BEJING NOS.5-6 FEB. 8, 2001

Chinese gymnast
Liu Xuan
struck gold
in Sydney—
now it's
Beijing's
turn

BEIJING 2008

ISSN 1000-9140







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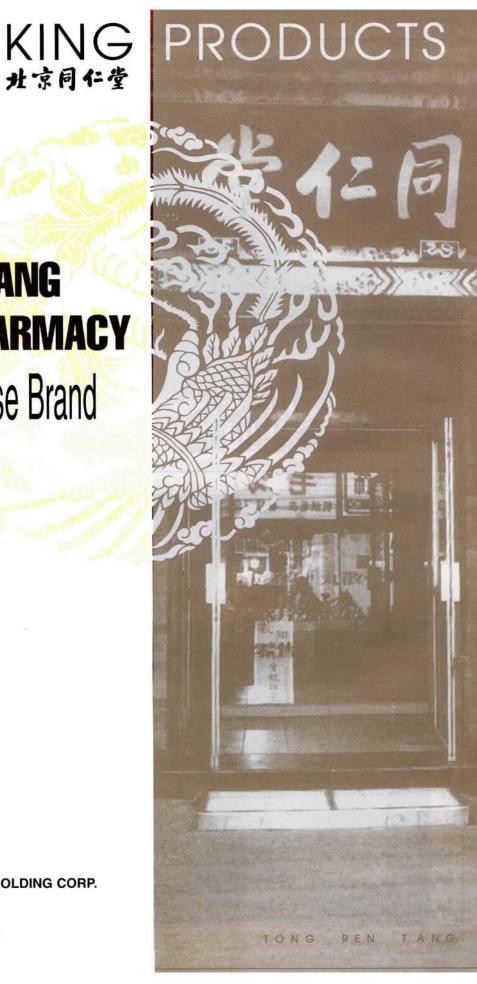
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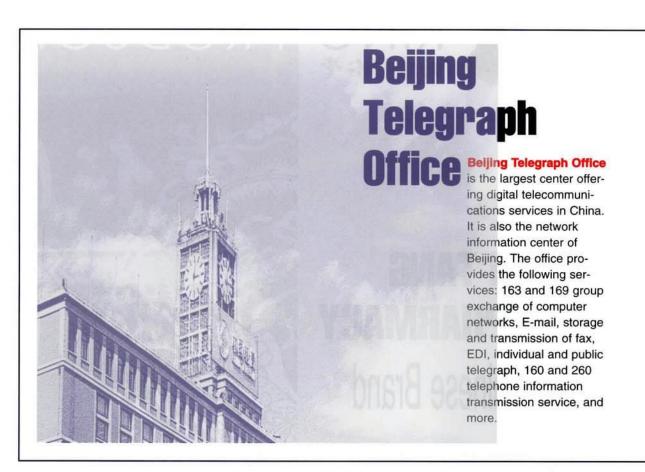


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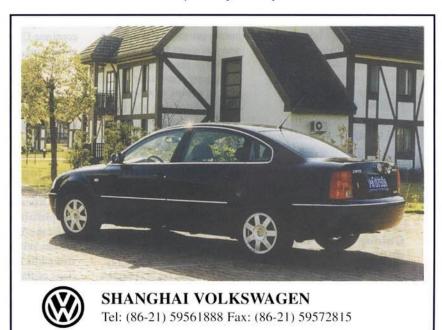
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CULTURE **BILINGUAL CLUB** 31-32 i-viii



Beijing's Active Olympic Bid: In a series of four articles, BEIJING REVIEW examines Beijing's bid efforts in various fields and the latest trend among the Chinese people to get fit. p.12-18

Three-Year Target for SOE Reform Reached: The three-year objective for the SOEs reform has basically been reached. Most large and medium-sized SOEs have reduced losses, increased profits and built a modern enterprise system. p.19





Premier Zhu Rongji and his Italian counterpart Giuliano Amato at the welcoming ceremony held in Beijing on January 15.

Chinese Premier and Italian Prime Minister hold talks.

