

OUT OF POVERTY: HOPE FOR RURAL STUDENTS P.34 | BUSINESS: CIIE KEEPS ITS WORD P.38

BEIJING REVIEW

VOL.63 NO.45 NOVEMBER 5, 2020

北京周报 WWW.BJREVIEW.COM

RIGHT ON TRACK
15-year roadmap for China's modernization rolled out



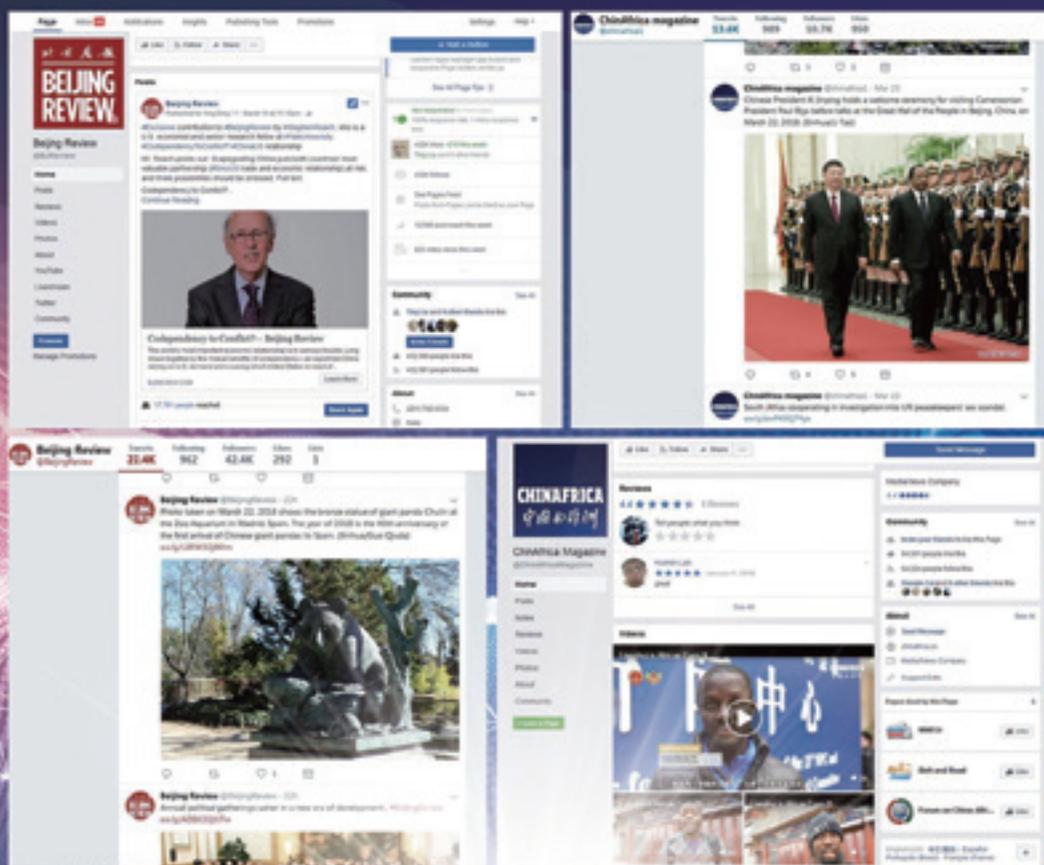
RMB6.00
USD1.70
AUD3.00
GBP1.20
CAD2.60
CHF2.60
JPY188

ISSN 1000-9140



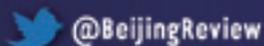
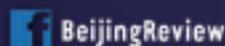
邮发代号2-922 · 国内统一刊号: CN11-1576/G2

Follow BEIJING REVIEW



And get in on the conversation

For over 60 years, *Beijing Review* has presented contemporary news and views of China to the world in English and other languages. Targeting an African audience, *ChinaAfrica*, 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.



EDITOR'S DESK

02 A Milestone Meeting

THIS WEEK

COVER STORY

16 A Pillar of Growth

Chinese economy remains resilient

18 Roadmap for Future

New strategy follows new growth direction

20 Flying Higher

14th Five-Year Plan builds on past successes

GOVERNANCE

22 Decoding China's

Development Path

Xi's book shows balance between national goals and global progress

WORLD

26 A Global Britain?

Boris Johnson caught between Brexit and U.S. election

NATION

32 Beyond Book Learning

Academic evaluation reform in pipeline



12 COVER STORY

Key CPC Session Draws 15-Year Roadmap for China's Modernization

NATION

P.28 | The Green March

Environment protection creates green miracles

P.30 | The Digital Fence

Ensuring the elderly are not left behind by technology

OUT OF POVERTY

34 Beg, Borrow,... or Read

Poor county showcases education reform

BUSINESS

40 Market Watch

CULTURE

44 Freedom vs. Order

Chinese and Western civilizations need dialogue

FORUM

46 How Will DC/EP Impact China's Financial Landscape?

EXPAT'S EYE

48 Teaching in China

A teacher learns from her students

Cover Design: Wang Yajuan

©2020 Beijing Review, all rights reserved.



BUSINESS

P.38 | Sharing Benefits

Shanghai expo offers a platform for global growth



www.bjreview.com



Follow us on



YouTube

BREAKING NEWS » SCAN ME » Using a QR code reader



北京周报

BEIJING REVIEW

A News Weekly Magazine
Published Since 1958

President: Li Yafang
Associate Editors in Chief: Li Jianguo, Ding Zhitao
Associate President: Yan Ying
Assistant President: Li Zhenzhou

Executive Editor: Yan Wei
Associate Executive Editors: Zan Jifang, Liu Yunyun, Ding Ying
Production Director: Yao Bin
Editorial Administrators: Zeng Wenhui, Hou Beibei
Assistant Executive Editor: Li Fangfang
Commentator: Lan Xinzheng
Opinion/Culture Editor: Ding Ying
Nation Editor: Wang Hairong
Web Editor: Li Nan
Editorial Consultants: Sudeshna Sarkar, Madhusudan Chaubey
Staff Reporters: Tang Yuanhai, Wang Jun, Pan Xiaoqiao, Yuan Yuan, Wang Hairong, Ji Jing, Lu Yan, Wen Qing, Li Qing, Li Xiaoyang, Ma Miaomiao, Zhang Shasha, Tao Xing, Tao Zhihui
Visual Director: Pamela Tobey
Photo Editor: Wang Xiang
Photographer: Wei Yao
Art: Li Shigong
Design Director: Wang Yajun
Chief Designer: Cui Xiaodong
Designer: Zhao Boyu
Proofreading: Ma Xin

Distribution Director: Hu Keqiang
Human Resources: Zhang Yajie
Legal Counsel: Yue Cheng

North America Bureau
Chief: Yu Shujun
Tel/Fax: 1-201-792-0334
E-mail: yushujun@bjreview.com

Africa Bureau
Chief Correspondent: Ni Yanshuo
Tel: 27-71-6132053
E-mail: casa201208@hotmail.com

General Editorial Office
Tel: 86-10-68996252
Fax: 86-10-68326628
English Edition
Tel: 86-10-68996250
Advertising Department
Tel: 86-10-68996280
E-mail: ad@bjreview.com
Distribution Department
Tel: 86-10-68310644
E-mail: circulation@bjreview.com

Published every Thursday by
BEIJING REVIEW, 24 Baiwanzhuang Lu,
Beijing 100037, China.
Overseas Distributor: China International Book Trading
Corporation (Guoji Shudian), P. O. BOX 399,
Beijing 100044, China
Tel: 86-10-68413849, 1-416-497-8096 (Canada)
Fax: 86-10-68412166
E-mail: fp@mail.cibtc.com.cn
Website: <http://www.cibtc.com>
General Distributor for Hong Kong, Macao and Taiwan:
Peace Book Co. Ltd.
17/FI, Paramount Bldg, 12 Ka Yip St, Chai Wan, HK
Tel: 852-28046687 **Fax:** 852-28046409

Beijing Review (ISSN 1000-9140 USPS 2812) is distributed weekly in the United States for US\$64.00 per year by Cypress Books, 360 Swift Avenue, Suite 48, South San Francisco, CA 94080
News Postage Paid at South San Francisco, CA 94080
POSTMASTER: Send address changes to *Beijing Review*, Cypress Books, 360 Swift Avenue, Suite 48, South San Francisco, CA 94080

A Milestone Meeting

With the 13th Five-Year Plan (2016-20) period ending next month, China will primarily realize the goal of building a moderately prosperous society in all respects, which is the first of the two centenary goals laid down to mark the centenary of the Communist Party of China (CPC).

The Fifth Plenary Session of the 19th CPC Central Committee convened in Beijing during October 26-29 was therefore a milestone meeting that took decisions on the next five-year plan for economic and social development and also set more long-distance targets till 2035.

The blueprint of the 14th Five-Year Plan (2021-25) decided on at the plenum sets forth the concepts, principles and tasks to guide the country's economic and social development in the next five years. Additionally, it will pave the way for the second centenary goal of building a modern socialist country to mark 100 years of the People's Republic of China, which was founded on October 1, 1949.

In 2017, the 19th CPC National Congress drew up a two-stage long-term development plan. In the first stage from 2020 to 2035, the task is to build on the foundation created by a moderately prosperous society with 15 more years of efforts to ensure socialist modernization is basically realized.

In the second stage from 2035 to

2050, having basically achieved socialist modernization, the task is to ensure that in another 15 years China becomes a modern socialist country that is prosperous, strong, democratic, culturally advanced, harmonious and beautiful. Therefore the plenum also charted out the goals for the next 15 years that will be the first of the two stages in China's new journey to socialist modernization.

Looking ahead to the new journey, China is in an important period of strategic opportunities. At the same time, there are also mounting external challenges and the international situation has grown complex. Having witnessed the new changes at home due to the principal social contradictions and the new challenges brought about by the changing international environment, the government and the people understand that the rejuvenation of the Chinese nation requires higher quality development that is more efficient, fair and sustainable.

The innovations decided on at the plenum will help to break down deep-seated institutional barriers and deepen reform in important areas with greater courage and more measures. In the new development pattern, the domestic and international markets will boost each other, with the domestic market as the mainstay. In the future, China will open up further and contribute to international development in a more inclusive manner. ■

WRITETOUS



Send an e-mail: editorsoffice@bjreview.com

Please provide your name and address along with your submissions. Submissions may be edited.

CHINA.....RMB6.00 U.S.A.....USD1.70 AUSTRALIA.....AUD3.00 UK.....GBP1.20 CANADA.....CAD2.60 SWITZERLAND.....CHF2.60
JAPAN.....JPY188 EUROPE.....EURO1.90 TURKEY.....YTL5.00 HK.....HKD9.30 NEPAL.....RS40

主管单位：中国外文出版发行事业局

主办单位：北京周报社

地址：北京市西城区百万庄大街24号 邮编：100037

编委会：李雅芳 李建国 丁志涛 闫颖 李振雷 曾文卉

社长：李雅芳

总编室电话：(010) 68996252 发行部电话：(010) 68310644

印刷：北京华联印刷有限公司

北京周报 英文版2020年 第45期 ISSN 1000-9140 国内统一刊号：CN11-1576/G2 邮发代号：2-922

广告许可证0171号 北京市期刊登记证第733号

国内零售价：人民币6.00元



SPEEDY RESPONSE

Medical workers in Shufu County in Kashgar Prefecture on October 26 collect swabs as part of the prefecture's rapid response to recent new cases of the novel coronavirus disease in Xinjiang Uygur Autonomous Region, northwest China.

The local government finished testing all 4.74 million residents in about four days. According to the regional health commission, Xinjiang had 45 confirmed cases and 152 asymptomatic ones as of October 27, all in Shufu.



Fruitful Task

Workers of a wine brewery in Changli, a county in Hebei Province in north China, gather grapes at a local vineyard on October 26. The county has a complete industrial chain from grape planting and wine brewing to wine tourism and healthcare services.

U.S. Interference

A Chinese military spokesperson on October 27 voiced firm opposition to U.S. arms sales to Taiwan, urging the United States to immediately stop military contact with and arms sales to the island, Xinhua News Agency reported.

Ren Guoqiang, a spokesperson for the Chinese Ministry of National Defense, made the remarks in response to the United States' approval of a plan to sell Harpoon missile systems worth \$2.37 billion to Taiwan.

The U.S. Government has once again approved arms sales to Taiwan, which severely violates the one-China principle and the three China-U.S. joint communiqués, Ren said.

The U.S. arms sales to Taiwan seriously interfere in China's internal affairs, undermine China's sovereignty and security interests, damage relations between the two countries and two militaries, and endanger peace and stability across the Taiwan Straits, the spokesperson said.

China has lodged solemn representations with the United States, he said.

The Taiwan question matters to China's sovereignty and territorial integrity and is vital to China's core interests, which allows no external interference, Ren said, adding that any attempt to contain China with the Taiwan question or count on military force to resist reunification will lead to nowhere.

Cold-Chain Tracing

The Beijing Municipality has launched an online tracing platform to strengthen the supervision of imported cold-chain foods amid the novel coronavirus disease (COVID-19) pandemic, Xinhua reported on October 27.

Producers and marketers of imported frozen meat and aquatic products in Beijing are required to register on the platform, according to a circular jointly released by the municipal administration for market regulation and the municipal commerce bureau.

From November 1 these companies should upload information on the sources, circulations and other tracing data for imported

frozen meat and aquatic products on the platform. Products should be labeled with corresponding tracing codes generated by the platform.

Food companies should not purchase, sell or process products without recording their tracing data on the platform, the municipal administration for market regulation said.

Customers can use the WeChat or Alipay mini programs on their phones to scan the tracing codes on product packages or freezers in markets to obtain the quality safety information and tracing data for the imported frozen meat and aquatic products they want to buy.

Government departments in Beijing will step up supervision and inspection efforts and expand product coverage on the tracing platform.

Satellite Launch

A group of new remote-sensing satellites were sent into orbit from the Xichang Satellite Launch Center in Sichuan Province in southwest China on October 26 to be used for electromagnetic environment detection and related technological tests.

The Long March-2C rocket that carried the *Yaogan-30* satellites also carried a satellite for the Tianqi constellation. The constellation, developed by a Beijing-based hi-tech company, is for short-message communications. The satellite, *Tianqi-6*, will be used for data transmission.

It was the 350th mission of the Long March rocket series.

Revised Rule

The regulation on the national science and technology award system has been revised and Premier Li Keqiang has signed a decree to publish the revised regulation, Xinhua News Agency reported on October 27.

The revised version clarifies that the science and technology awards should serve the country's major strategies as well as the mid- and

long-term development plan for science and technology. It will take effect on December 1.

It highlights that awards for basic research in natural sciences and applied basic research will be increased.

The nominations will be made by experts, scholars, organizations and authorities in relevant fields. Those who violate moral principles and engage in misconduct in research will not be eligible.

The revision also improves the system and methods of the review process. If any nominator or reviewer undermines fairness and transparency, they will be punished.

Childhood Obesity

A plan has been issued to reduce the average annual growth rates of overweight and obese children and adolescents by 70 percent from a baseline in the next decade, Xinhua reported on October 27.

The baseline is the average of the yearly increase rates from 2002 to 2017, according to the plan issued by six departments including the National Health Commission and the Ministry of Education to prevent and control childhood and adolescent obesity.

The plan specifies the responsibilities of families, schools, medical institutions and government bodies in achieving the goal.

Family members should help children keep a healthy diet, foster the habit of exercising regularly and

monitor their weight gains.

Schools are required to provide nutritious food and ensure time for physical activities.

Medical institutions should strengthen weight management and early intervention measures for childhood obesity. Government bodies should scale up support for the improvement of sport infrastructure for children and adolescents.

Enrollment Up

Colleges and universities saw a rise in the enrollment of students with disabilities from 2017 to 2019, the China Disabled Persons' Federation said on October 27.

A total of 12,362 students with disabilities were admitted into universities in 2019, up from 10,818 in 2017 and 11,154 in 2018, according to the federation.

The organization has worked with relevant departments for years to facilitate the employment of college students with disabilities through special online and offline job fairs and an online service platform to help people with disabilities find jobs or become entrepreneurs.

AI Platform

A Chinese artificial intelligence (AI) innovation platform has attracted more than 1.57 million developers from home and abroad, Xinhua reported on October 26.

The platform was approved



The More the Merrier

New couples attend a group wedding in Shaoyang, a city in Hunan Province in central China, on October 26. The wedding was held in accordance with the customs of the local Yao ethnic group.

by the Ministry of Science and Technology as one of the first batches of national open platforms for new-generation AI innovation in 2017. It is backed by Chinese voice-recognition giant iFlytek.

China has seen a surge in the number of AI-related applications after a plan for new-generation AI develop-

ment was issued in 2017, aiming to make China the center of AI innovation in the world by 2030.

"Chinese companies are very active in developing AI technology and applications, and we see the possibility and prospects of AI technology meeting the demands of society," Liu Qingfeng, Chairman of iFlytek, said.



A Time to Celebrate

Senior couples in Nanchang, capital of Jiangxi Province in east China, raise their glasses to celebrate the Double Ninth Festival, October 25, a day to show respect to seniors.

Clean Energy

As China, the world's largest market for new energy vehicles (NEVs), maintains sound growth momentum, 60 percent of public buses have been replaced with electric vehicles in the drive for clean energy, up from 20 percent in 2015, Ministry of Ecology and Environment data showed.

In September, overall sales of passenger vehicles gained 8 percent year on year to hit 2.09 million units, while NEV sales surged 67.7 percent to 138,000 units.

The efforts were highlighted as part of a green transport system overhaul during the 13th Five-Year Plan (2016-20) period, which boosted the adoption of more clean energy-powered vehicles and the phasing out of gas-guzzling transport.

China has the world's largest

NEV inventory and accounts for 55 percent of global NEV sales.

To meet the new demand generated by green consumption, the State Council approved a plan in early October to boost the NEV industry by promoting vital technologies and constructing infrastructure including charging facilities. International cooperation will also be strengthened.

