

Integration, Globalization and a Better World

President Xi reiterates China's commitment to further opening up at the Boao forum
By Yuan Yuan

China will continue to open up its economy and expand cooperation with its economic partners in the future, said Chinese President Xi Jinping in his keynote speech at the opening ceremony of the Boao Forum for Asia (BFA) Annual Conference 2018 on April 10.

Addressing more than 2,000 politicians, scholars and business and media leaders from over 60 countries and regions at the four-day event in South China's tropical Hainan Province, Xi began his speech by reviewing China's successful experience over the past four decades since the adoption of economic reforms in 1978.

Xi described how the Chinese people have unleashed and enhanced productivity in China through hard work and an unyielding spirit.

"Today, the Chinese people can say with great pride that reform and opening up, China's second revolution, if you like, has not only profoundly changed the country, but also greatly influenced the whole world," Xi said.

New measures

China will continue to increase openness and expand economic cooperation, Xi declared. A series of major measures will be undertaken to broaden market access, create a more attractive investment environment, strengthen the protection of intellectual property rights (IPR) and expand imports.

China will significantly lower import tariffs for vehicles and reduce import tariffs for

some other products this year, Xi revealed in his speech.

Several other measures will be launched this year to significantly broaden market access, to accelerate the opening up of the insurance industry, and to ease restrictions on the establishment of foreign financial institutions in China and allow expansion of their business scope, while more areas of cooperation between Chinese and foreign financial markets will also be opened.

Instead of primarily relying on favorable policies for foreign investors as in the past, Xi said that China will improve the country's investment environment in order to attract foreign investment.

"We will enhance alignment with international economic and trading rules, increase transparency, strengthen property rights protection, uphold the rule of law, encourage competition and oppose monopoly," Xi said.

Meanwhile, China is reinstituting the State Intellectual Property Office this year to step up law enforcement, deploy relevant laws and significantly raise the penalty for offenders as a major deterrent.

"We encourage normal technological exchanges and cooperation between Chinese and foreign enterprises, and protect the lawful IPR owned by foreign enterprises in China," Xi said.

Speaking of the first China International Import Expo, to be held in Shanghai this November, Xi described the event as not just another expo in the ordinary sense,

but as a major policy initiative and part of China's commitment to opening up its market.

Worldwide implications

Xi's speech on the role of reforms in boosting the development of China over the past four decades resonated with participants and analysts.

"China has grown into the world's second-largest economy, the largest industrial producer, the largest trader of goods and the holder of the largest foreign-exchange reserves," said Gu Xueming, President of the Chinese Academy of International Trade and Economic Cooperation of China's Ministry of Commerce. "It could not have reached these heights without the reform and opening-up process. Meanwhile, we have lifted 700 million people out of poverty. All of these achievements are not easily attained."

China has achieved remarkable progress by adopting a policy of reform and opening up, and it stands as a successful case of developing an open economy. China's development has also contributed to the overall progress of the world, said Xu Xiujun, a professor with the Chinese Academy of Social Sciences. "An open China will exert a more central role in promoting the regional integration of Asia and the globalization of the world," he said.

Aravind Yelery, Assistant Director of the Delhi-based Institute of Chinese Studies, applauded Xi's address. Yelery believes



Chinese President Xi Jinping delivers the keynote speech at the opening ceremony of the Boao Forum for Asia Annual Conference 2018 in Boao, in South China's Hainan Province, on April 10.

that a more open China will bring opportunities to Indian businesses investing in China. "India has been looking for initiatives and opportunities for ways to engage with China, and the policy of opening up further is definitely good news," Yelery said.

"Xi's speech shows that China proceeds toward action in a very deliberate and active way," said Allan Gabor, President of Merck China, who has been living in China for 20 years; this year, it was his eighth time at the BFA. "For those of us in the business community, the speech provides a lot of transparency and stability. It is

very important to us," he added.

"President Xi's speech underscored China's strong support for economic globalization, trade liberalization and connectivity," Jon R. Taylor, a professor of political science at the University of St. Thomas, told *Beijing Review*.

Greater connectivity

Apart from emphasizing China's will to further open up, Xi also reflected on the achievements of the Belt and Road Initiative in his speech. "The Belt and Road Initiative may be China's idea, but

its opportunities and outcomes are going to benefit the world," Xi said, adding that China has no geopolitical ambitions, seeks no exclusionary blocs and imposes no business deals on others.

He also pointed out that as the Belt and Road is a new initiative, it is natural that there might be different views on cooperation. "As long as the involved parties embrace the principle of extensive consultation, joint contribution and shared benefits, we can definitely enhance cooperation and resolve any differences," Xi said.

"This way, we can make the Belt and Road Initiative the broadest platform for international cooperation, in keeping with the trend of economic globalization and to the greater benefit of all our peoples," Xi said.

"Cooperation is essential to global economic development," said Xu Hongcai, Deputy Chief Economist of the China Center for International Economic Exchanges. "The world economy is projected to grow 3.9 percent year on year in 2018, compared to 3.6 percent last year. However, it is still below the average growth rate prior to the 2008 financial crisis."

"The Belt and Road Initiative is important for all the countries that are attached to it," Gabor said. "China is a very important country for the world. The better China does, the better the world does."

"The initiative is one of the instruments to implement the vision of a shared future for mankind," said Giulio De Metrio, Chief Operating Officer of SEA, Italy's major airport operator. "It is a way of bringing more prosperity to neighboring countries. A good neighbor for China is also a good neighbor for Europe."

Ban Ki-moon, former U.N. Secretary General and newly elected Chairman of the Board of Directors of the BFA, underlined the need to promote the socio-economic and sustainable advancement of all the peoples of the world, particularly those in developing countries. "I think President Xi has already laid out a very good vision and mechanism with the Belt and Road Initiative, which is supported by the Asian Infrastructure Investment Bank," he said. ■

(Reporting from Boao, Hainan Province, with contributions from Hou Weili and Liu Ting)



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