China and Italy are satisfied with the development of their bilateral relations. Chinese Premier Zhu Rongji and Italian Prime Minister Giuliano Amato reached that conclusion in Beijing on January 15.

During their talks at the Great Hall of the People, the two heads of government agreed that Chinese-Italian trade cooperation has developed rapidly and cultural exchanges have been vigorous, and the two countries have cooperated well in international organizations, including the United Nations.

Amato said that Italy and China could broaden their cooperation, especially in the area of environmental protection. He vowed to encourage Italian entrepreneurs to invest in China.

China, Japan issue declaration of friendship. Chinese and

Japanese non-governmental organizations issued a declaration in Beijing on January 16 on the promotion of

friendly Sino-Japanese cooperation in the new century.

In the new century, both sides will inherit and develop the tradition of friendship, and encourage unofficial exchanges so as to further bilateral cooperation in political, economic, cultural and all other fields, the declaration said.

Currency to remain stable. China's currency is expected to be underpinned by reasonable economic growth, low inflation and sufficient foreign exchange reserves, says Dai Xianglong, Governor of the People's Bank of China. But the exchange rate will be more flexible after the nation's entry into the World Trade Organization, Dai said.He predicted the Chinese economy will grow by between 7 and 8 percent this year.

The consumer price index, the key barometer for inflation, increased by 1.5 percent in December 2000. Economists expected the index to fluctuate around its current level this year.

Dai said trade would

experience more changes after China joined the international trade club, which will lead to bigger changes in China's balance of payments.

Coldest days in decade. Beijing is experiencing its coldest weather in a decade. Since January 11, the temperature in the capital has been 13 degrees Celsius below zero, with the lowest temperature being minus 15.5 degrees Celsius, recorded at dawn on January 12. It was the coldest temperature recorded in the city in the past 10 years.

A large mass of freezing air had an impact on North China, including Beijing and surrounding areas, according to experts from the municipal meteorological bureau.

Moral education.

China has outlined new plans to improve moral education in the country's primary and middle schools in a bid to ensure youngsters become good citizens.

It is part of an effort to continue China's educational reforms, according to a recent circular jointly issued by the General Office of the Central Committee of the Communist Party of China and the General Office of the State Council.

Free legal services provided. The Deheng Law Office, a large and comprehensive law firm under the Ministry of Justice, presented legal service cards to 617 academicians of the Chinese Academy of Sciences on January 16 in Beijing. The law office will provide free services to the scientists

whenever they encounter any legal problems.

Since its establishment in 1993, the office has handled a number of cases concerning the infringement of intellectual property rights, technology transfers, patent applications, names, business reputations and joint venture disputes for the academy.

Headquartered in Beijing, the office has set up branches in Shanghai, Guangzhou, Tianjin, Changchun and the Hague in the Netherlands, and formed business ties with the United States, France and Germany.

Spacecraft returns safely. Shenzhou II,

China's second unmanned spaceship, which was launched on January 10, landed smoothly in the central part of the Inner Mongolia Autonomous Region on January 16 after accomplishing all its planned experiments in space science and technology.

"The Shenzhou unmanned spacecraft made an almost seven-day, 108-



Technicians busily work at the Beijing Aerospace Command and Control Center.



Herdsmen collect sheep that have frozen to death. First-aid trucks drive toward the disaster areas.

orbit voyage around the Earth after blasting off from Jiuquan Satellite Launch Center a week ago," according to a spokesman at the Beijing Aerospace Command and Control Center.

Shenzhou II was almost identical to a manned space-craft in terms of its construction, according to sources at the center. The unmanned mission was the second in a series expected to lead soon to China's first manned space voyage.

New university. A new institution of higher learning, the Macao University of Science and Technology, was officially founded on January 11 and an opening ceremony for the new site of the university was held.

Consisting of four colleges, the private university is sponsored by a host of celebrities in Macao and has won cooperative support from universities on the Chinese mainland.

Involving a total investment of 600 million patacas (US\$75 million), construction of the campus will be undertaken in three stages and is expected to be completed in five years.

Red Cross aids snow disaster victims.