The government, in response to climate change, has pursued greener development during the 13th Five-Year Plan period. Non-fossil fuels accounted for 15.3 percent of the energy consumption by the end of 2019.

Capital Market

From being partially open, the capital market will now open wider to the world, Fang Xinghai,

Vice Chairman of China Securities Regulatory Commission, said at the Second Bund Summit in Shanghai on October 24.

The government will ease cross-border investment and financing restrictions, deepen institution and rule alignments, and continue to ensure its policies are predictable and stable, he said.

Opening up and cooperation have always been the principle of the capital market since its establishment 30 years ago and foreign institutional investors have gained a significantly larger share in the A-share market in recent years.

Fang said both the capital market and products will be opened up further and the level of openness for securities, funds and futures industries will improve.

The authorities will work more closely with overseas regulators and

international financial organizations and crack down on financial fraud in cross-border listings and securities issuance. Supervision will be strengthened amid higher-level opening up. This will be done by improving cross-border capital flow monitoring and advancing cross-border regulatory cooperation and law enforcement mechanisms.

Tesla Exports

U.S. carmaker Tesla began exporting its made-in-China Model 3 to Europe for the first time with the first batch of 7,000 sedans sent from Shanghai by sea on October 26.

The cars made at Tesla's Shanghai Gigafactory are expected to arrive at the Port of Zeebrugge in Belgium at the end of November. They will be sold in European countries including Germany, France, Italy, Spain, Portugal and Switzerland.

Tesla delivered the first batch of made-in-China Model 3 sedans to the public earlier this year, one year after the company broke ground on its first overseas plant.

"Despite the impact of the novel coronavirus disease (COVID-19), the construction and operation of the gigafactory maintained rapid progress with the support and help of governments at all levels and partners," Tom Zhu, Vice President of Tesla Global and President of Tesla Greater China, said.

Exporting the Model 3 sedans to Europe is a milestone in the development of the Tesla Shanghai Gigafactory, proving to the world China's speed in construction as well as the quality of made-in-China products, Zhu said.

Film Industry

Hengdian, a city in Zhejiang Province in east China, is seeing film and television crews rushing back to resume production after work was suspended due to COVID-19.

According to statistics from Hengdian World Studios, October



A Tale of Two Cities

The Jinan-Tai'an Expressway in Shandong Province, east China, is put into operation on October 27. The 55.9-km expressway has shortened the travel time between the two cities to half an hour.



A Silk Lining

Farmers put silkworms onto cocoon frames in Xidong, a village in Zhejiang Province, east China, on October 21. Silkworm farmers have significantly improved profitability after cooperation with sericulture companies and scientific researchers began in 2018.

saw 47 film and teleplay crews filming and 65 making preparations, a year-on-year increase of 67 percent and 41 percent, respectively.

Due to the surge in shoots, extras are also in high demand.

Zhu Guoqiang, an official with the administration committee of the studio, said there are currently about 6,000 extras registered with the actors' guild at the studio, an increase of 10 percent over previous years.

"This year has also seen significant growth of modern TV series and cinema shoots, leading to the recovery of the industry," Zhao Yongqing, General Manager of Zhejiang Dongyang Hengdian Movie Center Management Service, said.

Besides the boom in film and teleplay production, the recent strong performance of cinemas has also sent a positive signal of revival.

During the National Day holiday in early October, China's box office recovered to more than 80 percent of its performance during the same period last year, with nearly 93 million moviegoers.

"Investors, talents and

audiences are still here," Rao Shuguang, President of China Film Critics Association, said, adding that the rapid recovery has shown great resilience and space for the development of the domestic film and television industry.

Ant IPO

Ant Group, the parent company of leading mobile payment business Alipay, announced its initial public offering (IPO) on the Hong Kong Stock Exchange on October 27, and plans to list its shares on November 5.

The company is offering over 1.67 billion shares at a price of HK\$80 (\$10.3) apiece, and is set to raise around HK\$132 billion (\$17.01 billion), according to its prospectus.

The company will also be listed on the Shanghai Stock Exchange's sci-tech innovation board, commonly known as the STAR Market, on the same day as well, raising up to 132.2 billion yuan (\$19.72 billion). The dual listing in Hong Kong and Shanghai is expected to become the world's biggest IPO.

"Our business is built on three

major pillars: digital payments, digital finance, and digital daily life services. That is today, but we will continue to evolve with a focus on the future," Eric Jing, Executive Chairman of Ant Group, said.

According to the prospectus, Alipay has over 1 billion users, 80 million merchants, as well as 2,000 partner financial institutions worldwide. In the 12 months ended June 30, the total portfolio value (TPV) transacted on the platform on the Chinese mainland reached 118 trillion yuan (\$17.6 trillion), while international TPV transacted reached 622 billion yuan (\$92.77 billion).

Last year, Ant Group earned 18.07 billion yuan (\$2.7 billion) in profit on 120.6 billion yuan (\$17.99 billion) in revenue.

Ferrero at CIIE

Ahead of the Third China International Import Expo (CIIE) in Shanghai, which is being held from November 5 to 10, Italy's confectionery giant Ferrero said it will bring more than 20 varieties of products, including eight new ones, to the expo.

"It will be the second time for Ferrero to participate in the CIIE," Mauro de Felip, General Manager of Ferrero China, said. "In 2019, Ferrero made its debut at the Second CIIE and achieved great success. More than 12,000 potential buyers, dealers and consumers visited Ferrero's booth last year."

According to de Felip, the CIIE has become an important platform for Ferrero to strengthen its communication with key stakeholders.

Expressing his confidence in the Chinese market despite the shadow of the coronavirus, he said holding the Third CIIE as scheduled amid the gloomy global economy is a significant act.

"The Chinese economy has achieved a quick rebound amid the pandemic, faster than the rest of the world. Ferrero would like to tap the opportunity arising from the Chinese economic recovery by participating in the CIIE," he said.

For this year's CIIE, Ferrero said it managed to transport the products from other overseas markets to China by leveraging its global supply-chain system.



Macao Fairs

The 2020 Portuguese-Speaking Countries Products and Services Exhibition opens in Macao Special Administrative Region on October 22. Two other exhibitions also kicked off that day, the 25th Macao International Trade and Investment Fair and the Macao Franchise Expo 2020.

THIS WEEK WORLD



FRANCE

People wearing face masks walk near the Eiffel Tower in Paris on October 23. France reimposed a national lockdown from October 30 to stem the second wave of the novel coronavirus disease (COVID-19)



UNITED STATES

Two women embrace during a clash in Philadelphia on October 27. Chaos and unrest overtook the city after police shot and killed an African American man on October 26. About 30 police officers were injured and dozens arrested



SPAIN

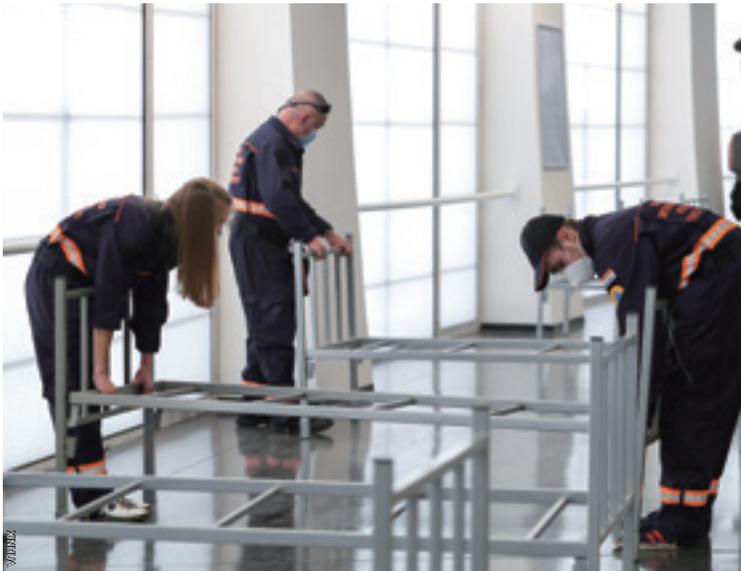
Prime Minister Pedro Sanchez (center) takes part in an emergency cabinet meeting in Madrid on October 25, announcing a state of alarm to halt the spread of COVID-19, after Spain became the first European Union state to pass the 1-million-case mark





CROATIA

In response to record daily increases in COVID-19 cases, workers in Zagreb on October 26 assemble beds in a stadium that will be used as a temporary hospital



SRI LANKA

A policeman checks a motorcyclist's document in the Wallampitiya area of Colombo on October 25. The total number of COVID-19 cases in Sri Lanka rose to 7,872 on that day, after 351 new cases were detected



SERBIA

New cabinet members are sworn in at the House of the National Assembly building in Belgrade on October 28. The Serbian Parliament approved a new government headed by Prime Minister Ana Brnabic on the same day



SCIENCE PROFESSOR WINS NATIONAL AWARD

Sun Zhimei, a professor and PhD supervisor at the School of Materials Science and Engineering, Beihang University, has received the National March 8 Red-Banner Holder award for her contribution to scientific research. The news was announced on October 24.

The National March 8 Red-Banner Pacesetters, Holders and Collectives awards, instituted by the All-China Women's Federation, are titles given to individual women or organizations for outstanding contributions. The annual winners are from all walks of life, from athletes who have won some major events, to women who saved lives or public property and entrepreneurs.

Born in Shandong Province in east China in 1970, Sun is also a winner of the National Science Fund for Distinguished Young Scholars and a distinguished professor of the Chang Jiang Scholars Program.

Sun received her doctor's degree from the Institute of Metal Research, Chinese Academy of Sciences in 2002. She has published over 150 peer-reviewed papers.



Protection of Minors

People.com.cn
October 23

The top legislature recently passed the amended Law on Protection of Minors with a new chapter on Internet protection and updating some chapters.

The new chapter aims to safeguard minors in cyberspace. It includes some regulations that had been established already. For example, the rule that network game service providers shall not offer services to minors from 10 p.m. to 8 a.m. comes from the National Press and Publication Administration stipulation in 2019. Some provisions in the regulation on the protection of children's personal

information on online networks published by the Cyberspace Administration of China in 2019 have now been written into the law.

In the chapter on school protection, the revised law provides more details and clarifies schools' liability. For instance, schools are prohibited from making underage students participate in commercial activities, asking them to take paid tutorial courses in cooperation with other education and training organizations, and having extra lessons during holidays.

With the progress of time, legal innovation and development will also keep pace with the changes.



A ship waits to load China-made cars for export at a berth of the Port of Lianyungang, Jiangsu Province in east China, on September 7

Keeping Foreign Trade Buoyant

Cqnews.net
October 26

Besides bringing the novel coronavirus disease (COVID-19) under control and ensuring socio-economic development, China has stepped up macro policy response to ensure the stability of its foreign trade. A series of measures have been carried out to promote foreign trade, such as streamlining procedures at customs, expanding enterprises' credit scale, enhancing the capacity of the China Railway Express to Europe that has become a major catalyst for China-

"People with persistent anti-China bias should clear their minds and not be blind to China's rise in a changing world."

Ray Dalio, founder of Bridgewater, the largest hedge fund in the world, in an article published in *Financial Times* on October 23

"China stands firm with the United Nations (UN) Charter and international law. China stands firm with the UN. Together, we can build a better and shared future for all."

Ambassador Zhang Jun, China's permanent representative to the United Nations, in a video message to celebrate UN Day on October 24

Europe trade, and helping enterprises resume production.

There is also a focus on cultivating new momentum in foreign trade, such as the introduction of incentives for cross-border e-commerce. In the first three quarters this year, China's imports and exports through the customs cross-border e-commerce management platform reached 187.39 billion yuan (\$27.97 billion), a year-on-year increase of 52.8 percent.

As a result, imports and exports stabilized quarter by quarter, and the cumulative growth rate turned from negative to positive. According to customs data, China's foreign trade in goods in the first three quarters reached 23.12 trillion yuan (\$3.45 trillion), up by 0.7 percent year on year. The total value of imports and exports reached a quarterly record high in the third quarter.

Data from the World Trade Organization show that China's foreign trade accounted for 12.6 percent of global trade in the first seven months this year, up 1 percent from the same period last year. Both exports and imports hit a record high share in global trade.

With the COVID-19 pandemic still unchecked around the world, the world economy is in serious recession. The international environment is becoming more and more severe and complex, with greater uncertainty and instability. Despite this, China has continued to maintain its sound foreign trade development momentum through a combination of supporting policies.

AI in Winter Heating

People.com.cn
October 23

Winter heating is a necessity in north China. However, there have been some technical problems in ensuring stable heating. To resolve them, the Beijing District Heating Group has begun a pilot project applying artificial intelligence (AI) in the heating control system. The pilot covers 600,000 square meter heating area.

The old heating system is based on circulating hot water in a housing cluster. Complicated housing situations triggered complaints from residents and even quarrels. Thus, a targeted heating service is needed.

An AI-controlled system can calculate how much temperature is required for each household, and then mobilize water heated to that

temperature by valves to realize accurate room temperature control. The calculation would take into account the indoor/outdoor temperature, wind speed and direction, humidity, housing type and orientation, residents' preference and other data. The system can also meet the needs of a larger area.

The application of AI in heating can not only satisfy residents' personalized requirements, but also relieve social tension in communities. In addition to improving people's lives, it will also improve urban energy and labor saving. For example, only one staff can input different instructions through the monitoring platform.

Improving winter heating is related to people's daily lives. Therefore, it is also a test of both enterprises' responsibilities and the administrative capabilities of the government.



NEW HEAD COACH FOR NATIONAL MEN'S VOLLEYBALL TEAM

Wu Sheng, the current head coach of the Zhejiang men's volleyball team, will become the head coach of the Chinese men's volleyball team that is preparing for the 2024 Paris Olympics, the General Administration of Sport of China's Volleyball Management Center announced on October 29.

Wu, a national player in the late 1980s and early 1990s, started his coaching career with the Zhejiang women's volleyball team.

In 2009, he became the coach of the Zhejiang men's team, and led the team to the fifth place in the National Games that year.

In January 2020, the Chinese men's volleyball team lost 0:3 to Iran in the finals of the Asian Games Qualifying Tournament and missed the Tokyo Olympics.



“Continued opening up could also make China more competitive, and also get closer to the global frontiers, which will eventually support China's growth and China's domestic demand.”

Zhang Ning, a senior China economist at the United Bank of Switzerland, in an interview with *China Daily* on October 27

“China and the U.S. can't become enemies. There needs to be creative diplomacy to make the two countries coexist and collaborate.”

Andrew Bacevich, President of the Quincy Institute for Responsible Statecraft, in a video released by China Global Television Network, on October 25



The Political Bureau of the Communist Party of China (CPC) Central Committee presides over the Fifth Plenary Session of the 19th CPC Central Committee. The session was held in Beijing from October 26 to 29

KEY CPC SESSION DRAWS 15-YEAR ROADMAP FOR CHINA'S MODERNIZATION

The Communist Party of China (CPC) has charted the course for China's development in the next 15 years to guide the country's march toward modernization.

Details of the blueprint were unveiled in

a communiqué issued after the conclusion of the four-day Fifth Plenary Session of the 19th CPC Central Committee on October 29. The roles of innovation, real economy, a strong domestic market, rural vitalization and green development were underscored

for China's growth.

The session adopted the Party leadership's proposals for formulating the 14th Five-Year Plan (2021-25) for National Economic and Social Development and the Long-Range Objectives Through the Year 2035.

Noting that “a victory is in sight” in building a moderately prosperous society in all respects, the communiqué stresses that fully building a modern socialist China is part of the Four-Pronged Comprehensive Strategy for the 14th Five-Year Plan period.

Xi Jinping, General Secretary of the CPC Central Committee, made an important speech at the session. He also delivered a work report of the Political Bureau of the CPC Central Committee to the session.

The work of the Political Bureau was fully acknowledged, says the communiqué, adding that China has seen its economic growth beat expectations, people’s living standards ensured, and the overall situation of society maintained stable over the past year.

Progress made in the past five years was highlighted: China’s GDP is expected to cross the 100-trillion-yuan (\$14.89 trillion) mark in 2020; 55.75 million rural residents were lifted out of poverty; the annual grain output has remained above 650 million tons for five consecutive years; China has built the world’s largest social security system, etc.

The communiqué says China is still in an important period of strategic opportunity for development at present and for the foreseeable future, but there are new developments in both opportunities and challenges.

Targets Through 2035

The session raised a set of long-range objectives for China to basically achieve socialist modernization by 2035.

—China’s economic and technological strength, and composite national strength will increase significantly. A new stride will be made in the growth of the economy and the per-capita income of urban and rural residents. Making major breakthroughs in core technologies in key areas, China will become a global leader in innovation;

—New industrialization, IT application, urbanization, and agricultural modernization will be basically achieved. China will finish building a modernized economy;

—The modernization of China’s system and capacity for governance will be basically achieved. The people’s rights to participate and to develop as equals will be adequately protected. The rule of law for

the country, the government, and society will be basically in place;

—China will become a strong country in culture, education, talent, sports and health. The well-rounded development of all people and social etiquette and civility will be significantly enhanced. China’s cultural soft power will grow much stronger;

—Eco-friendly ways of work and life will be advanced to cover all areas of society. Carbon emission will steadily decline after reaching a peak, and there will be a fundamental improvement in the environment with the goal of building a Beautiful China basically reached;

—The opening up will reach a new stage with substantial growth of the country’s strengths for participating in international economic cooperation and competition;

—The per-capita GDP will reach the level of moderately developed countries. The size of the middle-income group will be significantly expanded. Equitable access to basic public services will be ensured. Disparities in urban-rural development, in development between regions, and in living standards will be significantly reduced;

—The implementation of the Peaceful China initiative will be promoted to a higher level. The modernization of national defense and the military will be basically achieved;

—People will lead a better life, and more notable and substantial progress will be achieved in promoting well-rounded human development and achieving common prosperity for everyone.

Targets for 14th Five-Year Plan

The session also laid down a set of guiding principles to be followed, and major economic and social development targets for the next five years.

