A merchant move fruits at the temporary trading venue in Xinfadi on June 14

Timeline

January 24 Beijing initiated the level one emergency response when the capital city had confirmed 29 cases of coronavirus infection.

April 29 The Beijing Municipal Government announced that Beijing will lower its emergency response to the novel coronavirus epidemic from level I to II starting April 30, the sign of social order restoration as the epidemic conditions have been eased.

June 5 The Beijing Municipal Government announced that the capital will lower its emergency response to COVID-19 from level II to III on June 6.

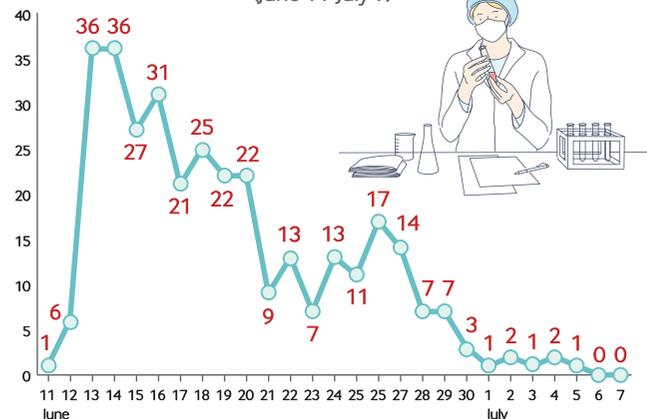
June 11 Beijing reported confirmed COVID-19 cases linked to the Xinfadi wholesale market.

June 16 Beijing raised its COVID-19 emergency response to level II.

July 19 The Beijing Municipal Government announced that the capital will lower its emergency response to COVID-19 from level II to III on July 20.

Newly Confirmed COVID-19 Cases in Beijing

(June 11-July 7)



(Source: National Health Commission; designed by Pamela Tobey)



Disinfection non-stop

After the new spike in coronavirus cases has emerged, the municipal government organized disinfection at markets, restaurants and other public places in Beijing.

A rescue team carries out disinfection work at a market in Beijing on June 16



Medical workers prepare samples of nucleic acid testings at a laboratory in Beijing on June 26

Testing for safety

More than 11 million people receive nucleic acid testings in Beijing in over 20 days since the outbreak.



A staff writes down data of nucleic acid testings for residents in Fengtai District where Xinfadi is located, on June 15

Treating patients



Nurses and doctors are busy working at a hospital on June 19



A nurse checks on a patient in an isolation ward on June 16

Strict management

After Beijing raised its COVID-19 emergency response to level II on June 16, residential communities restarted close-off management. Residents were required to get their temperature checked and registered in order to enter or exit communities.



Couriers deliver packages to residents at a residential community on June 17



A resident gives home cooking to working staff at her community on June 24

Gift of appreciation

More than 1.6 million people participated epidemic prevention and control at residential communities in Beijing.



Epidemiological investigators work at the center for disease control and prevention in Fengtai on June 25

Virus hunters

Within 16 hours of the outbreak, researchers and investigators determined that the comprehensive trading floor of the Xinfadi was the “epicenter” of the epidemic, buying time for the prevention and control of the epidemic to the greatest extent.



A student high-fives her teacher before the exam on July 7

Ready for exams

A little less than 50,000 students in Beijing participated in the college entrance exams from July 7 to 10.

Healthy and discharged

More than 200 patients related to the Xinfadi outbreak were cured and discharged in Beijing.



A former patient surnamed He leaves the isolation ward area at a hospital on June 29. He was the first discharged patient related to the Xinfadi outbreak.



Winning the battle

Chen Bei, Deputy Secretary-General of the Beijing Municipal Government, said at a press conference on July 19 that Beijing will lower its emergency response to COVID-19 from level II to III on July 20.



Staff disinfects seats in a cinema in Beijing, July 21

Cinemas reopened

Cinemas in Beijing's low-risk areas for COVID-19 can resume operations on Friday, with effective epidemic prevention measures in place. Cinemas will limit their attendance per show to 30 percent of capacity and sell non-adjacent tickets.