China Red Cross Society (CRCS) provided 1.5 million yuan in money and materials to help with snow disaster relief efforts in north China's Inner Mongolia Autonomous Region, a CRCS official announced on January 15.

CRCS received donations from the International Red Cross Organization, the Red Cross Society of the Hong Kong SAR, the Beijing Red Cross Society and the Red Cross Society of the United States.

The latest statistics show that 30 people are confirmed dead and 200,000 head of livestock have been lost. Around 947,000 people from 18 counties in Xilin Gol and Xing'an areas were affected by the rare snowstorms and sandstorms, with an estimated economic loss of 910 million yuan.

Ban on chemical weapons. China made notable achievements in implementing the Chemical Weapons Convention (CWC) last year, according to a senior Chinese official.

The nation has consistently favored a comprehensive ban and the total destruction of chemical weapons. "China's efforts have won international recognition," said Li Rongrong, Vice-Minister of the State Economic and Trade Commission.

The CWC, which went into effect in 1997, is an important instrument in international disarmament and arms control, aiming to realize the prohibition and thorough destruction of chemical weapons.

Disaster monitoring system operational.

A national system monitoring natural disasters became operational on January 16 after a two-year trial and after securing expert approval.

"The system focuses on heavy floods and droughts and can provide high-resolution images of disaster-hit areas to the Beijing-based monitoring center," said Li Jiren, chief scientist in charge of the major research program.

Airports to be combined. The international airports in Beijing and Tianjin will be combined to make one airport company,

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Canada

officials with the two airports announced in Tianjin on January 16.

The Beijing Capital International Airport and the Tianjin Binhai International Airport will be united to improve air transportation in East Asia, according to information from the Civil Aviation Administration of China.

More to study abroad. China will send 2,300 government-funded students and scholars abroad this year to study basic sciences and the humanities.

Starting in 1999, the State increased the value of scholarships to improve living conditions for those who study in the United States, Britain, Germany, Italy, Singapore and 29 other countries.

This year, China will also send an additional 503 senior visiting scholars to study natural sciences and another 100 to study social sciences in developed countries.

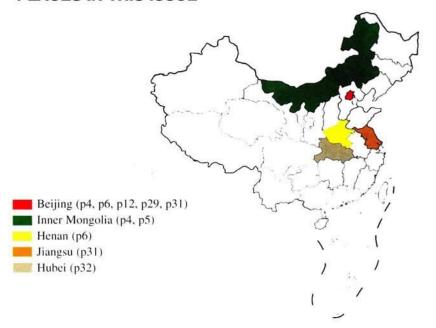
Education exchange.

The Chinese Education Association for International Exchanges will hold an international week of vocational education in May to exchange vocational education experiences between China and other countries.

Educationalists from such countries as Britain, Germany, Canada and the United States will take part in week-long activities to display their advanced vocational education programs.

The association held a party on January 15 in Beijing to report its work over the past year to foreign embassies, foreign educational institutions and rele-

PLACES IN THIS ISSUE



vant experts. It has expressed its appreciation for their support for China's educational exchanges with the outside world.

North China faces water shortage. At a reservoir in Hebei Province once noted for its beautiful scenery, a notice on the bank reads: "Treat water conservation as a revolution." Water shortages now affect the daily lives of local residents, as drought in the past two years has almost

dried up supplies.

Wei Zhimin, an expert in water resources, said that not only Hebei, but also the whole northern part of the country is facing serious water shortages. North China has long been a populous area and an industrial and agricultural base. As industrial and agricultural production develops and the population increases, the per-capita water resources in the region are even lower

than that in some droughtstricken regions of the world.

Fortune 500 company enters China.

Veeder-Root, a subsidiary of Danaher Corp., a Fortune 500 company, announced its entry into the Chinese market on January 15 in Beijing.

An important international company involved in automatic measuring devices for oil tanks, Veeder-Root's presence in the Chinese market before China's entry into the World Trade Organization will help China's petroleum companies survive intensified global competition by providing them with the most advanced technology and management experience.