For the 14th Five-Year Plan period, China will speed up fostering a new development pattern where domestic and foreign markets can boost each other, with the domestic market as the mainstay, the communiqué says.

China will strive to make new strides in economic development during the period. It aims to realize sustained and healthy economic development on the basis of a marked improvement in quality and efficiency.

With new steps to be taken in reform and opening up, China will further improve its socialist market economy and basically complete the building of a high-standard market system.

China’s social etiquette and civility shall be further enhanced, while the core socialist values shall be embraced by the people. The country aims to make new progress in building an ecological civilization, boost the well-being of people, and enhance governance capacity.

Development priorities

Several development priorities were highlighted. Placed at the top of the priorities is upholding the central role of innovation in the modernization drive and implementing the innovation-driven development strategy.

The country must also continue to take the real economy as the focus of its economic development, unswervingly build itself into a manufacturer of quality and enhance its strength in cyberspace and digital technology.

It must nurture a strong domestic market and establish a new development pattern, comprehensively deepen reform in pursuit of a high-level socialist market economy, prioritize the development of agriculture and rural areas, fully advance rural vitalization, and push forward coordinated regional development and a new type of urbanization, among others.

The communiqué stresses that the overall leadership of the CPC must be upheld to realize the 14th Five-Year Plan and achieve the long-range objectives set for 2035.

It also says that China is committed to maintaining lasting prosperity and stability in Hong Kong and Macao as well as advancing the peaceful development of cross-Straits relations and national reunification.

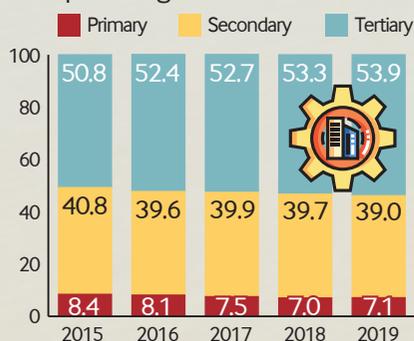
China will hold high the banner of peace, development, cooperation, and mutual benefit, and strive to create a favorable external environment and promote the building of a new type of international relations and a community with a shared future for humanity, it adds. ■

COVER STORY

KEY FIGURES 2015-19

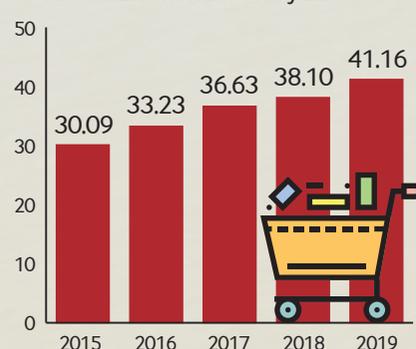
INDUSTRIES' VALUE-ADDED

(As a percentage of GDP)



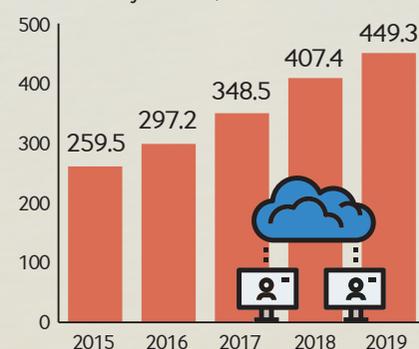
TOTAL RETAIL SALES OF

CONSUMER GOODS (Tln yuan)

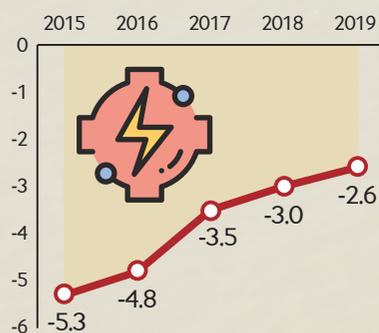


FIXED BROADBAND USERS

(Number at year-end, mln)

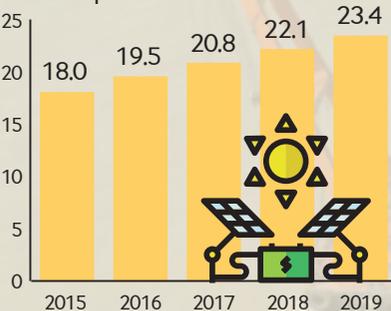


CHANGES IN ENERGY CONSUMPTION PER 10,000 YUAN WORTH OF GDP (%)

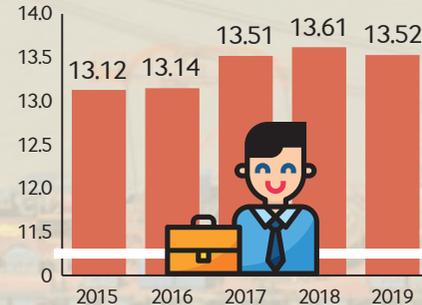


CLEAN ENERGY CONSUMPTION

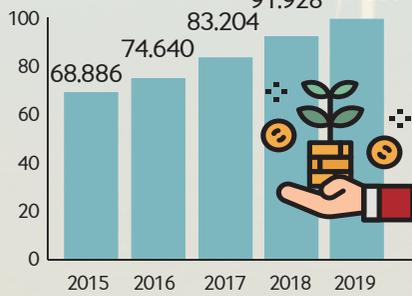
(As a percentage of total energy consumption)



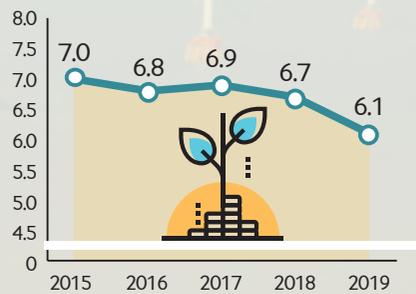
NEWLY EMPLOYED PEOPLE IN URBAN AREAS (Mln)



GDP (TIn yuan)

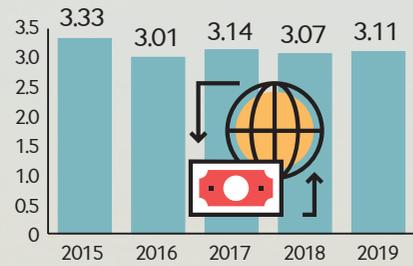


GDP GROWTH RATE (% y.o.y)



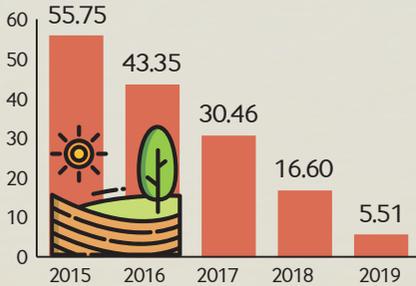
FOREIGN EXCHANGE RESERVES

(Year-end, \$trn)

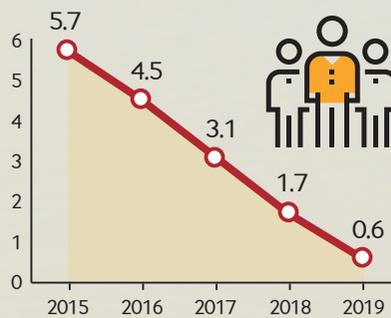


RURAL POPULATION IN POVERTY

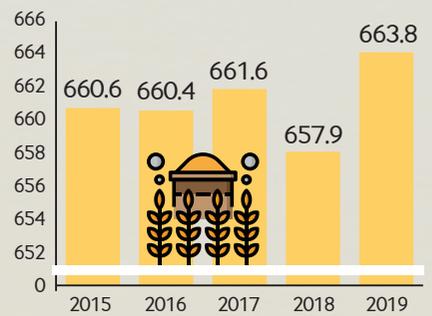
(Mln)



INCIDENCE OF POVERTY (%)

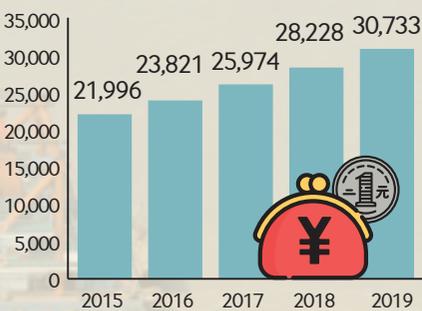


OUTPUT OF GRAIN (Mln tons)



PER-CAPITA DISPOSABLE INCOME

(Yuan)



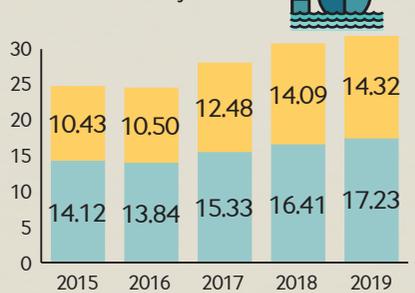
PER-CAPITA DISPOSABLE INCOME

GROWTH RATE (% y.o.y)



IMPORTS AND EXPORTS

OF GOODS (TIn yuan)



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

COVER STORY

A PILLAR OF GROWTH

The Chinese economy has continued to expand despite headwinds By Mei Xinyu



The author is an op-ed contributor to *Beijing Review* and a researcher with the Chinese Academy of International Trade and Economic Cooperation

The Chinese economy, which plays a key role in driving global economic growth in the era of globalization, has seen steady progress during the 13th Five-Year Plan (2016-20) period. Despite worldwide economic slowdown and volatility during the period, China's growth has brought it to the forefront of the world's major economies and made it a key driving force of the global economy. After bringing the novel coronavirus disease epidemic under control domestically, China has resumed economic and social activities.

During the 13th Five-Year Plan period,

China's economy has faced severe domestic and external challenges. The global economy has entered a phase of economic slowdown and volatility in the long economic cycle since 2014, which may last for 10-15 years. The rise in the cost of production factors including land and labor as well as the emergence of asset bubbles starting from the 11th Five-Year Plan (2006-10) period have made it increasingly hard to achieve sustainable growth through traditional economic modes. The pressure caused by the aging population since the 12th Five-Year Plan (2011-15) period is also mounting.

Internationally, the United States listed China as its largest strategic competitor in 2017. In 2018, it launched a trade war against China. Besides the threat of decoupling and a new cold war triggered by the U.S., the multilateral trade systems repre-

sented by the World Trade Organization are on the verge of collapse. Since the beginning of this year, the unprecedented novel coronavirus epidemic has affected China severely.

Facing the challenges, the Chinese economy has still made strides during the 13th Five-Year Plan period. China saw its GDP expand from more than 68 trillion yuan (\$10.3 trillion) in 2015 to some 99 trillion yuan (\$14.7 trillion) in 2019, joining the United States as the world's only two economies with \$10-trillion annual GDP, far higher than that of other economic powers. In 2010, China's nominal GDP surpassed that of Japan for the first time. Although Japan ranks third in the world in terms of the economic scale, its GDP is now about one third of that of China. The GDP of other top 10 economies such as Italy, Canada and Brazil is less than 20 percent of China's.

Industrial foundation

The foundation of the modern economy lies in the manufacturing industry, which provides a key driving force for the service industry. Since the founding of the People's Republic of China in 1949, it has focused on developing the manufacturing industry. During the 11th Five-Year Plan period, China surpassed the United States as the world's largest manufacturing power. In the 12th and 13th Five-Year Plan periods, it maintained the status with increasing industrial output and improving industrial structure. Its steel output increased from some 1.03 billion tons to 1.2 billion tons and the automobile output expanded from 24.5 million to 25.5 million units from 2015 to 2019. The production volume of integrated circuits also rose from 108.72 billion to 201.8 billion in the period.

The U.S. used to be the dominant manufacturing power in the world. It produced 47.89 million tons of raw steel in 1939, which was equivalent to the steel output of Britain, France, Germany, Italy and Japan combined. China's steel output is now over 11 times that of the U.S.

China has also achieved notable growth in the hi-tech industry, especially information technology (IT). The manufacturing



An unmanned carrier with artificial intelligence and 5G technologies operates in the workshop of a digital technology company in Zaozhuang, Shandong Province in east China, on October 26

of electronic devices including computers and communication equipment has gained prominence in China's economy. The assets of the companies in these sectors account for about 9 percent of those of leading industrial enterprises above designated size, and the average number of workers they employ accounts for about 10 percent. The IT companies contribute about 20 percent of China's total export value.

The share of China's IT industry in the global market has notably expanded during the 13th Five-Year Plan period. While the Swedish telecom company Ericsson and Finland-based network equipment manufacturer Nokia saw their respective market shares reach 20 percent and 18 percent, China's telecom companies Huawei and ZTE take up around 36 percent and 12 percent respectively in the global telecommunication device market, with the share of all the other companies totaling 14 percent. China has also made great progress in manufacturing IT components such as liquid crystal panels and integrated circuits. During the 14th Five-Year Plan (2021-25) period, China is expected to occupy a major share in the global market of such products.

China has caught up as a late starter in the development of cutting-edge industries such as mobile communication. Although it introduced 1G and 3G technologies six years after the earliest commercial use of the technologies in the world and 2G and 4G technologies three years later than the world's earliest commercialization, it has launched 5G ahead of many countries.

Growth drivers

China has further consolidated its position as the largest exporter of global goods, with its status in global service trade rising. Along with economic and industrial development, the income and living standards of the Chinese have improved significantly during the 13th Five-Year Plan period. In 2015-19, China's per-capita disposable income increased from 21,966 yuan (\$3,286) to 30,733 yuan (\$4,597). The poor population in rural areas declined from 54.54 million to 5.51 million. China is expected to eliminate absolute poverty and complete building a moderately prosperous society this year, fulfilling the commitment of the



Workers of a company in Chongqing, southwest China, make masks on March 2

Chinese Government to its people and setting an example for the global poverty alleviation drive.

The increase in income has driven consumption upgrade in China and propelled the consumer market. China's national per-capita consumption expenditure rose from 15,712.4 yuan (\$2,350) to 21,558.9 yuan (\$3,225) from 2015 to 2019. The expansion of the Chinese consumer market has brought more opportunities to its trading partners.

Economic development has enhanced the revenue of the Chinese Government. China's general public budget revenue rose from around 15 trillion yuan (\$2.2 trillion) to over 19 trillion yuan (\$2.8 trillion) and the expenditure rose from about 17 trillion yuan (\$2.5 trillion) to more than 23 trillion yuan (\$3.4 trillion) between 2015 and 2019. The increase of revenue has allowed the government to improve budgets on public services and better launch macro control. It has also enabled China to provide more public goods for the international community.

China's role in stabilizing global economic and social development has enhanced along with its economic growth,

which served as a regional economic stabilizer during the 1997-98 financial crisis in East Asia and contributed to global economic stability in the global financial crisis that broke out in 2008. China's economic development has contributed to global economic growth during the 13th Five-Year Plan period and remained resilient during the anti-epidemic battle. Chinese producers met over half of the global demand for masks, which surged 87 percent in the first half of this year, sustaining supply chains.

Following positive growth in the second quarter this year, China continued to see economic expansion in the third quarter, resuming positive year-on-year economic growth for the first time. The International Monetary Fund projected it to be the only major economy that will see economic expansion this year. China's GDP growth is expected to rebound to 8 percent and even 9 percent next year, which can ensure a good start for the upcoming 14th Five-Year Plan period. ■

ROADMAP FOR FUTURE

New five-year blueprint is a set of major adjustments as Chinese growth strategy follows new direction **By Josef Gregory Mahoney**



The author is professor of politics at East China Normal University in Shanghai

A key focus of the Fifth Plenary Session of the 19th Communist Party of China (CPC) Central Committee, held in Beijing from October 26 to 29, was the blueprint of the 14th Five-Year Plan (2021-25), which will be a key guide for Chinese development for years to come.

This plan is a set of major adjustments as China continues to pivot away from export-led growth and implements the dual-circulation strategy—which consists of making the country more self-sufficient, increasing domestic demand, and simultaneously maintaining opening up and Chinese exports, for the near-long-term at least.

This adjustment arrives with the convergence of three factors—longstanding needs, new pressures associated with Washington’s China containment efforts and threats of decoupling, and a very fluid global situation due to the novel coronavirus disease (COVID-19).

Plenaries were already closely watched affairs, both in and outside China, and their importance has accelerated even more so this year. Indeed, China’s status as a rising power vis-à-vis the U.S. as a declining power, as the anchor of the Asian century and increasingly, as the manufacturing capital of the world, as an emerging global health superpower, and by some measures the world’s most advanced technological society, means that others in the world increasingly look to China to be a driver of solutions to global problems.

These include producing vital supplies, bringing stability and stimulus to the global economy in a time of pronounced crises, and serving as a global leader for preserving and reforming multilateralism, in tandem with confronting intersecting problems like global warming and the pandemic. But it also means that some international firms will find their

China-related business models significantly affected for better or worse.

The new five-year plan, to be initiated at a time when China and the world are undergoing major changes, marks, for China, the first of two 15-year periods. The first is expected to basically achieve socialist modernization by 2035, in part by maintaining an annual growth rate of 5 percent, avoiding the “middle income trap,” and improving governance.

This would likely include when China achieves parity with the U.S., and serve as a bridge to the second 15-year period, through which China aims at establishing a fully modernized socialist country, marking the 100th anniversary of the founding of the People’s Republic of China. And along the way, if all of this proves successful, it demonstrates the power of central planning.

Responding to uncertainties

China was in some instances pushed into reactionary positions, particularly as the U.S. targeted it with illegal tariffs and undermined China’s reputation and advanced technology sectors worldwide, and also as the pandemic unfolded at home and abroad and required major unplanned adjustments.

While the U.S. decoupling threat and the pandemic have impacted strategic planning in China, it’s easy to overestimate their effects. In fact, many of the new ideas and core concepts can be viewed as reinvigorated commitments to older plans that had been lagging due to pre-existing difficulties associated with implementing them, and which were further exacerbated by new challenges presented by the U.S. and the pandemic.