An All-In Battle

Primary-level Party organization endeavors to fight against the epidemic

In the summer heat of June, villagers and village committee officials in Longtou Village have been taking shifts day and night to monitor public health. All entries and exits of the village, nestled in Beijing's rural outer suburb of Daxing District, are registered, along with regular temperature checks and monitoring of residents' and visitors' Health Kit mini-programs on WeChat.

At the critical moment in the fight against the novel coronavirus disease (COVID-19), the Longtou Village Branch of the Communist Party of China (CPC) has become the backbone of the villagers' epidemic prevention, ensuring the health of villagers.

Longtou Village is close to Fengtai District, which is home to the Xinfadi Market. Since a new wave of COVID-19 hit Beijing on June 11 with the market at its epicenter, Longtou Village Party Branch officials have been facing especially tough challenges in the application of prevention and control measures.

Together with other village officials, Longtou Village Party Branch Secretary, Liu Zongyong reacted quickly and took prevention and control measures. The group decided to establish a village lockdown and asked all village residents if they had visited

Xinfadi Market.

"We needed to investigate quickly as some village residents pass Xinfadi on their way to work, and some elderly residence visit the market to buy groceries," Liu said.

On June 11, village cadres visited all households in Longtou Village within 6 hours and found a total of 35 residents who had either visited or had contact with people who visited Xinfadi Market. The cadres took the 35 residents for immediate nucleic acid testing, asked them to stay indoors for observation, and assigned a team of specialized staff to provide any assistance they may have needed during their isolation.

The Longtou Village Party Branch is just one of over 4.6 million primary-level Party organizations, comprising 90 million Party members, that have taken swift action to curb the spread of the novel coronavirus since the virus hit China earlier this year. Cooperation between cadres and other residents in Longtou Village has helped ensure the health and safety of the village, which so far has not reported a single case of COVID-19.

"Since January when the epidemic first emerged, my fellow village cadres and I have never left the entrance of the village unat-

tended," Liu said, adding that during busy periods as they managed exits and entries, and helped residents obtain passes, they sometimes even missed meals.

At first, a small number of villagers didn't understand the necessity of all these measures, and felt them troublesome. "Some villagers intentionally resisted wearing masks. We had to tell them and make them understand that it was for their own health and the safety of their families," Liu said.

The village Party branch also made an emergency contact list in case unforeseen issues were encountered by villagers. The list included the contact numbers of village cadres, the drinking water sales station, gas station, medical center and grocery stores, as well as electricians, plumbers and other maintenance personnel. Copies of the list were sent to every household.

On January 26, the second day of the Chinese New Year, the village experienced a shortage of face masks. Liu used his own money to purchase 2,000 masks, which he distributed to those working at the village entrance, as well as cleaners, people with disabilities, pensioners and the elderly.

"We would not leave them helpless because of their physical or economic predicament," he said.

Motivated by village cadres, villagers also donated money and materials to those in need. Zhang Jingyi, an 83-year-old villager, is seriously ill and has no money. She felt sorry for the village cadres who worked day and night and donated 200 yuan (\$29). "You work so hard, and I want to express my appreciation for that," she said.

In total, donations of more than 40,000 yuan (\$5,740), as well as 400 kilograms of disinfectant, 2,200 masks, 52 boxes of instant noodles and 340 bags of rice helped meet the daily needs of village residents.

Two small shops selling vegetables in the village have also been affected by the pandemic, with one being closed completely and the other understocked. After communicating with the village officials, villagers' representatives and other related parties, the two stores agreed to deliver vegetables to villagers for free, with the cost of the vegetables covered by local businesses. The stores delivered five kinds of vegetable to each household three to four times a month, eliminating the need for villagers to source



People walk among the neat farmhouses in Longtou



A villager inspects an organic vegetable garden in Longtou



Technicians conduct a quality evaluation in a lantern-making enterprise founded in Longtou Village, in Beijing's outer suburbs of Daxing District



Liu Zongyong (first on the right), Secretary of the Longtou Village Party Branch, asks villagers for advice on how to improve the environment of the village

fresh vegetables during the pandemic.

In order to reduce the huge impact of the epidemic on people's and life and livelihoods, Liu has convened several Village Committee meetings for the resumption of business in local enterprises such as a lantern factory and rural homestays. The Village Committee carried out investigations into possible gaps in pandemic prevention and control, and carried out specialized training on epidemic prevention during resumption

of work.