'Omnipotent doctor' sentenced. Hu Wanlin, a self-promoted "omnipotent doctor" in Henan Province was sentenced to 15 years in prison, deprived of political rights for five years and fined 150,000 yuan for illegally practicing medicine.

Hu practiced medicine illegally in Shanxi and Shaanxi provinces from July 1997 to February 1998, and was banned by local authorities, according to Henan Provincial Higher People's Court's investigation.

Wang Baoran, an engineer with a kidney dysfunction, died as a result of Hu's traditional Chinese medicine on December 16, 1997.

Charity troupe. The

China Charity Art Troupe was founded in Beijing on January 18, composed of some 200 artists who will stage performances and other fund-raising activities to help those in need.

The troupe is sponsored by the China Charity Federation, with assistance from a number of leading art troupes and associations in the country.

ELAINE CHAO BECOMES U.S. LABOR SECRETARY

U.S. President George W. Bush has named **Elaine Chao**, former Director of the Peace Corps and Deputy Secretary of Transportation, as his labor secretary.

The U.S. Senate has approved her nomination, Chao thus becomes the first Chinese-American cabinet minister in the history of the United States.

Chao previously was a distinguished fellow at the Heritage Foundation, a conservative Washington-based think tank, and headed the foundation's Asian Studies Center Advisory Council. The council helps guide the Center's work on Asian policy and security issues.

Chao was selected as a White House fellow to serve at the White House in 1983 and 1984. She holds an MBA degree from the Harvard University Business School and an undergraduate degree in economics from Mount Holyoke College. She is the wife of U.S. Senator Mitch McConnell.



hina is willing to promote restructuring in agriculture and to participate in international competition through opening the market. However, the Chinese Government needs to maintain WTO-consistent agricultural support measures after its WTO entry. The interests of our 900 million farmers will always be our top priority."

LONG YONGTU

China's chief trade negotiator

SEPP BLATTER

FIFA supremo

66 Tt is still too early to know how the human genome project will influence the development of human society.

But knowledge about genetic information will surely lead to a better understanding of human beings."

JING SHUPING

Vice-Chairman of the National Committee of the Chinese People's Political Consultative Conference

by any country to bring Taiwan into the Theatre Missile Defense or to sell TMD-related technology and equipment to Taiwan."

ZHU BANGZAO

Foreign Ministry Spokesman

Bill Clinton: Superstar Still Shines

by Lu Wen

he United States is a country that produces superstars, people who arouse worldwide attention, even if they sometimes become the butt of jokes. Bill Clinton is fortunate to rank among the superstars. What is different about him is that he was a U.S. president.

Clinton became a superstar not only because he was the president of a superpower, but also because he has the glamor of a superstar, with his smart appearance, remarkable eloquence, dramatic skills and successive scandals. As an American historian says, Bill Clinton, like Elvis Presley, always fascinates us.

Now that Clinton is no longer the president of a superpower, his life as a star will not end because people will still be fascinated by this interesting, complicated and larger than life figure with the qualities of a superstar.

Clinton's 'Farewell Shows'

In the United States, when a president leaves office, he is usually ignored because people are more interested in the incoming president, who is a symbol of the future. But Clinton was not ignored. On the contrary, his "farewell shows" succeeded in attracting popular attention.

The Last Awards Ceremony. On January 9, Clinton hosted the last awards ceremony on the south lawn of the White House. The awards were given to distinguished U.S. citizens. At the ceremony, Clinton said emotionally that the highest honor is the Citizenship Medal. This was meaningful because Clinton is experiencing the transition from being a president to becoming an ordinary citizen.

The Last Church Service. On January 7, the Clinton family went to their regular church to attend a service. On that occasion, Clinton said he expected that he could test the saying of John Adams that nothing was more pitiable than to be a former president

and that perhaps a former president's life can be like that of Adams himself or Jimmy Carter, which proved to be the contrary of what Adams said.

The Last Leisure Time. On January 6, Clinton went to the Washington National Zoo with his

had been ignored for too long and should be allowed the dignity of life. The speech was honest but also displayed his regret.