On the one hand, the U.S. trade war, tech cold war and decoupling threat might make it more difficult to initiate deeper economic reforms that might have been implemented more quickly after the Party completed the bulk of its anti-corruption drive. On the other hand, U.S. pressure has now made it clear that these reforms are vital, and these older ideas have emerged more forcefully in better defined concepts like dual circulation, an improved global strategy for the yuan, and embracing inbound and outbound foreign

direct investment and international growth and go-global development strategies like the Belt and Road Initiative.

One outstanding question is how state-owned enterprises (SOEs) might be affected by the new plan, especially the large ones. With the pandemic this year, maintaining employment was given priority over growth rates.

Another question is, since the threat of COVID-19 continues, and the likelihood of other new diseases is increasing, what can China do to be better prepared for these challenges while also improving its domestic healthcare system and emerging as a global health superpower?

Dual circulation strategy

While the term dual circulation has become relatively common only this year, its core concepts are not entirely new. The term itself indicates two tactics at work simultaneously: continuing to export as much as possible while creating self-sufficiency in terms of domestic production and consumption.

These efforts have been hastened by U.S. pressures. But above all, China wants to make itself less susceptible to foreign disruption and global economic crises while also expanding domestic consumption as a means for improving the quality of life.

Middle income trap?

There are many reasons why economies fall into a “middle income trap.” Here are three: legal and political systems become entrenched and prevent significant and effective reforms; a nation fails to innovate and remain competitive; and external forces, like foreign competitors, successfully limit or contain development and reform.

If a “middle income trap” emerges in China, it would present a significant problem. However, if the leadership maintains clarity on reforms and combines these efforts with an effective go-global strategy and national defense, then China is unlikely to become stuck or vulnerable the way other countries have.

Public consultation

This year, Chinese citizens can comment on the plan via official websites. In fact, on both the local and national levels, China has been experimenting for many years with increasing public consultation, institutionally through the Chinese People's Political Consultative Conference, the political advisory body, as well as soliciting public comments for proposed legislation and rule-making.

No matter to what extent this helps shape actual policymaking, it provides nevertheless a voice for the people, and therefore, it is both inclusive and informative. Perhaps most importantly, it helps the government better understand what people think and want and vice versa, and provides an important opportunity for stakeholders to make their positions clear. This marks a clear improvement for two-way communication.

New infrastructure, technology

Arguably, China was already emerging as the world's leading technological society, and the pandemic has only hastened this development, particularly via digitalization. Before and during the pandemic, the U.S. responded in part by provoking global efforts to limit and in some cases outright ban Chinese tech-associated products, and Washington has largely abandoned or disavowed international efforts aimed at curtailing global climate change.

Conversely, China has countered this in several ways. Aside from not abandoning the Paris Agreement for greenhouse gas emission mitigation, it has become a global leader in developing and implementing sustainable development and renewable energy. It has also committed to reaching carbon neutrality by 2060.

In response to the United States' tech cold war, China has moved quickly to identify and resolve various choke points with an increasingly vast array of public and private initiatives. Given both economic and national security, it seems incredibly unlikely that these efforts will be allowed to come up short.

These efforts also link with government incentives for the private sector to rapidly expand and build up new infrastructure—including data centers, 5G networks, artificial intelligence, the Internet of Things and electric vehicle charging stations.

Of course, China was already developing in this direction before the pandemic, but the new infrastructure strategy has become a focal point for leveraging the private sector more effectively in economic recovery and growth in the wake of COVID-19, and also



Visitors at the China International Fair for Trade in Services in Beijing on September 8



Buyers talk with an exhibitor at an offline trade promotion event of the online edition of the China Import and Export Fair in Guangzhou, Guangdong Province in south China, on October 16

with an eye on long-term development.

In this respect China is outpacing many, if not all, international competitors, not just in building the infrastructure of the future, but also by avoiding the sort of bail-out/stimulus-related problems that accumulated in the wake of the global financial crisis of 2008, and that are accumulating now in the U.S. and other places.

Therefore, in so many words, these multiple

plans and strategies unfolding with the 14th Five-Year Plan aim to avoid new problems while laying a foundation for a stronger future economy, improved governance and better national security. ■

Copiedited by Sudeshna Sarkar
Comments to yanwei@bjreview.com

COVER STORY

FLYING HIGHER

China's long-term vision is the result of well-crafted development plans

By Matteo Giovanni



The author is a finance professional at the Industrial and Commercial Bank of China in Beijing and a member of the China Task Force at the Italian Ministry of Economic Development

Different from the common practice in Western economies where governments adopt a short-term vision and prediction of future events, China relies on a tradition that started in 1953, when the country began to adopt medium-term plans covering half a decade and touching upon almost every major aspect of the nation's economic and social spheres.

This year marks the end of the 13th Five-Year Plan (2016-20) that, presented in 2015, introduced very detailed economic development guidelines and important reforms that have been instrumental in shaping the economy for the next decades to come.

Innovation-driven

China today is recognized as an undisputed leader in innovation through massive investment that over the last decades have been directed into research and development for the implementation of artificial intelligence (AI), a phenomenon that the outbreak of the novel coronavirus disease (COVID-19) has further accelerated, into the larger parts of daily life for many.

In this context, Beijing has been recognized by the central authorities as the ideal lab for the implementation of almost any kind of modern technological innovation such as 5G telecommunication infrastructures, automated driving, unmanned shops and a delivery system powered by AI, showcasing the vision of the Chinese capital and elevating its role as a new Silicon Valley.

One of the most evident examples of Beijing's ambition can be found in fintech,

the combination of finance and technology, a modern industry where the city has built an enviable reputation by leveraging factors such as rapid urbanization, a supportive regulatory framework, a booming digital economy, a high mobile penetration and a large amount of capital provided by venture capitalists.

Furthermore, the ongoing development through the pilot testing of a government-backed digital currency in designated cities has been attracting global attention. The potential release of a digital yuan on a large scale would help China reduce the decades-long world dependency on the U.S. dollar, and, additionally, create a more transparent "transactional" ecosystem to support its central bank's job of delivering more targeted monetary and fiscal policies. Furthermore, this digital currency is designed to facilitate the transition to a fully cashless society by replacing physical cash that has been demonstrated to be a potential carrier of transmissible disease.

Technology has also served as a vehicle in delivering China's commitment to reduce pollution. There has been an increase in the adoption of electric public transportation and the fleet of electric taxis roaming the streets is expanding. The government has offered incentives to citizens to replace gas-powered cars with new and much more eco-friendly electric vehicles.

Beijing's air quality has dramatically improved over the last five years thanks to policies setting ambitious targets for the shift to new energy. Together with the increased quota of new alternative forms of energy such as wind and solar, officials have raised the efforts to reduce air pollution in the northern part of China—especially in winter.

The launch of the trash sorting campaign, first in Shanghai and later in Beijing and other places, has become a success and has pushed entire communities to learn how to sort their trash according to

the type of material. It represents another long-awaited step toward environmental protection with a government-led crusade for the rapid implementation of practices that are quite common across the West and have been helping China to adapt to global standards.

The Central Government's desire to relocate Beijing's functions non-essential to its role as the national capital to other areas showcases another important move that can be interpreted as part of the effort to address the city's increasingly serious environmental problems.

By moving out not only manufacturing industries but also wholesale markets as well as building a new municipal administration center in the suburban district of Tongzhou in the east, there has been a visible reduction in the volume of traffic during rush hour with a benefit in terms of reduction in commuting time and car emissions.

Regional integration

The decision to remove Beijing's non-essential functions also navigates in the direction of creating a stronger coordination for regional development within the Beijing-Tianjin-Hebei cluster, making it able to compete with other similar domestic clusters such as the Yangze River Delta in the east and the Pearl River Delta in the south. And in the future with similar important clusters in the rest of the world.

In order to achieve this goal, the Central Government has invested huge resources in the development of infrastructure to increase the attractiveness of the region for domestic and foreign investors as well as to facilitate cross-city economic integration. This has resulted in the further development of the high-speed railway network, with new routes connecting Beijing to Xiongan New Area, which was established in Hebei in 2017 to take over Beijing's non-essential functions, and Zhangjiakou, the



A bullet train runs through the Juyongguan Tunnel of the Beijing-Zhangjiakou High-Speed Railway in Beijing on October 6

competition venue for some events of the 2022 Olympic Winter Games in Hebei.

The inauguration of the Beijing Daxing International Airport in September 2019, one of the biggest airports in the world, exemplified the strategic planning of the central authorities to alleviate the congestion in the Beijing Capital International Airport due to a growing demand for international travel. Unlike in cities such as New York, London, Tokyo and Paris, where the second airport is normally a complementary one focusing only on domestic or regional flights, the Daxing airport serves both domestic and international flights.

Opening up

The stress on the opening-up policy of China in order to embrace the rest of the world is well demonstrated by the launch of the Beijing-based Asian Infrastructure Investment Bank (AIIB) in 2016, which now has 103 members. It is another illustration of China's commitment to multilateralism

and cooperation. China is willing to contribute to filling in the infrastructure gap in the Asia-Pacific region. The AIIB can serve as a complementary funding source to the Asian Development Bank at a regional level and the World Bank at a global level.

Beijing has received the central authorities' approval to set up a demonstration zone for expanding opening up in the service industry. This zone anticipates the facilitation of trade, investment, cross-border flow of capital, employment, transportation, as well as the safe and orderly flow of data by 2030.

The opening up of the financial industry immediately attracted the attention of well-known U.S. banks and financial institutions committed to China, which now gain the opportunity to be part of China's growth within a surging service sector that represents over 50 percent of the national GDP.

Digital economy and digital trade, both of which during the outbreak of COVID-19

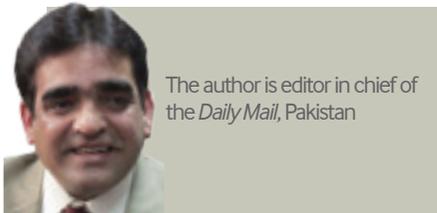
experienced a major boom, now symbolize the most prominent component of the service sector with an almost constant release of innovations that are disrupting entire industries. These innovations are set to be showcased to the rest of the world at the 2022 Olympic Winter Games, an event that illustrates a massive accomplishment for Beijing since it will become the first place in history to host both the Olympic Summer and Winter Games.

The imminent 14th Five-Year Plan, which will cover 2021-25, is expected to use previous plans' achievements as a starting point in order to set up even more ambitious goals that will turn Beijing into a place that embodies a well-balanced mix of history and innovation. A city on the road to becoming a guardian of millennial traditions as well as a ferryman that steers a nation toward the future. ■

Copyedited by Elsbeth van Paridon
Comments to yanwei@bjreview.com

Decoding China's Development Path

Xi's new book details goal of transnational prosperity while maintaining national aspirations and diversity **By Makhdoom Babar**



The author is editor in chief of the *Daily Mail*, Pakistan

Many foreign sinologists often suffer from misconception and confusion about China, its governance, society and culture. The three volumes of *Xi Jinping: The Governance of China*, published in many languages, address the predicament of foreigners wanting to know about China. For me, these books have been the best source to learn about contemporary China, its people, society, foreign policy and the driving spirit behind the country's remarkable success.

Volume III, a collection of President Xi's writings, speeches, policy pronouncements and directions between the 19th National Congress of the Communist Party of China (CPC) in October 2017 to January 13 this year, provides a comprehensive understanding of China's priorities for internal reform, development and governance as well as its quest for peaceful reunification.

It also provides valuable knowledge of China's foreign policy objective of establishing a community with a shared future for humanity by working toward the goal of transnational prosperity, while maintaining national aspirations and diversity.

A key priority is the poverty eradication effort and delivering the Two Assurances and Three Guarantees for poor rural residents, as enunciated by Xi at a seminar on

April 16, 2019. Two Assurances and Three Guarantees means ensuring these people do not have to worry about food and clothing and have access to compulsory education, basic medical services and safe housing.

Anti-poverty leadership

China is undoubtedly the global leader in poverty alleviation. Nowhere in the history of humankind has any system of governance or a politico-economic structure brought such a huge number of people out of poverty. According to statistics, at the end of 2012, there were 98.99 million rural residents living under the poverty line in China. At the end of 2019, the number fell to 5.51 million. This is an enormous reduction of more than 94 percent, equaling 93.48 million people. The poverty alleviation goes hand in glove with socio-economic uplift and betterment of people's quality of life and happiness.

The Two Assurances and Three Guarantees ensure that the cities and counties implement the plans and measures and closely track their progress, making certain that all households benefit from them. The target is to achieve moderate prosperity in all respects and the elimination of absolute poverty by 2020, by giving the rural poor access to the basic necessities available to the urban populations.

This goal may have received some setback due to the outbreak of the novel coronavirus disease (COVID-19), but China's remarkable handling of the epidemic and quick economic recovery has kept the goal well within reach.

The book elucidates the concepts of the Four Consciousnesses and Four

Confidences, which remain pivotal to maintaining China's unhindered path to progress and prosperity. The Four Consciousnesses refer to the need to maintain political integrity, think in terms of the big picture, follow the leadership core, and keep in alignment with the central Party leadership.

Upholding the CPC Central Committee's authority and centralized, unified leadership, closely following the Central Committee in terms of thinking, political orientation and actions as well as resolutely implementing its decisions and plans in all work are very important attributes of the Four Consciousnesses.

The Four Confidences refer to confidence in the path, theory, system and culture of socialism with Chinese characteristics.

Another prevalent theme is the maintenance of high quality in development. This requires transformation of the country's growth model to deal with issues of economic overheating, rising labor costs, non-replenishable consumption of indigenous resources, environmental degradation and other unsustainable modes of development.

Recognizing challenges

China is fully cognizant of the challenges in the path to development. It is therefore adopting new environmentally friendly technologies. Hi-tech production methods are being adopted in the more developed areas while the labor-intensive industries are being shifted to less developed ones. All these adjustments and restrictions are done to keep in sync with the changing development and socioeconomic needs of the people, through a system created for the purpose.



A quantum physics researcher works in a lab at the University of Science and Technology of China in Hefei, Anhui Province in east China, on August 22, 2019



Workers make bamboo handicrafts in a poverty alleviation workshop in Chishui, Guizhou Province in southwest China, on October 24

The nation's recourse to science, technology, research and innovations to achieve the set targets has ensured their success. The fruits of this reformation were manifest in the rise of the GDP from 54 trillion yuan (\$7.94 trillion) to 99 trillion yuan (\$14.9 trillion) between 2012

and 2019. Volume III rightly states that without the leadership of the CPC, national rejuvenation would have been just wishful thinking.

Like in the previous volumes, combating corruption at every level, including among the Party and government officials,

is an avowed priority of Xi. A prosperous, strong, democratic, culturally advanced, harmonious and beautiful society cannot be built without transparent, fair, responsible and judicious utilization of public and private resources. Xi's emphasis has been to exercise strict discipline on officials and encourage citizens to develop a corruption-free socio-political culture.

One human community

Volume III, like the previous volumes, also serves as a great source for the international community to deepen their comprehension of Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and to learn about his approach in taking forward the epoch-making Belt and Road Initiative to build a community with a shared future for humanity.

Responding to the needs of globalization, an integrated economic model with emphasis on connectivity, digital economy, social uplift and shared prosperity with win-win outcomes is being pursued. China has established free trade zones in many provinces and regions, providing a level playing field to local and foreign investors alike, except in specific sectors of national importance clearly identified.

Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era and Xi's deeds advocate global peace, progress and prosperity. With its globally inclusive development, China has over the years made a major contribution to world peace and development. The all-weather comprehensive strategic cooperative partnership with Pakistan and building a closer China-Pakistan community of shared future in the new era are a testament to it.

Based on Xi Jinping Thought on Socialism with Chinese Characteristics for a New Era, China has dealt with a host of complex situations both domestically and abroad with remarkable poise. China's national response to COVID-19 started in January. Therefore, Volume III doesn't have an account of the remarkable fightback, recovery and post-pandemic rejuvenation. One would have to wait for Volume IV to read about it. ■

Copiedited by Sudeshna Sarkar
Comments to yanwei@bjreview.com

M book design MULTILINGUAL

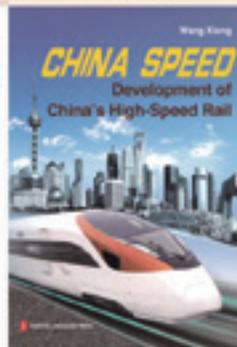
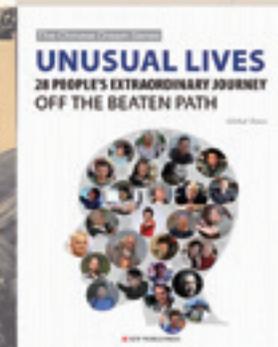
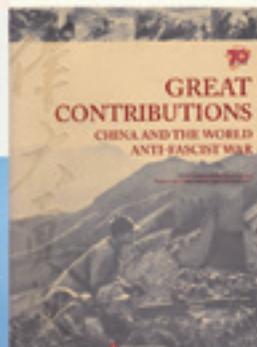
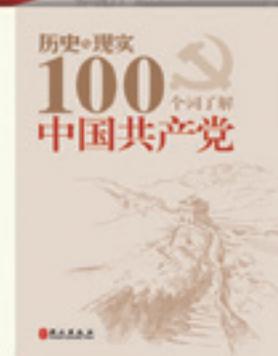
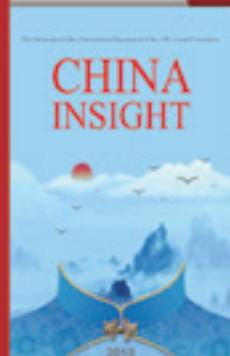
多 语 种 图 书 设 计

WE CAN DO BETTER

ALBANIAN
BENALI
CHINESE
CAMBODIAN
CZECH
DUTCH
DANISH
ENGLISH
FARSI
FRENCH
GERMAN
GREEK
HAUSA
INDONESIAN
日本語
한국어
LAOTIAN
MALAY
MACEDONIAN
MALAYSIAN
MONGOLIAN
PORTUGUESE
РУССКИЙ ЯЗЫК
SERBIAN
SLOVAK
SPANISH
SWEDISH
SWAHILI
தமிழ்
TURKISH
UKRAINIAN
URDU
VIETNAMESE

Add: 24 Baiwanzhuang Road, Xicheng District, Beijing 100037, China

Tel: (010) 68995980, 68996325



BEIJING REVIEW 专业团队 倾心打造，重磅推出!