The lantern factory purchased enough raw materials to manufacture 2,000 lanterns and gave each staff member a separate room in which to work. Homestays reopened during the Labor Day holiday in May, with 32 homestays receiving more than 200 tourists since the beginning of June.

During the epidemic, Party members also took the lead in launching a sanitation campaign that organized residents into

teams to conduct cleaning and sanitation activities in the village.

Longtou has never relaxed for a moment during the COVID-19 pandemic, with villagers taking turns to guard the village entrance day and night. Now the village committee continues to lead the village in the resumption of work, and in epidemic prevention and control, ensuring that all villagers live a healthy life with a sense of security, happiness and pride. **CI**

Party to Party Brief

July 1

Song Tao, Minister of the International Department of the CPC Central Committee (IDCPC) and Bob Loughman, Prime Minister of Vanuatu and President of the Vanua'aku Pati, held virtual exchanges on the novel coronavirus disease (COVID-19) pandemic response.

July 6

Li Mingxiang, Assistant Minister of the IDCPC, addressed the opening ceremony of an online training workshop for cadres of the Sierra Leone People's Party via video link.

July 9

Guo Yezhou, Vice Minister of the IDCPC, had exchanges with Charlot Salwai, former Prime Minister of Vanuatu and President of the Reunification of Movement for Change, via video link.

July 9

The IDCPC, the CPC Yunnan Provincial Committee and the Provincial Government of Mandalay jointly held the "China-Myanmar Political Parties Plus: Tele Communication between Yunnan and Mandalay."

July 10

Guo Yezhou, Vice Minister of the IDCPC and Co-Chairman of the Council of the Silk Road Think Tank Association, attended a video conference on global industrial cooperation and Belt and Road cooperation in the face of COVID-19 and addressed the opening ceremony.

July 10

Qian Hongshan, Vice Minister of the IDCPC, had a conversation via video link with Andrey Klimov, Deputy

Secretary of the General Council of the United Russia Party, exchanging views on the relations between the CPC and his party and preparations for recent important bilateral exchanges.

July 13

Wang Yajun, Vice Minister of the IDCPC, addressed the opening ceremony of an online training workshop for cadres of the Cambodian People's Party (CPP) themed "Working together to restore economic development and building a China-Cambodia community with a shared future."

July 14

The political parties of several countries, namely China, Russia, Germany, Japan, Kazakhstan among others, held a video conference themed "Role of responsible political forces in maintaining international security in the context of the COVID-19."

July 15

Guo Yezhou, Vice Minister of the IDCPC, attended the opening ceremony of "Neighborhood Party Time: Experience Exchange of Regular Epidemic Prevention and Control and Work Resumption between China and Indonesia."

July 16

Zhu Rui, Assistant Minister of the IDCPC, held a conversation via video link with Burhan Kayaturk, Deputy Chairman of Foreign Affairs of the Justice and Development Party of Turkey.

July 16

Qian Hongshan, Vice Minister of the IDCPC, spoke via video link with Jeronimo de Sosa, General Secretary

of the Portuguese Communist Party, exchanging views on the relations between the two parties and countries and issues of common concern.

July 23

The 8th meeting of the China-Russia dialogue mechanism between ruling parties, themed "The world in the post-epidemic era: strategic exchanges and cooperation between Chinese and Russian ruling parties," was held via video link. President Xi Jinping, also General Secretary of the CPC Central Committee, and Russian President Vladimir Putin sent congratulatory messages to the meeting.

July 23

Li Mingxiang, Assistant Minister of the IDCPC, spoke at the opening ceremony of an online training class for cadres of the People's Movement for Progress of Burkina Faso via video link.

July 29

Song Tao, Minister of the IDCPC, held a meeting with Hoang Binh Quan, Chairman of the Commission for External Relations of the Central Committee of the Communist Party of Vietnam, via video link.

July 31

Guo Yezhou, Vice Minister of the IDCPC, exchanged views on China-U.K. relations with Sir Geoffrey Clifton-Brown, Chairman of the Conservative Parliamentary China Group of the U.K. via video link.