After the White House

Where will Clinton go after he



On January 11, Bill Clinton attended the unveiling ceremony of the monument in honor of Franklin Roosevelt, who was successively elected to four terms as U.S. president.

daughter and nephews to visit two infant pandas that had just arrived from China. When told that one panda could eat 18 kg of bamboo and carrots a day, Clinton joked, "We would be deadly fat if we ate that much."

The Last Negotiation. What Clinton most pursued in his final days in office was to promote a peaceful settlement between Palestine and Israel. In the last month of the 20th century, Clinton put forward a proposal for a Palestine-Israel peace agreement. However, the proposal failed to bridge the gap and could not be completely accepted by either side. On the evening of January 7, Clinton delivered a speech in New York, saying that he expected progress could be achieved on an agreement, but there seemed little possibility. He also said the Palestinians

leaves the White House? Can he and his family adapt to life outside the White House? Regarding Clinton's life in the future, there appears to be various scenarios. Some are plausible, others fanciful.

Being a Former President Can Be Profitable

Clinton's presidential career has not left him with much property, and one lawsuit after another has created financial headaches. But having left the White House at just 54 years of age, he will enjoy about US\$7.29 million in retirement pension, the highest in the history of the U.S. presidency. Hillary's White House Memoirs has added US\$8 million to the family's accounts, equal to 20 years' total income of a U.S. president. A memoir written by Clinton

may deserve more, so the Clinton family will not have any money worries.

Apart from writing his memoirs, Clinton will give a worldwide lecture tour, a popular way to make money for a former U.S. president. It is estimated he can make US\$25,000 with each speech. According to White House information, Clinton has already received many letters of invitation.

In addition, some TV stations are offering big salaries for Clinton to host a talk show. But since Clinton lost face paign, he was accused of immorality. During the campaign, the media kept an eye on his extramarital affairs, drug taking and evasion of military service during the Viet Nam War. At the end of 1993, the White Water case attracted publicity. In 1998, the Lewinsky case was exposed, which transfixed the country. Clinton became the first serving president to testify before a grand jury, setting a disgraceful precedent, and the first president impeached by Congress because of a sex scandal.



Meeting with President-elect George W. Bush on December 19, 2000.

on TV, he will not accept these offers despite the attractive salary.

Lawsuits Will Disturb the Former President's Life

After leaving the White House, Clinton will want to lead a tranquil life but the trouble he brought on himself will not disappear. The new U.S. independent prosecutor has organized a federal jury to make a final investigation into the Monica Lewinsky and White Water cases. The independent prosecutor has announced that a reasonable and prudent judgment will be made in every case so as to end the good image of Clinton in people's minds.

In the history of the White House, no other president has faced so many scandals as Clinton. In 1992, when Clinton began his presidential cam-

Great Deeds

Clinton has announced that he will establish a Clinton Center in his hometown to display his achievements and leave a good name in U.S. history. In addition, he also plans to cooperate with Arkansas State University to establish a "Clinton Graduate School", which aims at training graduate students in public policy.

Will Clinton Appear in a 007 Film?

It is reported by *Sky News* that the producer of the 007 films has invited Clinton to play a role in a new movie expected to be released this year. In the scene, Clinton would play the role of the president.

Will Clinton Become the U.S.

Special Envoy to Northern Ireland?

After leaving the White House, Clinton will not withdraw from the political stage once and for all. It is said that he will assume the role of U.S. special envoy to Northern Ireland.

Clinton's ancestors came from Ireland. He has always indicated he would contribute to the peace process in Northern Ireland after leaving his post. One of his assistants revealed in April, last year that he hoped to become the "doctor" of international issues after the end of his term, especially as a mediator in Northern Ireland if a peace agreement had not been achieved. In addition, the report also referred to his interest in mediating crises in the Middle East and the Balkan Peninsula.

Will Clinton Become French President?

A French historian at Paris University has even suggested that the next French president should be none other than Clinton. The historian pointed out in the *New York Times* in January that, according to French law, citizens of former French colonies are qualified to apply for French citizenship. Since Clinton was born in Arkansas, which once was part of a French colony, he is eligible to apply for French citizenship and then would be qualified to run for the French presidency.