权威
严谨
实用



更有套装回馈



► 相关视频课程 敬请关注翻译之路官方网站: www.chinacatti.com

中国外文局北京周报社淘宝店

扫一扫，即可购买!

热线电话: 010-68995808

A Global Britain?

Brexit: a clumsy English attempt to have their cake and eat it too By Adriel Kasonta



British Prime Minister Boris Johnson (center) holds a meeting with EU officials on Brexit issues by video link from London on June 15



The author is a London-based foreign affairs analyst and commentator, and founder of AK Consultancy

Since the British voted to leave the EU in the summer of 2016, it was clear that something that seemed to be simple in theory was to be difficult in practice.

After suffering several parliamentary defeats during her time at 10 Downing Street, Theresa May's exit deal attempts received a final blow when she was ultimately forced to leave office in disgrace last year.

Although May's successor, Boris Johnson, somehow managed to secure a withdrawal agreement with the EU in October 2019 where the two sides gave

each other an 11-month transition period to strike new agreements on crucial points before the end of December 31, 2020, the last few months were definitely not an easy ride for him either.

With plenty of theatrics on both sides, an emergency attempt to close this peculiar chapter in West European history recently came from Brussels, sending Michel Barnier, EU Brexit chief negotiator, to London in order to come to an agreement with Westminster.

The motive behind this move was an aim to strike a last-minute free trade agreement and avoid a no-deal Brexit, which would put tariffs on goods and create further chaos which is predicted to be even greater due to the second wave of the pandemic.

Barnier extended his visit in the UK until October 28 aiming to move a step further in order to enter the tunnel phase

of talks, a confidential format which prevents third-party interference and proved its usefulness last year in delivering the withdrawal agreement.

Barnier's visit came after a rather unfruitful EU summit early October, which reportedly offended the British prime minister by requesting further concessions.

Although Johnson's reaction was rather exaggerated, it certainly succeeded in putting pressure on Brussels which visibly softened its stance—somehow forgetting French Minister of State for European Affairs Clement Beaune's earlier reminder that "if the British thought they could live with the 'freedom' of no deal outside the EU... they would have already left without a deal."

Issues of concern

The issues of mutual concern can be divided into those which seem to be legal-

istically problematic, like governance and a “level playing field” on state aid, and those which seem to be marginal but populistically exploited, like fishing.

When it comes to domestic subsidy control, London and Brussels seem to be relatively happy to cooperate on the balanced set of rules to be included in the trade deal that both sides’ state aid systems will have to respect, with the UK willing to accept tariffs on “sensitive agricultural products” in exchange for the EU dropping some of its level playing field demands, like environmental and labor standards.

As far as governance is concerned, both parties still need to find the right system where binding decisions can be swiftly made as to whether either party has breached the comprehensive free trade agreement. It has to be equipped with the sanctions mechanism to facilitate effective resolution in case the agreement is breached by either party.

As for fishing, even though it accounts for a rather small portion of the economies of both parties, in the grand scheme of things the issue proves to be politically sensitive on both sides of the Channel.

While the EU nations such as France, Spain and the Netherlands want to retain their fishing boats’ access to British waters, the UK is determined to assert its authority as an “independent coastal state” and impose annual quotas on anyone wishing to get access to its waters and being strongly in favor of a zonal approach to the matter.

As if that was not complicated enough, it is worth noting that the UK approach toward the EU lacks good faith. The former openly planned in September to break international law by breaching parts of the withdrawal agreement related to the Northern Ireland Protocol by implementing a controversial piece of legislation called the United Kingdom Internal Market Bill, which was ultimately voted down by the House of Lords.

UK and U.S.

Such conduct can partly be explained by the Johnson government’s strong emphasis on trade deal negotiations with Washington in its post-Brexit agenda, as well as overconfidence about U.S. President Donald Trump’s victory in November, all of which seems to be very imprudent.



Fishing boats dock at Shoreham-by-Sea, one of the UK’s designated fishing ports, on October 11

Indeed, the U.S. is the UK’s most important trading partner, but “Global Britain” will also have to make deals with other countries and the current cunning attitude toward Europe may prove to have a daunting effect in the near future.

The U.S. will highly likely condition the outcome of the future U.S.-UK trade deal on honoring Northern Ireland’s 1998 peace agreement, as there is strong bipartisan consensus on that matter, with the U.S. law giving Congress authority over trade policy.

Furthermore, in November 2019 the U.S. House of Representatives voted in favor of the resolution reaffirming support for the Good Friday Agreement, passing it by a unanimous voice vote. The Good Friday Agreement, reached between the British and Irish governments in 1998, softened the border between the Northern Ireland and Ireland by allowing free movement of people and goods.

The trade deal itself will also not be easy due to the fact that both countries differ in their approach to areas like agriculture, the British healthcare system and Britain’s proposed digital services tax.

If no deal is found and implemented before December 31, trade between Britain and Europe will be conducted on World Trade Organization terms, involving hefty tariffs on many goods.

With the economic cost of a no-deal Brexit being two or three times as bad as the economic impact of the pandemic as forecast by analysis from the London School of Economics, Britain is visibly playing a high-stake losing game.

Regardless of the outcome of the continued negotiations with the EU (being already at odds with Europe), the so-called Johnson’s “Global Britain” seems to be impatiently awaiting the result of the U.S. presidential election to see if it has to go to “the back of queue” in any future trade talks with the U.S. and lose face in the eyes of the entire world, or “become de facto the 51st state of America, or at least a U.S. territory,” as Henry McLeish explained in *The Scotsman* newspaper in June, and perhaps lose its allegedly regained sovereignty for good. ■

Comments to yanwei@bjreview.com

The Green March

Marked progress in environmental protection with the implementation of 13th Five-Year Plan By Ji Jing

Although it's autumn, the trees in the Yuquan Mountain Forest Park in Taiyuan, Shanxi Province in north China, are still green and the park is full of people taking a walk in the woods. The park is a green miracle created on a deserted mountain scarred by abandoned mines.

Shanxi is China's second largest coal producer after Inner Mongolia Autonomous Region, and its capital Taiyuan is at the heart of the coal-producing area. Ten years ago, the Yuquan Mountain, rich in coal, was covered by open coal pits and the area was choked by coal dust. When it rained, black water ran down the mountain, polluting the fields. The Yuquan had become a major source of pollution for the city.

In 2009, the local government decided to improve the area to make it suitable for living and drafted a plan to create 26 forest parks. Obsolete coal mines have been converted into parks under the ecological restoration drive.

In recent years, more coal mines have been shut down, which reflects China's effort to become carbon neutral before 2060, as pledged by President Xi Jinping at the UN.

Green peaks

Private investors are encouraged to participate in ecological restoration. Zhang Junping, a retired soldier, decided to bid for greening the Yuquan Mountain. It was a surprise decision for him, who, having worked as a kettle man in the coal industry since he left the army, had no prior experience in afforestation.

While Zhang was attracted by the new business opportunity, the people he hired quickly left after they saw the area he was trying to reclaim. It was a dismal place with over 100 disused quarries and nearly another 100 deserted coal and gypsum mines. Undeterred, Zhang continued to plant trees, hiring villagers to bring soil in buckets. Despite the efforts, after two years, the investment went down the drain as all the 120,000 trees he had planted died from drought.

Still undeterred, Zhang soldiered on. This time he built reservoirs on the mountain, a network of pipelines for irrigation and even a road to reach the slopes easily. He became known as the man who planted trees on the cliff.

After nearly nine years of toil and an investment of over 1 billion yuan (\$149 million), the

mountain today is covered with over 5 million trees in more than 100 varieties, becoming a verdant backyard of the city.

Chang Chunsheng, a local resident, told Xinhua News Agency that with the environment and transport improved, there are more opportunities for a better life. Many villagers have opened hostels and some have fruit orchards, creating a livelihood alternative to mining.

The transformations that have taken place in the Yuquan Mountain are seen in many other places across the country thanks to the measures implemented during the 13th Five-Year Plan (2016-20).

In Ningxia Hui Autonomous Region in northwest China, the Helan Mountains, another coal-rich region, have seen all coal mines shut down, and the ecology restored through afforestation. On another range, the Qinling Mountains in Shaanxi Province in northwest China, the houses built illegally on the slopes have been demolished.

At a press conference in October, Zhao Yingmin, Vice Minister of Ecology and Environment, said remarkable progress has been made in environmental protection in the past five years, with the major targets and tasks set in the 13th Five-Year Plan mostly completed.

Eight of the nine pollution control goals, including reduction in carbon intensity and the discharge of fine particulate matters, sulfur dioxide, oxynitrides and ammoniacal nitrogen and improvement of surface and ground water quality, had been achieved by 2019. The remaining target, ensuring fairly good air quality in cities above prefectural level, is expected to be achieved by the end of this year.

Intensive efforts have been made across the country to control pollution. Fuling, a district in Chongqing Municipality in southwest China, is famous for its pickled vegetables, known as *zhacai*. However, in the past, a large amount of wastewater generated in the process was discharged without treatment into the Yangtze River that passes through the district.

To tackle the pollution, a wastewater treatment plant was built in 2008 to treat wastewater from the pickle factories. In addition, the 2,000 households who are involved in the *zhacai* industry were asked to build storage facilities for wastewater, which is later transport-

ed to the treatment plant for safe disposal. The companies that buy pickles from these sellers bear the cost for transportation and treatment of the wastewater. There are also regular patrols to monitor the situation.

The fight against air pollution has also been successful in the past five years. In the Beijing-Tianjin-Hebei region, dust per square kilometer was reduced by 7.5 tons last year; in the Fenhe-Weihe River Plain that straddles Shanxi, Shaanxi and Henan provinces, it went down by 6 tons; and in the Yangtze River Delta Region, it was reduced by 4.4 tons.

To make pollution treatment more targeted, a leading group has been established to oversee air pollution prevention and treatment in the Beijing-Tianjin-Hebei region.

The energy structure nationwide has become more clean and low-carbon, with more new energy used. The industrial structure has been upgraded, with outdated capacity eliminated. The transportation system has become cleaner, with the proportion of railway transportation increased. Last year, the volume of goods transported by railway increased 7.2 percent year on year.

Mountains of gold

During the National Day holiday from October 1 to 8, Sanming, a city in Fujian Province in southeast China, received 4.22 million tourists, earning 2.5 billion yuan (\$373 million) from tourism.

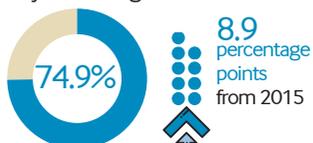
This represents a green transformation of yet another industrial city. Since the 1950s, Sanming was a major industrial base for iron, coke, carbide, chemical fertilizers, cement and plastic products. But in recent years, it has shut down over 170 mines and established a law enforcement team to crack down on illegal mining.

Green industries such as tourism and healthcare are being developed in the city, while traditional industries are switching to clean production methods.

Zhao said over the past five years, the environmental protection awareness has improved. The saying by Xi that "lucid waters and lush mountains are invaluable assets" has been written into the Constitution of the Communist Party of China. More and more local governments are trying to strike a balance between

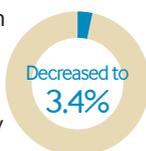
China's Environmental Improvement

By the end of 2019, the country had brought



of its surface water to a quality level at or above Grade III, the third highest level in China's five-tier water quality system

The proportion of water with quality below Grade V, the poorest quality level



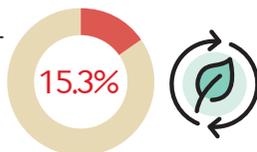
8.9 percentage points from 2015



6.3 percentage points



The share of non-fossil fuels in the total energy mix reached



By the end of 2019

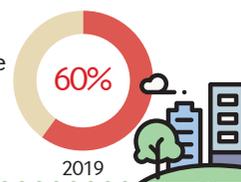
Energy consumption per unit of industrial added value of enterprises above designated size



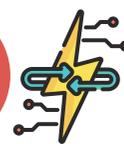
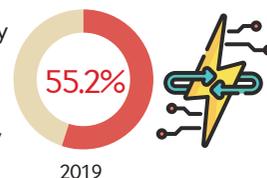
Saving 480 mln tons of standard coal and 400 bln yuan



The proportion of green architecture in newly built civil architecture



Installed new energy capacity as a share in the installed renewable power capacity



Carbon intensity



The installed renewable power capacity grew

by an average of 12% annually over the past five years

Installed photovoltaic and wind capacity and photovoltaic and wind power output ranked first in the world



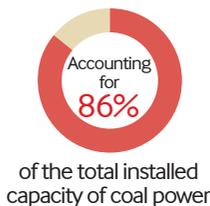
About 200 mln metric tons of excess steel capacity has been eliminated



Ultra-low emission coal units reached



■ = 100 mln



The Beijing-Tianjin-Hebei region and the Fenhe-Weihe River Plain area (located in Shanxi, Shaanxi and Henan provinces) have changed from coal to cleaner energy, such as natural gas and electricity to heat homes during winter

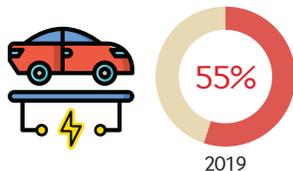


■ = 1 mln

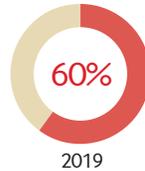
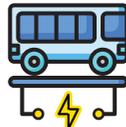
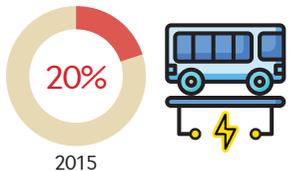
(Source: Ministry of Ecology and Environment; designed by Pamela Tobey)

China has the largest inventory of new-energy vehicles (NEVs) in the world

China's share of global sales of NEVs



Share of public buses in China that are electric



economic development and environmental protection. Enterprises are aware of the need to control pollution as the laws have been tightened.

Zhao said China is also contributing its wisdom and solutions to global environmental governance. The government has met the carbon dioxide emission reduction target for 2020 ahead of schedule and has promised that the emissions will peak before 2030 and carbon

neutrality will be achieved before 2060.

However, he also said the environmental quality still falls short of people's aspirations for a better life and a beautiful China. The dominance of the heavy chemical industry, reliance on coal for energy, and dependence on road transport remain major challenges.

However, China had eliminated 280,000 tons of annual ozone depleting substance production capacity before 2018, according to

Reuters, becoming one of the biggest contributors to protecting the ozone layer.

Also, under the Belt and Road Initiative an international green development coalition has been formed. It is undertaking cooperation projects to set up pilot low-carbon industrial parks in Cambodia, Laos, Kenya and other developing countries. ■

Copyedited by Sudeshna Sarkar
Comments to jjing@bjreview.com

The Digital Fence

Volunteers pitch in to help senior citizens cross the hurdle **By Yuan Yuan**

Nowadays, smartphone app Health Kit has become a must-have “passport” for people to go anywhere in China due to the novel coronavirus disease (COVID-19). However, though the app is handy for identifying those at risk of being infected through a color-coded system, it has left some people, mostly senior citizens who are relatively new to smartphones, in an awkward situation.

Yu Bin, who works at the Temple of Heaven, a famous park in Beijing, checks the health code of every visitor at the entrance. Green means a person is healthy, whereas yellow and red respectively mean a person should self-isolate and go to a doctor.

“We can’t allow them in if they cannot show us their green code,” Yu told *Beijing Daily*. The Temple of Heaven is a place where many seniors living nearby do morning exercises. Yu said every morning he has

to help more than 100 seniors access the Health Kit on their smartphones, if they have one, before entering the park.

The health code is required to access many venues. There have been complaints from seniors who couldn’t get onto buses or take subways or get into local convenience stores for a quick shopping trip because they can’t access the Health Kit using a smartphone. “You can’t expect a person of my age to remember the steps to access the Health Kit,” an 87-year-old in Beijing surnamed Wang told Beijing Radio.

On October 14, the scene of an elder shouting inside a hospital in Sichuan Province, southwest China, went viral. To reduce person-to-person contact and increase efficiency, the hospital had decided to close its registration windows and use registration machines and its smartphone app. The man felt frustrated as he couldn’t manage to do either.

Digital refugees

On October 25, China celebrated the traditional Double Ninth Festival, also known as Seniors’ Day. It is a day for worshipping ancestors and praying for the longevity of senior citizens.

Two days before the festival, Li Banghua, deputy head of the elderly care department under the Ministry of Civil Affairs, said at a quarterly news conference that the ministry is now drafting the elderly care chapter of the 14th Five-Year Plan (2020-25) as the number of citizens aged 60 and above is expected to surpass 300 million in the next five years.

The China National Committee on Aging estimates that the number of aged people will climb to 423 million by 2036 and up to 487 million by 2053. By then, China will face the most severe population aging in the world.

“Digital divide is a common issue of all aging societies across the world,” Yang Yifan, a professor from Southwest Jiaotong University in Chengdu, Sichuan, said. “Compared with the knowledge and education gaps, this specific gap appears to be the tougher one to fill in.”

It is relatively hard for seniors to learn new technology. For some, a cellphone serves no other purpose than making and receiving calls. Before the spread of COVID-19, it was perfectly fine for seniors to stick to their traditional lifestyle. For instance, if they didn’t want to use e-payment methods, they could pay by cash. But the epidemic has compelled them to use smartphones, Yang said.

“Actually, it is more than merely the Health Kit,” Zhou Yuqiong, a professor from Shenzhen University, Guangdong Province in south China, told Xinhua News Agency, “As almost everything in our daily life has turned smart, activities including booking train tickets and ordering takeout can be done simply through clicks for the younger generation. But for many seniors, it makes life even harder.”