Will Clinton Become Israeli Prime Minister?

It is a Bar called "Secret Mark" in Israel that recommended Clinton be prime minister of Israel. Recently, the bar presented a special gift to every customer, a T-shirt showing Clinton's head and the words "support Clinton as Israeli prime minister". Customers responded with extraordinary enthusiasm. They agreed to write Clinton's name on their ballots in the prime ministerial election on February 6. The customers are mostly from Israel's young elite.

Good Name or Bad Name?

During his last days in the White House, Clinton appeared to be more favored throughout the world than any other time. In 2000, Americans named the Clinton couple as the people they



Celebrating Hillary's triumph—to be the first First Lady ever elected senator in U.S. history.

most admired. Various media published articles about these controversial people.

Douglas Brinkley, an American historian, said that people who really know American politics regard Clinton as a master just as people who really understand popular music know why Elvis was a master.

Harvard Prof. Peter J. Gomes said, "To apply one word to Bill Clinton, it would be perseverance, which in his case is both a great virtue and a minor vice. He persisted in the face of terrific obstacles to his own ideals, obstacles that in some cases were his own creation. For most of us in this country, he has functioned as a religious figure, however flawed, someone who speaks out of the depths of his convictions, not simply as a manager or a leader."

Clinton's economic achievements contributed greatly to the various good comments about him. During his eight-year term, Clinton created a "golden age" in the U.S. economy. To date, U.S. economic growth has lasted for 112 months, far beyond the record of 106 months in the 1960s, when the U.S. economy was still expanding. The



At the beginning of 2001, the U. S. Federal Reserve Board suddenly announced it was lowering the interest rate by 0.5 percentage points, which sparked a big rise in U.S. stock indexes.

Clinton Administration also presided over the creation of more than 22 million jobs. During Clinton's term, 7.5 million people who had been on wel-

fare found employment. Clinton came out of a fiscal deficit of US\$290 billion but leaves behind an affluent national treasury. By 2010, the U.S. Federal Government will have a surplus of US\$456 billion. The room for the government to carry out economic macrocontrol has expanded greatly. In addition, the Clinton Administration, Wall Street and "Silicon Valley" have jointly promoted the global information highway, the strategy of expanding enterprises toward the new, high-risk and high-benefit rising market and making the United States the leader in economic globalization.

However, as well as the economic triumphs, the sex scandal will also be remembered. This is the tragedy of Clinton's political career. Although he has delivered many excellent speeches, the sentence he spoke before a national television audience possibly will be the most remembered, that is: "I did not have sexual relations with that woman, Miss Lewinsky." But this doesn't seem so terrible. Through this case, people discovered he was real and humane.

What are Chinese people's impressions of Clinton? A *Beijing Review* reporter conducted some interviews:

Dai Zhen (postgraduate): Clinton is just like a character in the *kungfu* fiction written by Gu Long. He is neither bad nor good. He is neither loved nor hated. I think Clinton has behaved naturally in dealing with the Monica mess. As for his achievements, I don't think the current economic prosperity in the United States can be completely credited to him. That is a historic opportunity. Clinton seized it. Clinton's complicated character reflects the various value concepts of U.S. society.

Ye Ying (editor): Clinton is a humane president with virtues and shortcomings of common people, so he has commanded recognition of the common people. However, sometimes people dislike him because he acted as an international policeman.

Deng Fang (photographer): Clinton is charming. He has a special personality. Clinton without scandal is not Clinton.

Discussion about Clinton will go on.

Foreign Ministry News Briefings

Zhu Bangzao

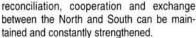
SPOKESMAN ZHU BANGZAO, JANUARY 16 AND 18

Q: Could you describe the relations between China and the Democratic People's Republic of Korea (DPRK), and is it possible for President Jiang Zemin to visit Pyongyang?

A: China and the DPRK have good relations and the two countries have a tradi-

tional friendship. Such a traditional friendship will continue to develop in the new century.