The digital gap has also caused a bout of negative reactions to senior citizens,



A volunteer (center) teaches seniors in Meiyuan Community in Beijing how to stay safe from telecom fraud on March 16, 2018



A volunteer from Qian Haijun Volunteer Service shows a senior how to use a smartphone in Cixi, Zhejiang Province in east China, on November 24, 2019

stigmatizing them as outdated and too stubborn to learn modern matters, she said.

"It is not about whether or not they are willing to welcome new technology into their lives, it is whether or not they are capable of doing so. Some are either illiterate or their eyesight is too poor to read the words on smartphones," Zhou said. "Most tech companies haven't given enough consideration to senior people's needs, worsening the situation."

"Every time we go home for the holidays, my brother and I talk about online gaming, my parents and their peers talk about popular online videos," said Lu Yibin, a college student from Sichuan. "My grandparents, who are illiterate and don't have smartphones, just sit there in silence."

Lu felt sad about this as he could tell his grandparents wanted to join them in the talks but didn't know how. "My parents, my brother and I don't live with my grandparents," Lu said. "If my grandparents only knew how to make video calls using a smartphone, they could see us whenever they miss us. We tried to teach them how to do that for quite a few times, but they

complained the steps were too complicated and gave up finally."

The helpers

Zhou doesn't support the idea of a "full-digital" society and suggests alternative choices for the seniors, so that those blocked by the "digital fence" too can enjoy public services.

She said students should play an important role in helping older family members get into the digital world.

"Seniors, with fading memory, often can't remember the steps," she said. "Even though some volunteers go to the communities to teach them, it is not easy. The younger members in families should do the teaching."

Li Chengbo, an associate professor from Chongqing University in southwest China, has different ideas. "As the family structure in China has changed a lot in the past decades, it is now common for seniors to live separately from their children," he said. Since China adopted the family planning policy in 1980, many couples in their 60s have only one child. "The time the only-child generation spends with seniors

is quite limited."

Li regards volunteers as the major force in helping senior citizens in the future. "The volunteers normally gather seniors in the same community together to teach them," Li said. "Seniors are more willing to learn together with their peers. We should make efforts to build a larger and stronger volunteer force."

Qian Haijun Volunteer Service, a volunteer group set up in 2012 in Ningbo, Zhejiang Province in east China, offers help to those in need, especially the elderly. The volunteers regularly visit communities across Ningjun, looking after their health and teaching them how to use mobile apps.

"Now we have over 1,000 volunteers and the number has been steadily increasing," Qian Haijun, founder of the group, told Ningbo Television. "The seniors need company and patience. I hope more young people will join in the volunteer work in the following years." ■

Beyond Book Learning

Academic evaluation should be reformed to produce well-rounded students

By Xiong Bingqi



The author is director of the Shenzhen-based 21st Century Education Research Institute

To establish an up-to-date and world-class evaluation system by 2035, an overall plan on educational evaluation reform was issued on October 13, which proposes a four-pronged evaluation approach to be followed in a coordinated manner. In addition, the plan calls for making good use of information technology to make evaluation more effective and objective.

The four-pronged approach refers to improving outcome evaluation, strengthening process evaluation, exploring

value-added evaluation and enhancing comprehensive evaluation.

This approach addresses a long-standing problem plaguing the evaluation system, colloquially referred to as the “five-only” malady.

The malady is an overemphasis on test scores, admission into higher-level education institutions, diplomas, number of published papers and similar credentials when evaluating students, teachers and schools.

The purpose of basic education is to nurture young people with an all-round moral, intellectual, physical and artistic grounding as well as work ethics and skills. The “five-only” malady has led to deviations from the purpose. At the National Education Conference in Beijing in September 2018, President Xi Jinping called for reform of the evaluation system to remedy this.

Looking beyond scores

Judging students only by scores in some subjects may lead to them and their parents caring about performance in these subjects alone, while neglecting other aspects. For instance, currently, whether a student can enter university depends on the performance in one single exam—the national college entrance examination, or *gaokao*. Since moral standards, physical fitness, art literacy and work ethics and skills are not covered in the exam, education in these aspects has not received as much attention as subjects such as mathematics and languages.

Under the current system, some students have pursued high academic scores at the expense of their health. National Health Commission data in 2019 showed a high overall incidence of myopia among children and adolescents: 14.5 percent among 6-year-olds, 36 percent among primary school students, 71.6 percent among junior high school students and 81 percent among senior high school students.

Parents also tend to evaluate teaching by looking at test scores and admission rate into higher-level schools. Many schools have not paid sufficient attention to physical education (PE). Measures have been taken to urge various parties to pay more attention to improving students’ physical fitness. Since 1993, physical fitness has been tested for entrance into senior high schools in some places; and since 2007, as required by the Ministry of Education (MOE), it has been included in senior high school entrance examinations in most places.

However, in 2016, the General Office of the State Council noted that some schools still didn’t have enough PE classes while students didn’t have enough extracurricular physical activities, and the lack of PE teachers and facilities remained a salient problem. It issued a notice on strengthening PE to promote the physical and mental health of students.

Some people think physical fitness should be given more weight in high



Primary school students in Hechi, Guangxi Zhuang Autonomous Region in south China, participate in a game on September 26

school admission, and should be tested in the *gaokao*.

Guidelines have been issued recently on strengthening physical and art education. One document proposes improving the content and scoring method of sport items in the senior high school entrance examination, and gradually increasing the maximum possible score. The other document says it is necessary to explore how to bring art subjects into the pilot reform of senior high school entrance examination, and promote objective and fair evaluation with modern technology.

At an MOE press conference last month, Wang Dengfeng, Director of the Physical Education, Health and Art Department of the MOE, said the maximum possible physical fitness score should be increased year by year during senior high school entrance exams, to reach the same level as those of language and mathematics courses. He pointed out that Yunnan Province in southwest China has already increased it to 100, the same as language and mathematics full scores.

Nonetheless, there is a worry that further increasing the maximum possible physical fitness score might give rise to examination-oriented PE. If that were true, the measure would make students' life more stressful rather than truly arouse their interest in sport activities and inspire them to learn more sport skills.

In terms of art literacy tests, there is also a concern that since some students are naturally more gifted in art than others, the test scores might not adequately reflect students' efforts.

To address these concerns, it is necessary to improve outcome evaluation and strengthen process evaluation. Whether a student should be admitted into higher-level schools should not depend on the performance in one entrance exam; the overall performance during the education process should be taken into consideration.

The overall reform plan proposes that the practice of labeling students with scores should be halted, and innovation should be made in process evaluation methods to assess students' all-round development.

Process evaluation is used in developed countries such as the U.S. Although U.S. universities look at applicants' scores in the Scholastic Assessment Test and American College Test, yet they also look at their grade point average in high schools and other special skills.

In recent years, more and more foreign universities have begun to recognize the results of the *gaokao*. However, they do



Students watch a lion dance, a traditional art form, in Tangshan, Hebei Province in north China, on October 31, 2019

not admit students solely based on *gaokao* scores.

The plan also proposes performance value-added evaluation—assessing how much progress the students have made from enrollment till graduation. Greater progress indicates more effective education.

The promotion of process evaluation can start from the evaluation of physical fitness. Students' performance in PE classes and participation in physical exercises and sport competitions should be combined to form an overall physical fitness score, which will prompt schools and students to attach importance to PE.

At the same time, local education departments should ensure schools have adequate PE resources, and urge them to offer enough PE classes and organize students to carry out physical exercises.

The plan has made it clear efforts will be made to accelerate the creation and use of documents that record the overall competence of junior and senior high school students, and gradually change the practice of selecting students simply based on examination results.

Ensuring fairness

However, a problem facing process, value-added and comprehensive evaluation methods is how to ensure their objectivity, fairness and credibility. Result evaluation is the easiest to administer and the fairest, but cannot reflect the comprehensive competence of students. Process and comprehensive evaluation methods might not be objective, and so, the joint efforts of various parties are necessary to ensure their credibility.

Schools must become more capable of ensuring that the process-based and comprehensive evaluation of students is objective and fair. This is crucial for the education evaluation system reform.

The plan proposes building a professional evaluation system engaging the government, schools and other social sectors, establishing an evaluation monitoring mechanism overseen by the education authorities, and giving play to the roles of professional and social organizations. ■

Beg, Borrow, ... or Read

A poor county becomes the face of China's rural education drive

By Sudeshna Sarkar



Sudeshna Sarkar, an editorial consultant with *Beijing Review*, teaches 12-year-olds at the Dongtuanpu Central Primary School, Laiyuan County, Hebei Province, north China, on September 14



Fifth graders at the Dongtuanpu Central Primary School

For museum enthusiasts who love to know more about China's history and culture through, well, museums, a hidden gem awaits their discovery—in a rather unexpected place. This September, we went to a picturesque mountain county that despite being only three hours away from Beijing by car is almost on no general tourist's radar.

I came to know about Laiyuan, located in the city of Baoding in Hebei, the province adjoining Beijing, only at the fag-end of my decade-long stay in China. It is there that an experiment in education started, an initiative that is probably to rural education in China what the reform and opening up was for the Chinese economy in 1978.

The school we visited in Laiyuan, previously known as Taomugeda Primary School, back in the 1980s was nothing more than a tumbledown stone and mud shack; a sheep pen by night and the only school for children in the village, by day. In winter, the wind whistled in through the windows that had several panes missing and were curtained with tattered plastic sheets. The cold made the children, dressed in scraps and mostly barefoot, shiver. When it rained, the rainwater came down through the rickety roof, at times erasing the writing on the blackboard.

But when we went there, we were greeted by a modern whitewashed building with well-organized wings that besides the classrooms, included a music room, a computer room, a library and dormitories for students. There were decent football and basketball courts. It was the new avatar of the Taomugeda Primary School, renovated and renamed the Dongtuanpu Central Primary School. From the original 13 students, the school now boasts 328 students, we were told by the deputy principal of the school, Zhang Shangli.

Zhang's face looked familiar, though I had never met him before. Then it dawned on me where I had seen him before. His was among the arresting faces we saw in the photographs in an annex we had to cross before reaching the main building. The annex was a small but compact museum that told the story of the school, the

rural educational experiment behind it that is known as Project Hope today, the stories of the students who have done the school and country proud, and the state leaders associated with the project.

From poster boy to principal

In 1988, Zhang was 12, and deeply unhappy. His father, a struggling farmer, had fallen ill and asked Zhang to quit school to help feed the family, including his several younger siblings. Zhang would go up into the mountains, collecting tree branches to cook the food. One photo in the museum shows the young boy carrying a large load of twigs on his head.

But Zhang wanted to study. The previous year, he and several other boys in the school had seen their first car. The man in the car had a kind face and spoke to the raggedy children in a kind way. Learning that they all attended school, he told them to study hard and he would help them go to college. Later they learned the visitor's name was Che Zhizong.

Che was the deputy chairman of the Laiyuan Committee of Chinese People's Political Consultative Conference, the political advisory body to the local government, and had come to assess how the village could be promoted as a tourism destination to end the rampant poverty there. For Zhang, that fateful meeting had left a deep mark on his mind and on an impulse he scribbled a letter to the official.

"Dear Uncle Che," he wrote, "We badly want to go to school, but our family is poor, and our father can't afford our tuition fees. We want to be learned and be someone like you, who makes the country proud."

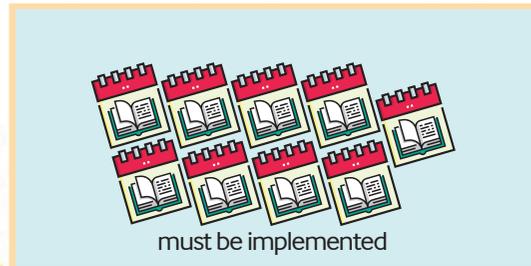
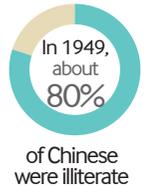
Besides Zhang, Che's daughter Xiaoqiao also pieced together the story for us, a story which has since become well chronicled by both media and individuals writing about education in China.

Che is now 82. A fall about two years ago left him severely debilitated, practically unable to speak. Yet he closely followed his daughter recounting the story, sometimes nodding in agreement.

When Che got the letter, as luck would have it, the Central Committee of the Communist Youth League of China and China Youth Development Foundation had been asked to help school dropouts in rural impoverished areas continue their education. Che suggested the two organizations start the project, Project Hope, by sponsoring the education of the 13 children, and the proposal was accepted. That is how in 1989, the group of 13 got a new lease of life.

China's Poverty Alleviation Bears Fruit Through Education

In China, a policy was passed in 1986, stipulating a **nine-year compulsory education program**



Net enrollment rate of primary school-age children

Gross enrollment rate of junior high schools

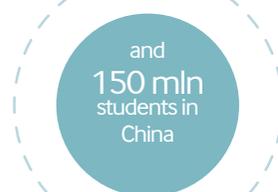


In 2001, China universalized nine-year compulsory education, basically eliminating illiteracy among young and middle-aged people

The time it took for China to popularize nine-year compulsory education is about



In 2018, there are more than **210,000** compulsory education schools



nearly half of the total population of the United States

In the last 10 years, the area of schools in China's compulsory education has increased



PROJECT HOPE (By 2019)

The project has received **16.1 bln yuan** in donations

assisted **6,170,200** students from impoverished families

helped build **20,359** Hope Primary Schools



(Sources: China Youth Development Foundation, Xinhua News Agency; designed by Pamela Tobey)

"If I had not received the help that I did, I would have been either a beggar or a low-skilled migrant worker," Zhang told us. "Education and technology are the two most important things that can change the

fate of those who would otherwise remain in poverty forever. If a family had just one college graduate, that single graduate's earnings could pull the entire family out of poverty."

OUT OF POVERTY

His words were almost an echo of U.S. economist Jeffrey Sachs'. At a webinar on how to end poverty in China as well as in the U.S. on October 13, Sachs, Director of the Center for Sustainable Development at Columbia University, said technological changes today, leading to the digitalization of society and the economy, have left at least half of American households without college education falling further and further behind. Education remains paramount in the struggle to attain a reasonable livelihood.

A welcome generation gap

The reverse is that lack of education or in the worst case, illiteracy, breeds poverty. Across rural, remote and inaccessible areas, illiteracy is handed down from generation to generation, and along with it, poverty.

Chinese leaders have been well aware of this. In 2015, on the eve of National Teachers' Day, September 10, in a message to teachers, President Xi Jinping said, "Reducing poverty must begin with reducing ignorance. Therefore, giving rural children a good education is an important task in poverty relief, and also a crucial means to stop poverty being passed on between generations."

That is why Project Hope was started in the 1980s, to ensure basic education across China's impoverished areas. During the Chinese People's War of Resistance against Japanese Aggression (1931-45) and the World Anti-Fascist War, mountainous Laiyuan was a revolutionary base of the Communist Party of China due to its inaccessibility. But when the war was over and Japan had surrendered, the mountains stood in the way of progress and prosperity. Therefore Project Hope decided to fund poor students there to halt the inter-generational transmission of illiteracy and poverty. By September 2019, the project built over 20,000 primary schools in poverty-stricken areas and helped 6 million students.

According to the school museum, in 1992, the education of one of these students, identified only by the surname Zhou, was sponsored by an anonymous donor. It was only years later that Zhou came to know the good Samaritan was none other than late Chinese leader Deng Xiaoping.

Zhang's story is a classic example of how one generation with education can break the chain of illiteracy and poverty. Zhang has two children. While the younger one is too young to go to school, the older is in college.



Zhang Shangli, Deputy Principal, Dongtuanpu Central Primary School

The story of education in China has been carried forward by people like Zhang who, grateful for the chance life gave them, decided to pay it forward. Zhang could have worked and lived in the big cities, but he decided to return to Laiyuan, which was one of the 10 most impoverished counties in Hebei.

Zhang explained his decision. China's poverty, he said, stemmed not from the big cities like Beijing and Guangzhou, but from the rural areas lacking education. "It made me decide to be a teacher in my hometown and teach those who cannot go to school due to poverty," he told us.

Today, Laiyuan has about 26 Project Hope schools.

In 2013, the county began to follow a 15-year free education policy, covering preschool to high school in rural areas, with special attention given to control the number of dropouts. In 2019, the pre-school gross enrollment rate was 99.78 percent while primary and junior high school enrollment rate was 100 percent, according to the local government.

Che continues to contribute to children's education. His daughter continues his work by providing books, clothes and medical care for youngsters from impoverished families. When we visited him, we were introduced to a seventh grader who

calls him "grandfather." The teen comes from a poor family and her father is mentally ill. While her education is public-funded, she gets much-needed family support and nurturing from the Che family.

The teenager, Dong Haiyan, wants to be a doctor, influenced by the heroism medical workers showed during the peak of the novel coronavirus epidemic in China. Time will tell if her wish comes true. But even if she doesn't become a doctor but continues her education to eventually stand on her own feet, it will be another case where one generation finally puts an end to the transmission of poverty. ■

(Zhang Shasha contributed to this article)

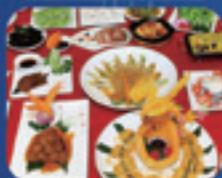


The author is an editorial consultant with *Beijing Review*
Copyedited by Elsbeth van Paridon
Comments to linan@bjreview.com

CHINA MOSAIC

Weekly video commentary direct from Beijing

中国3分钟



Sharing Benefits

China will continue to open up its market through Shanghai expo

By Zhang Jiuqin



The author is an associate researcher with the Chinese Academy of International Trade and Economic Cooperation

Despite the global economic slowdown and the spread of the novel coronavirus disease (COVID-19), the Third China International Import Expo (CIIE) kicking off in Shanghai on November 5 remains an attraction to global traders.

With the planned exhibition area for enterprises totaling 360,000 square meters, the event has four themes: technologies and equipment, consumer goods and smart lifestyles, food and agricultural products, and services and health. The six exhibition areas are on trade in services, automobiles, consumer goods, technical equipment, medical devices and healthcare products, and food and agricultural products.

The CIIE was initiated in 2018 by the Chinese Government to boost high-level opening up. In recent years, the anti-globalization trend as well as U.S. protectionism and

unilateralism have continued to rise, posing challenges to the multilateral trade system with the World Trade Organization at its core. By holding the world's first import-themed national-level expo, China showed its determination to safeguard free trade and globalization.

As the world's second largest economy, China remains appealing to exhibitors for its sound economic growth and enormous market potential. The CIIE has helped advance economic and trade exchanges and cooperation between different countries, promoted global trade and economic growth, and boosted an open global economy.

Bringing opportunities

The CIIE encourages global businesses to share the fruits of China's economic growth. Data released by the National Bureau of Statistics (NBS) on October 19 showed that China's economy managed a V-shaped recovery in a world mired in recession due to the impacts of the pandemic.

In the first three quarters, the year-on-year GDP growths stood at -6.8 percent, 3.2 percent and 4.9 percent, respectively. Industrial capacity utilization in the third quarter reached 76.7 percent, up 2.3 percentage points from the

second quarter. Total retail sales of consumer goods went up by 3.3 percent year on year in September.

In recent months, China's economic performance as well as domestic supplies and demands have seen steady recovery. The International Monetary Fund has projected China's GDP to grow by 1.9 percent this year. That would make China the only major economy to achieve positive economic growth. The World Bank also upgraded its June forecast, projecting that China's annual GDP growth will reach 2 percent this year.

The expo serves as a gateway for more global businesses to enter the ultra-large Chinese market. NBS data showed that China's total retail sales of consumer goods reached 41.2 trillion yuan (\$6.1 trillion) in 2019, surpassing the U.S. to become the world's largest consumption market. The momentum of



The National Exhibition and Convention Center in Shanghai, the venue of the Third China International Import Expo (CIIE)



consumption expansion is enhanced by its 1.4 billion people, including more than 900 million working-age people and over 400 million with middle income. The great potential will be further unleashed when the country completes its poverty alleviation campaign, upgrades the consumption model and improves the consumption capacity.

Today, China has become the single largest market for many multinational companies like BMW of Germany and Toyota based in Japan, and also the largest consumer of imported food. International products including Chilean cherries, German milk, Australian red wine and U.S. nuts have entered the Chinese market through the Air Silk Road and China-Europe freight trains.

By entering the Chinese market and learning about China, global enterprises can tap into the potential of the market and meet the demands of Chinese consumers for more diverse experience and a high-quality life.

During this CIIE, exhibition areas are set up for other developing countries which have a comparative edge on food, and agricultural and consumer products. Developed countries which lead in the automobile, medical device, and

healthcare product industries as well as trade in services, have also established their respective booths. The CIIE provides opportunities for China's trading partners with different levels of economic development.

Moreover, China is the world's largest manufacturing hub with a complete industrial chain in all the categories listed in the United Nations industry classification system. That is one of the primary reasons for global companies to set up factories in China.

Even though some global enterprises are seeking to shift their supply chains from China to other countries to hedge risks after the pandemic, China will continue to be a magnet for multinational companies due to its complete industrial chain. It has also developed industrial clusters that can reduce enterprises' procurement and logistics costs and shorten the time needed to adapt to changes in demands and technologies.

Better understanding

As China's business environment steadily upgrades, the CIIE will enable global companies to share the benefits. Since the 18th National Congress of the Communist Party of China in 2012, China has focused on advancing del-

egation of power, enhancing regulation and improving services to remove the institutional barriers for the development of its domestic enterprises.

According to the China Business Environment Report 2020, the first such report issued by the National Development and Reform Commission in September, 98 cities across the country participated in a trial program which aims at reforming the assessment system of local business environment.

In 2019, the reform simplified approval procedures and lowered market access. The items on the nationwide negative list of foreign investment and that of foreign investment in pilot free trade zones have been cut to 40 and 37 respectively. While rules have become more open and transparent, supervision based on justice and fairness has been enhanced.

The reform of administrative services has been advanced by boosting Internet-based services and cutting procedures to bring convenience to the public. In 2019, the government cut 2.36 trillion yuan (\$352 billion) of taxes and fees and canceled more than 13,000 certification items.

According to the World Bank's Doing Business 2020 report, China's ranking has risen 15 places compared with the previous year at 31st, making it one of the top 10 economies with the most significant improvement in business environment for two consecutive years.

The expo has also provided a channel for global companies to learn about China's resolve of further opening up. China has also held the Canton Fair and the China International Fair for Trade in Services amid epidemic containment this year.

It has implemented the new Foreign Investment Law and regulations for improving the business environment, expanded the opening up of the financial industry and established three new pilot free trade zones for higher-level opening up.

In mid-October, the Ministry of Finance, the General Administration of Customs of China and the State Taxation Administration jointly issued a notice on improving preferential policies on tax for imported exhibits during the Third CIIE.

Besides the exemption of import tariff, value-added and consumption taxes will also be exempted for certain amount of imported exhibits during the event. Starting from the expo this year, tax reduction on the purchase of imported exhibits will be regularized to facilitate the expansion of imports for domestic enterprises. ■



A trade director of Moroccan cosmetics company IntelCare checks the company's products in Casablanca on October 9. They are on display at the Third CIIE via cloud participation

Copyedited by Sudeshna Sarkar
Comments to lixiaoyang@bjreview.com

Capital Market Reform Advances With Expansion Of Registration-Based IPO



A ceremony is held for the first registration-based initial public offering on the ChiNext Board at the Shenzhen Stock Exchange in Shenzhen, Guangdong Province in south China, on August 24

With the registration-based initial public offering (IPO) system to be further expanded, China has cranked up reform in its capital market system amid efforts to promote high-quality economic development.

The registration-based reform will be deemed the bellwether of the broader capital market revamp, and is bound to bring about major institutional improvements in the sector, Yi Huiman, Chairman of the China Securities Regulatory Commission (CSRC), said at the Annual Conference of Financial Street Forum 2020 held from October 21-23.

The country will gradually roll out the new IPO system in all parts of its capital market as conditions have gradually matured after a pilot program, the commission said.

China has stepped up IPO reform since 2019, implementing the new IPO system on the Shanghai Stock Exchange's sci-tech innovation board, or the STAR Market, and the Shenzhen Stock Exchange's ChiNext Board.

"The ongoing reform can be described as meeting expectations with stable performance," Li Chao, Vice Chairman of the CSRC, said, adding that it has so far achieved remarkable results and won recognition from the market.

The STAR Market, for instance, has seen a more efficient approval and registration process, with the average time between IPO application and registration shortened to about

five months.

Major institutional innovations on the sci-tech board have also withstood market tests, as evidenced by more rational new stock pricing, higher pricing efficiency and a more vibrant secondary market.

Building on the experience of the pilot program, the commission will steadily advance a market-wide IPO reform, with measures to improve the information disclosure system, issuance and underwriting mechanisms as well as delisting channels.

Another focus of institutional improvements is to foster a multi-level capital market covering main boards, the STAR Market and the ChiNext Board, among others, so as to give full play to direct financing in bolstering the real economy.

As of October 15, direct financing totaled 3.86 trillion yuan (\$578.7 billion), up 37.13 percent year on year, data from the financial information provider Eastmoney.com showed. China's exploration of the multi-level capital market has been "successful," Andrew Sheng, a distinguished fellow at the Asia Global Institute, said.

Looking ahead, Yi pledged more efforts to improve the diversified supervision system of private equities, promote inter-connectivity of bond markets, and expand the pilot program of real estate investment trusts.

Apart from the task of assisting all kinds of companies with their funding demand through the multi-level capital market, China's securities regulator has also been on the lookout for market risks, rolling out measures to strengthen regulation and risk control.

Earlier in October, a guideline was issued to improve the quality of listed companies, detailing 17 measures such as better corporate governance, perfecting the exit mechanism and raising penalties for illegal acts.

Shedding light on relations between regulation and market, Yi said China will establish an open and transparent capital market system, keep its hands off "matters that are not subject to regulation" and foster a healthy market ecosystem.

An improved fundamental system can boost the competitiveness of the capital market, thus injecting impetus into the high-quality development of the real economy, Li Zhan, chief economist with Zhongshan Securities, said.

China will move further in building a more mature and stable capital market system, better serving the real economy and protecting the legitimate rights and interests of investors, Yi said. ■

This is an edited version of an article published by Xinhua News Agency
Comments to yanwei@bjreview.com

NUMBERS

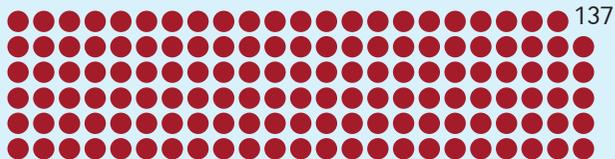
(\$1=6.7 yuan)

Mergers and Acquisitions Market

August

Number of Cases

M&As among domestic companies



Chinese companies' overseas M&As



M&As by foreign companies



Total value (mln yuan)

M&As among domestic companies



Chinese companies' overseas M&As

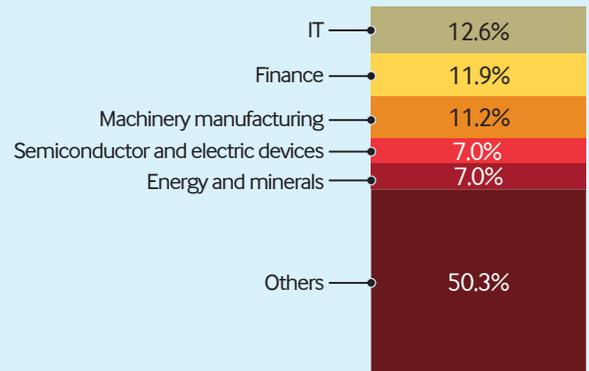


M&As by foreign companies

Undisclosed

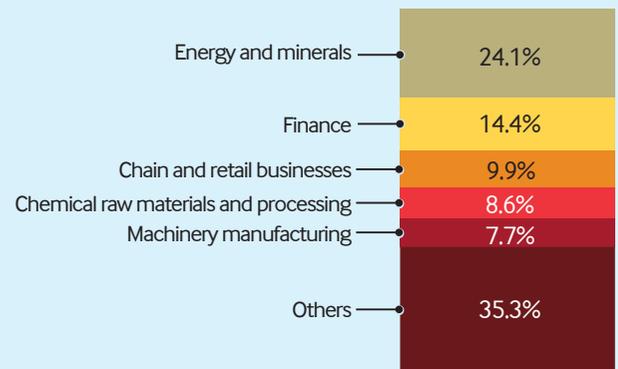
Top Five Sectors in Mergers and Acquisitions Cases

August



Top Five Sectors in Mergers and Acquisitions Value

August



(Source: Zero2IPO)

China now has **509** general aviation enterprises and **2,913** general aircraft. The general aviation industry has made headway in recent years as one of China's strategic emerging industries.

The China Transportation Services

Index stood at **168.4** points in September, down by 4.2 percent year on year, narrowing by 4.7 percentage points from that in August. The transport industry has further recovered as economic rebounds continue.

China's telecom industry registered steady growth in the first three quarters. The combined industrial revenue surpassed

1.02 trillion yuan during the period, up 3.2 percent year on year.

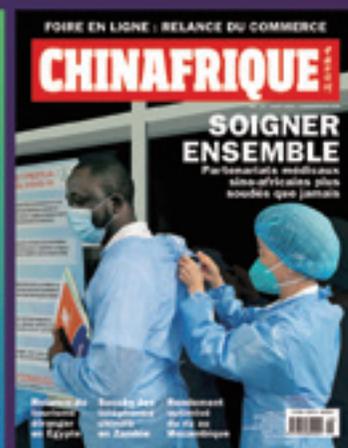
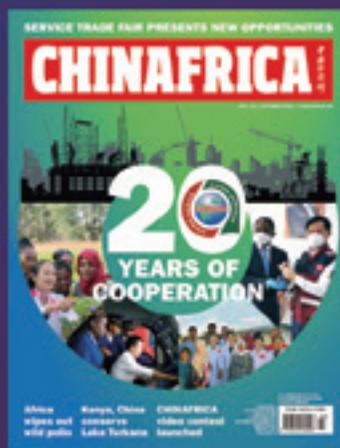
(Source: Xinhua News Agency)

BEIJING REVIEW CHINAFRICA

Presenting the Real China to the World

Beijing Review, China's only national English news weekly

ChinAfrica, China's only English and French monthly magazine featuring news, views and analyses for an African readership



Annual Subscription Rate 全年优惠订阅价

DOMESTIC

BEIJING REVIEW

RMB240

for 52 issues

Postal Subscription Code: 2-922

CHINAFRICA

RMB120

for 12 issues

Postal Subscription Code: 2-916

OVERSEAS

USD64

Discount rate for 52 issues

RAND360

Annual rate for 12 issues

AVAILABLE ON DOW JONES FACTIVA AND ZINIO

A NEWS CORPORATION COMPANY
DOW JONES

zinio

中国邮政
CHINA POST

淘

电话: 010-68995808, 68310644
地址: 北京市西城区百万庄大街24号



Overseas Distributor

China International Book Trading Corp.
P.O.Box 399

Beijing 100048, China

Tel: +86-10-68433078

E-mail: fp@mail.cibtc.com.cn

Subscription Line

Fax: +86-10-68420340

Subscription Line

For Europe-America areas

Tel: +86-10-68433186

E-mail: bk1@mail.cibtc.com.cn

For Asia-Africa areas

Tel: +86-10-68433109

E-mail: bk2@mail.cibtc.com.cn

Freedom vs. Order

Their different core values demand that China and the West should sit down and talk By Pan Yue



The author is the first deputy president of the Central Institute of Socialism

Ancient Greek civilization is considered the cradle of modern Western civilizations, and Chinese civilization experienced crucial evolution around the same time during the Warring States Period (475-221 B.C.). In fact, both civilizations faced similar historical situations from 500 to 300 B.C.

Great minds in the East

Over the last five decades in the Warring States Period, strategists and advisers were divided into two factions. The Qin State inside Hangu Pass, one of the most important passes 2100 years ago in China, was heavy with legalists and political strategists. Opposite it, the six allies outside Hangu Pass developed a spirituality led by Xuncius, the last Confucian master of the Warring States Period, who presided over Jixia Academy for three terms. Jixia Academy was an advanced education institute established by the Qi State (part of today's Shandong Province in east China).

Xuncius realized that Confucians had constructed a unified morality system but not a unified governance system, while legalists had developed a unified governance system with glaring flaws in the realms of spirituality and morality. He determined that integrating the legalist system of the Qin State with Confucian meritocracy, honesty, righteousness, and benevolence would form a Great Way, which represented the lofty political ideals of ancient times.

Han Fei and Li Si, two outstanding students of Xuncius, both ventured into the Qin State to realize their ambitions after finishing their studies. Xuncius became very disheartened by their departure and even went on hunger strike because the students abandoned Confucianism

in favor of taking Legalism to an extreme. Xuncius considered Legalism and Confucianism unified opposites which cannot exist without each other. Xuncius' teachings are not limited to Confucianism and Legalism. *Records of the Historians* is a monumental history of ancient China by Sima Qian in the Western Han Dynasty (202 B.C.-A.D. 25), which dated back from nearly 2600 B.C. up to his present time. It declared that Xuncius' philosophy built on the successes of Confucianism, Mohism and Taoism while at the same time learning from their failures.

Xuncius' philosophy embodies the tolerance and inclusiveness of Chinese civilization in the face of massive difficulties and contradictions. It pursues a "middle way" based on reason rather than dogma. In modern discourse, this would be called "seeking truth from facts." The middle way of thinking enabled Chinese

civilization to tolerate and integrate seemingly irreconcilable contradictions to create a harmonious environment featuring symbiotic coexistence of polar things.

Xuncius died at the age of 90.

His philosophy was so contradictory that his postmortem legacy became even more marginalized. For 1,800 years after Confucianism was officially recognized, Xuncius was never acknowledged by any Confucian sect.

Men enlightening the West

About 70 years after Xuncius was born, Aristotle was born in Thrace, a city-state regarded as a barbarian territory under the jurisdiction of the Macedonian king. At the age of 17, he was sent to Plato's Academy in Athens alone. A resident alien, he was not chosen as Plato's successor even though he was



A student copies and article by Xuncius in Beijing on December 22, 2017

Plato's most successful disciple.

Aristotle left Athens for Macedonia and tutored Alexander the Great. Alexander was educated according to the highest standards of Greek civilization. Aristotle inspired the 14-year-old with Greek literature and Homer's epics and kindled his passion for biology, botany, and zoology. He even wrote two monographs to cultivate Alexander's political thinking.

The conquests of Alexander the Great spread Greek culture widely. While Alexander the Great was conquering, his revered teacher Aristotle returned to Athens and established his own school called Lyceum. The Lyceum welcomed thinkers from outside Athens and soon bestowed even Plato's Academy in reputation.

At the Lyceum, Aristotle extensively synthesized various previous philosophies and wrote the masterpiece *Politics*, a fundamental pillar of Western political philosophy.

Aristotle faced trial in the Ecclesia, the assembly of Athens, following Alexander's death. Devastated, he fled to Evia in Macedonia and died a year later.

The fates of these two thinkers demonstrate that every civilization and philosophical school contains contradictions. There is no universal rule or theory that can explain everything in the development of human society. Every philosopher devoted to changing reality

rather than building a utopia will ultimately face a dilemma in which he cannot make a consistent choice, enabling the opposition to gain the upper hand. But this pain is consistent with the idea of mutual reinforcement. Instead of bowing to one kind of absolute law, we should dare to make the impossible possible.

Different core values

Today, the greatest difference between Western and Eastern civilizations is prioritization of freedom or order, the core values of Greek civilization and Chinese civilization, respectively.

Greece's love for freedom made "Greek" synonymous with "wisdom," while the Chinese respect for order enabled China to survive as the only country with an uninterrupted civilization.