As for the development of the inter-Korean relationship, we have on many occasions made our position known. We welcome that the two sides improve their relations through contacts and dialogue. We have commented highly on the positive role brought by the first North and South Summit of the Korean Peninsula. We also hope the momentum of



China and the DPRK have had traditional mutual visits at a high level. We have no information to announce on when the Chinese leader will visit the DPRK.

Q: Beijing and Pyongyang have a good relationship. Does China encourage the DPRK to pursue a policy of opening up to the outside world like China has done over the past two decades?

A: The DPRK is a sovereign state and has the right to decide its own policy according to its national conditions.

Q: Not long ago the experts of the Shanghai Five held consultations in Beijing. What is your comment on the results of these consultations?

From January 10 to 12 the coordinators of the Shanghai Five—China, Russia, Kazakhstan, Kyrgyzstan and Tajikistan—held their third meeting in Beijing. Chinese state coordinator and Assistant Foreign Minister Liu Guchang hosted the meeting and Vice-Foreign Minister Zhang Deguang met with the coordinators of the other four countries. The relevant issues concerning the meetings at the summit of premiers and foreign ministers were discussed at their third meeting and views exchanged on further perfecting the mechanism of the Shanghai Five, reaching an extensive consensus.

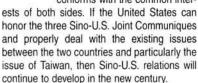
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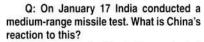
Shanghai Five, the five countries unanimously considered that they should jointly make efforts to cooperate at the highest level, but this process should be ordered, move ahead step by step and include a settlement involving the legal position of the Shanghai Five members themselves.

Q: U.S. new Secretary of State Colin Powell described the U.S. and China as

strategically competitive partners. What is your comment on this?

China and the United States are respectively the largest developing country and developed country in the world. The two countries are both permanent members of the UN Security Council. The years have proven that although there exist some differences between the two countries, to develop healthy and stable Sino-U.S. relations conforms with the common inter-





We have noticed that India tested a ballistic missile that can carry nuclear weapons. China's position on the nuclear weapons issue in South Asia is consistent and clear. China, like other members of the international community, hopes that South Asia can maintain peace and stability. China does not hope to see any form of arms race in the South Asian region.

Q: The 15th meeting of the Working Party on China's accession to the World Trade Organization has already ended. What is your comment on the progress of this session?

The 15th session of the Working Party on China's entry into the WTO ended in Geneva on January 17. After a meeting lasting more than 10 days, the Chinese delegation and other WTO members made great efforts to reach an agreement package. Although agreement finally was not reached because of a few issues, the relevant parties recognized that the negotiations had achieved major progress. At the end of the meeting, the head of the Chinese delegation and chief negotiator for the Ministry of Foreign Trade and

Economic Cooperation expressed regret over this, but he also pointed out that the Chinese delegation believes the position it upholds is correct, and drummed up support from the majority of WTO members. This meeting also decided that the 16th session will be held in Geneva at the end of February and early March.

Q: El Salvador is suffering from a strong earthquake. Will China provide any aid to the country?

The Chinese Government has expressed deep concern and sympathy over the severe loss of life and property caused by the strong earthquake that hit El Salvador. President Jiang Zemin sent a message to the president of El Salvador to express his solicitude. The relevant departments of China are following the development of the calamity there. The Red Cross Society of China has already provided aid to El Salvador. We believe that the Salvadoran people can overcome the temporary difficulties under the Government of El Salvador and with the help of the international community rebuild their homes at an early date.

Q: January 17 is the 10th anniversary of the Gulf War. What is your comment on this? How do you view that war?

The Gulf War was 10 years ago. All of you know that China has always stood for peaceful settlement of international disputes through consultation and negotiations, opposing the wanton use of force or threat of force. By doing so the issue can be made more complicated. Just based on this consideration, 10 years ago China abstained from voting on Resolution 678, which implicitly contained the use of force.

In 10 years the situation in the Gulf region and the international situation have changed greatly, but it is regretful that the questions left from the Gulf War, such as the removal of sanctions on Iraq, are far from being resolved. The situation in this region is sometimes turbulent and unstable.