Which is better: stability brought by order or innovation fueled by freedom? This question has been at the center of endless debates in philosophy, politics, religion, and ethics. There is no definitive conclusion. Tolerance for differences can lead to mutual learning and future integration of civilizations. Coexistence of diversity and contradiction plants more seeds in the gene pool of human civilization. Differences on prioritization of freedom or order should not

be seen as an obstacle but as a foothold for exchange between Chinese and Western civilizations. On the one hand, the explosive innovation of technology is fostered by the creativity brought about by freedom. On the other hand, frequent outbreaks of non-traditional security crises have led to enhanced appreciation of order in recent days. In an uncontrolled environment, order should be increased to prevent breakdown, and freedom should be championed in well-disciplined worlds to drive innovation. The point is that rather than choosing one or the other, the goal should be an ideal balance of freedom and order.

In the past, it took hundreds of years to test an idea and several generations had to repeat mistakes before they could be avoided. Today, the technological revolution has accelerated analysis of various concepts so that they can be evaluated within a few years. A civilization becomes sustainable when it embraces introspection, tolerance, harmonious coexistence, and mutual learning. So, China and Europe should sit down and talk. ■

This article was first published in *China Pictorial*
Comments to dingying@bjreview.com



A visitor looks at cultural relics at the Benaki Museum in Athens, Greece, on June 15

How Will DC/EP Impact China's Financial Landscape?

The Ministry of Commerce has recently announced China's own digital currency, the digital RMB, will be piloted in Beijing, Tianjin, the Yangtze River Delta, and some areas in China's western region.

The People's Bank of China (PBC), the central bank of China, is to formulate policies to govern its circulation. According to the central bank, a centralized management model and two-tier operation system will be used to manage the digital currency. The PBC will be the central bank and the upper-tier operator facilitating the exchange of the digital currency at banks and other financial institutions, which form the lower tier.

Under this operating system, to be known as the digital currency and electronic payment (DC/EP) system, commercial banks and other financial institutions must deposit with the PBC the full amounts they plan to exchange as digital currency. The PBC's digital currency will be regarded as legal tender with technological upgrade, without altering the attributes of bank reserves and cash.

In 2008, virtual currency was born based on blockchain technology and has since been

favoured by users around the world. However, its flaws such as unstable value and lack of credit support create opportunities for financial crime such as money laundering, and complicate investigation and standardization by financial regulators.

Digital RMB, however, is endorsed by China's sovereign credit, and is thus much more reliable, with every sum being traceable and trackable.

As for whether digital currency will squeeze mobile payments apps like WeChat Pay and Alipay, the authorities' answer is "impossible." In essence, digitalized RMB is money, or currency, and mobile payment is a way of receiving or paying money. As far as mobile payment is concerned, whether consumers use digitalized RMB or cash, it does not matter.

How will digitalized RMB impact China's financial landscape? And how well will consumers, businesses and financial institutions accept this digital currency? People from all walks of life expressed their views on the trials of digitalized RMB and made some predictions for its future development in China, and even in the world at large.

Boosting economic cooperation

Pan Helin (*The Economic Daily*): The trial of the digital currency is a big step toward the broader use of digitalized RMB. On one hand, it will greatly promote the development of China's digital economy. Digital currency will make payment more convenient and also cut the cost of currency circulation and management. The currency can swiftly adapt to transactions in the digital era and is also expected to nurture a lot of new businesses.

Meanwhile, the widespread adoption of digitalized RMB will also give new impetus to the internationalization of the RMB, promoting payments in RMB throughout the rest of the world. Also, it's important to strengthen cooperation on regulation and monitoring with other countries, so as to promote information sharing in this regard and better crack down on transnational crimes related to digital currency.

Liu Yushu (finance.sina.com.cn): Digital currency will help to promote harmony between finance and the real economy, as well as the integration of China's internal system with the external financial system. Compared with conventional currency, in the era of big data and AI technology, the use of digital currency will surely be further expanded. Currently, China

is playing a leading role in the global development of digital currency, and the PBC's DC/EP framework system has already been recognized by many countries, propelled by the smooth progress of its pilot projects.

As the digital economy becomes increasingly integrated around the world, the system and technology advantages of DC/EP in international payments, settlements and pricing will give weight to the internationalization of the RMB. The convenience and credibility of digitalized RMB will also help to boost diversified and flexible financial cooperation.

Benefiting ordinary people

Liu Xiaoxin (www.rmlt.com.cn): Digitalized RMB will make daily payments by ordinary people more convenient. Compared with cash, digital currency is unsusceptible to theft, damage and loss. Besides, it will help to avoid losses caused by counterfeit money. Digitalized RMB supports offline payments, and does not depend on the Internet for operation. Even in extreme conditions like earthquakes and typhoons, payments can be completed smoothly. Moreover, digitalized RMB doesn't need to be connected to bank accounts, which allows anonymous use in the process of payment. In the future, digitalized RMB will also be applied in financial products and provide fresh ways for people to manage their wealth.

The arrival of digital currency will lead to a reduction of paper money and coins, thus cutting the management cost in the process of printing, issuing, transporting, storing and security. Commercial banks find it costly to transport and store cash, but the situation will be improved when digital currency is widely adopted.

Although digitalized RMB can be used anonymously, the PBC can ascertain the amount and details of every transaction, and track the flow of the currency. This feature will make it much easier to combat crimes such as smuggling, fraud and drug trafficking, and will also help to crack down on corruption among officials while reducing losses from tax evasion.

Digital currency will help to prevent financial risk. The amount of money possessed by any individual or institution, or its circulation is under the supervision of the PBC's monitoring system.

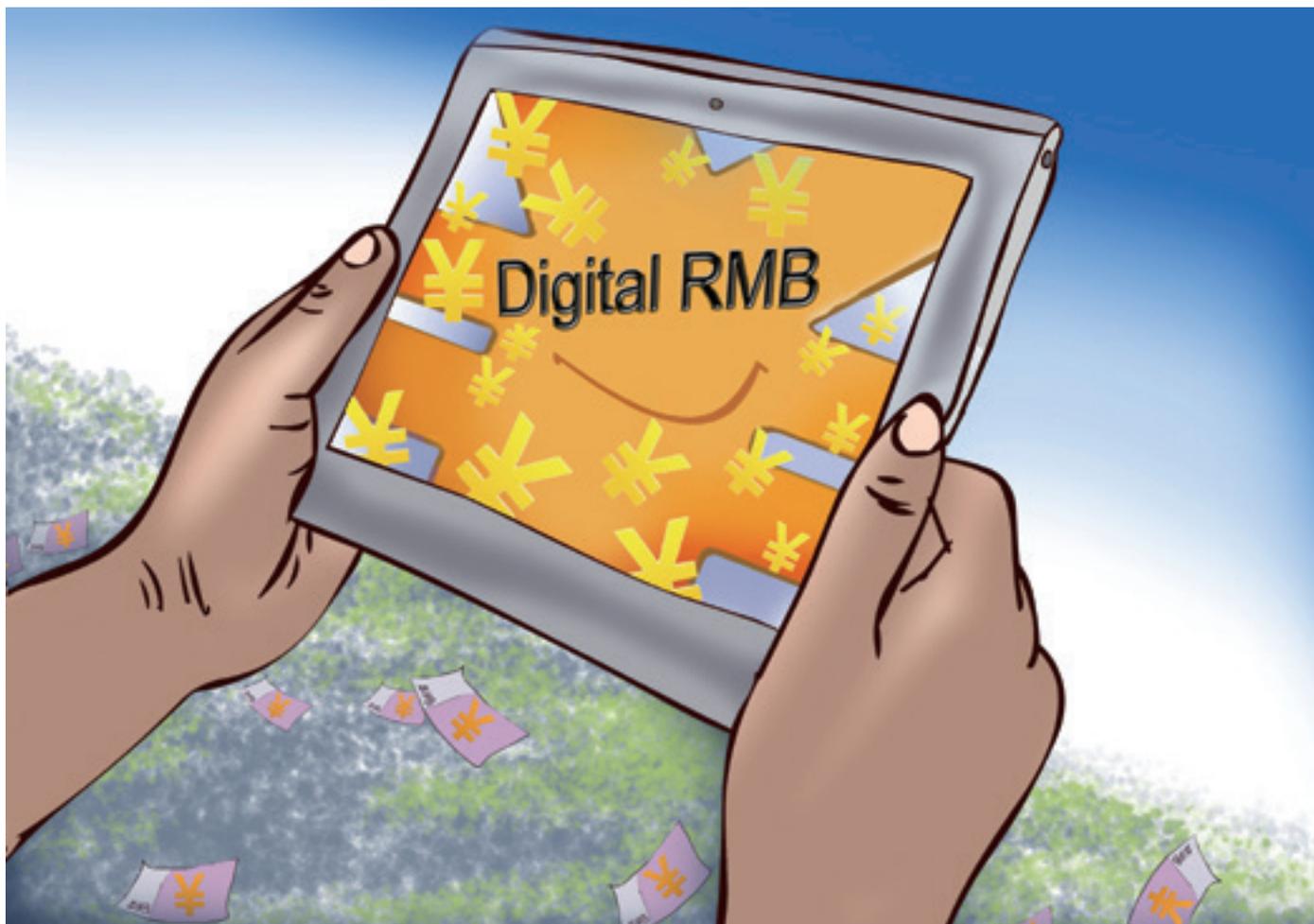
The use of digitalized RMB can lower the threshold for financing among small-to-medium enterprises, which in turn will help the development of the real economy. As digital currency can be tracked, banks and other

Dear Readers,

Forum is a column that provides a space for varying perspectives on contemporary Chinese society. We invite you to submit personal viewpoints on past and current topics (in either English or Chinese).

 dingying@bjreview.com

Please provide your name and address along with your comments



financial institutions can swiftly obtain the real performance of a potential borrower and also the borrower's transaction records at relatively low cost. With its transparent credit rating and debt payment capacity, financial institutions can make a better decision on whether to offer loans or not.

Zhao Guangbin (www.yicai.com): From the perspective of ordinary consumers, digitalized RMB may well play a dominant role in payments and investments in the near future. Although the vast majority of consumers in China have already become used to cashless payments thanks to the rapid growth of mobile payments, the payment is still based on the cash amount in their bank accounts, but the arrival of digitalized RMB may provide more choices.

In the future, when receiving money or making payments, they can choose a new cashless form: digitalized RMB. As digitalized RMB becomes increasingly accepted, investments in digitalized RMB will also be possible.

It takes some time for digital currency to be widely used. Its convenience and various merits need to be promoted to the public so that it can be accepted more quickly. Commercial banks need to offer some perks to those who choose to use digitalized RMB.

It's also necessary that relevant authorities such as the central bank, the Ministry of Finance and even some state-owned enterprises provide favorable policies. For example, to make it more convenient for transnational transactions involving digitalized RMB, capital in this form should be allowed to flow freely as long as the amount is not too big, either for business deals or investment projects. Gas stations, public utilities, pension accounts, and even salary payment by businesses and organizations may all turn to digitalized RMB. This will not only prevent embezzlement but also reduce costs.

Although it will take some time for the ecosystem of digitalized RMB to take shape across the board, in the long run, the progress of science and technology and the penetration

of the digital economy into people's lives will persuade the vast majority of consumers to adopt digitalized RMB, or at least as the major means of payments. Whether the digital currency will be as lucky as mobile payment, which has managed to get nationwide acceptance within a few short years, it's hard to say. The key lies in whether consumers and the market, including businesses and financial institutions, are inclined to use it.

Reports from the Bank for International Settlements show that apart from being a supplement to online payments, digitalized RMB may also add some diversity to mobile payments, which are now dominated by WeChat Pay and Alipay. In this sense, the impact of digitalized RMB on mobile payments may bring some changes in the digital payment area. ■

Copiedited by Garth Wilson

Teaching in China

By Natasha Lock

Educational systems vary from country to country and culture to culture; the educational means with which we teach the next generation have arguably one of the greatest sociological influences on culture as a whole. Nowhere is this influence on societal structures more obvious than on the contemporary generation of youth in China.

Education has played a vital role in China's history since ancient times. To name but a few landmarks in the history of education in China, for example, Confucian teachings; the Tang Dynasty (618-907) imperial civil service examination; and also the imperial college started in the third century. Despite dualities in the concepts of education, a constant from ancient to contemporary times is the interrelationship between learning and societal development.

Spending nine months as a teacher at Suzhou No.10 High School in Jiangsu Province, east China, provided an exceptionally interesting lens through which to understand the dynamics of the current Chinese schooling system. For students who, on the whole, had seldom left the country and spent most of their time at school, they had some incredibly wise perspectives on the world. It was such a pleasure hearing about these outlooks and reconsidering my own views on things because of them.

Teaching students in China has been a real privilege, and whilst I am employed to teach, I also learn a great deal from them. Leaving school every day after work and knowing that I've made a direct difference to someone's day is extremely fulfilling and rewarding.

While teaching in Suzhou, I came to realize that the secondary education system in China is extremely competitive, exam-focused and rigid in terms of marking rules. Every student in every class knew their academic strengths and weaknesses. They knew exactly where they ranked in terms of their maths results in the class and they all knew who was slacking on their physics scores. The students arrived for their first class at 7:30 a.m. and, whilst school



officially finished at 5 p.m., many would stay till much later to complete their heavy load of homework. They were used to complex maths exams, English grammar quizzes and tests on history.

They were therefore quite shocked when I assigned them a task that analyzed their personality and gave results on their character strengths. This was fascinating for them as they discovered things about themselves that they had never even considered before.

As I kept telling them, they will be the next generation of doctors, teachers, lawyers, soldiers and athletes. Whilst a doctor may need to flourish academically in the sciences, it is also imperative they are empathetic, socially approachable and humble. Extra-curricular activities in the fundamental childhood and teenage years nurture these character strengths; sport builds tenacity and resilience; a part-time job develops team-work skills and

problem-solving; leisure time with friends from a young age builds social skills.

Deng Xiaoping's famed analogy seems pertinent to contemporary education: It doesn't matter if a cat is black or white so long as it catches mice. Much like education systems, countries and cultures differ. So long as we are heading along the same path of academic understanding and addressing some of the complexities facing the world today, what does it matter? But we are yet to find faultless methods of education; the optimum balance of social nourishment and academic training. When I posed these and similar queries to my students, they suggested merging aspects of typical Western education with aspects of Chinese education. ■

The author is a Yenching Academy scholar of Peking University from the UK
Copyedited by Garth Wilson
Comments to dingying@bjreview.com

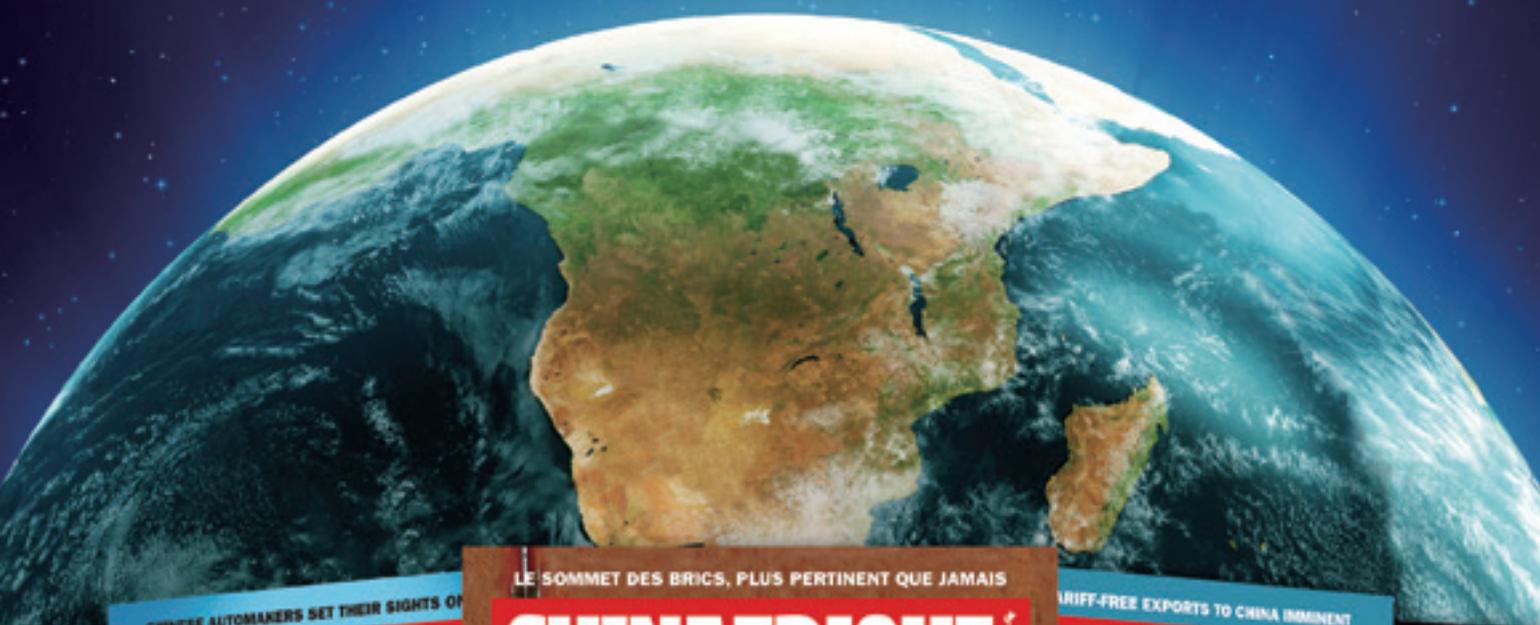
Planting The Seeds



Winning the battle against poverty in 2020

CHINAFRICA

中国与非洲



12 issues a year at a subscription rate of 180 RMB/R360

An Africa-oriented English monthly covering China and Africa published by BEIJING REVIEW,

ChinAfrica is the leading publication in China featuring news, views and analysis for an African audience.

SUBSCRIPTION HOTLINES: (8610) 6831 0644, +27 (0)71 613 2053 Email: circulation@bjreview.com.cn, cas201208@hotmail.com

WWW.CHINAFRICA.CN