China has consistently maintained that the issues left over from the Gulf War should be fairly and rationally resolved on the basis of the relevant UN resolutions, urging the parties concerned to show good political wishes and adopt a flexible and pragmatic attitude to create favorable conditions for the early settlement of the questions left from the war from safeguarding long-term peace, stability and development there. We sincerely hope that the issues left from the Gulf War will be properly resolved through the joint efforts of the international community, so the Gulf region can realize long-term tranquility at an early date. As a permanent member of the UN Security Council, China will continue to work towards this.



IOC Chairman Juan Antonio Samaranch with members of Beijing 2008 Olympic Games Bid Delegation.

by Tang Yuankai

eijingers won't forget how the city lost the 2000 Olympics bidding race to Sidney seven years ago. A mere difference of two votes shattered the dream of millions of Beijingers, and billions of the Chinese. Many Chinese were deeply hurt by the loss since they associated the right of hosting the Olympics with acceptance of their home country by the world.

After a seven-year healing process, Beijing is ready for a comeback. This time, Beijing is obviously much stronger and much more prepared for the Olympics than last time.

Everyone is in on the Bidding

The bidding campaign has been quite vigorous. Posters printed with the Chinese-English logo "New Beijing, Great Olympics" are seen almost everywhere in Beijing. All the buildings facing large streets have been newly painted. Even children have been participating in the bidding campaign. Many primary school students have voluntarily started using recycled paper to write their homework, which is advocated by the "green angel project." The project combines the two themes of supporting China's bid for hosting the Olympics and promoting environmentally friendly activities, such as saving paper.

Chinese officials at different levels are also involved. Chinese President Jiang Zemin wrote a letter to Juan Antonio Samaranch, Chairman of the International Olympics Committee (IOC), stating that the Chinese Government and the Chinese people wholly support Beijing's bid for hosting the 2008 Summer Olympic Games. Beijing will make extraordinary efforts to make it a high-class sports event, the president said.

Chinese Premier Zhu Rongji has also told foreign dignitaries on many occasions that bidding for the Olympics is a common wish shared by all Chinese. If Beijing succeeds in the bidding, it will promote the Olympic movement in China. He said the Chinese Government is paying great attention to the bidding and will do all it can to support Beijing.

Beijing Mayor Liu Qi, who also chairs the bid committee, said the fact that Beijing entered the bidding for a second time shows the persistent and unremitting pursuit by 11 million Beijingers for the Olympics.

According to an authoritative independent pollster, 94.6 percent of Beijingers and more than 90 percent of Chinese support the bid. The bidding sentiment is so intense that even a television drama was entitled "I Want to Contribute to the Olympic Bid."

Olympics and the Chinese

The Chinese love sports, with the number of people participating in certain performance sports increasing steadily. Since China's return to competition in the 1984 Olympic Games, watching the games has become increasingly popular, with television ratings the highest during the games.

To Chinese sports fans, each Olympic Games has been like a festival. Fans will stay up the whole night in order not to miss a contest. And they will talk for hours about the games when they are not watching TV. Some restaurants or bars start Olympics clubs where fans can watch the games in front of big-screen TV, cheer for victory together and share the pain of defeat. Sometimes sports professionals and journalists are invited to such places to make comments and predictions on the contests.

The Chinese people's enthusiasm for the Olympics has grown with the rise of China's prowess in Olympic competition. China had twice placed fourth in terms of both gold medals and the total number of medals. At the Sydney Games, China vaulted into the top three with 28 gold medals, 16 silver and 15 bronze in addition to breaking eight world records.

What was also quite extraordinary about the Sydney Olympics was that the Chinese athletes were completely clean, with nobody found using performance-enhancing drugs at the games. Before sending athletic teams to Sydney, the authorities had removed from some teams athletes with abnormal blood test results, including some swimmers and track and field athletes. Many believe this safeguarded the purity and dignity of the Olympics.

China's opposition toward the use of performance-enhancing drugs is quite firm. Yuan Weiming, Director of the State Sports General Administration, has pointed out on many occasions that whoever uses such drugs at any time and any place should be harshly punished.

The Olympic Games is a great gathering where people from around the world are able to strengthen

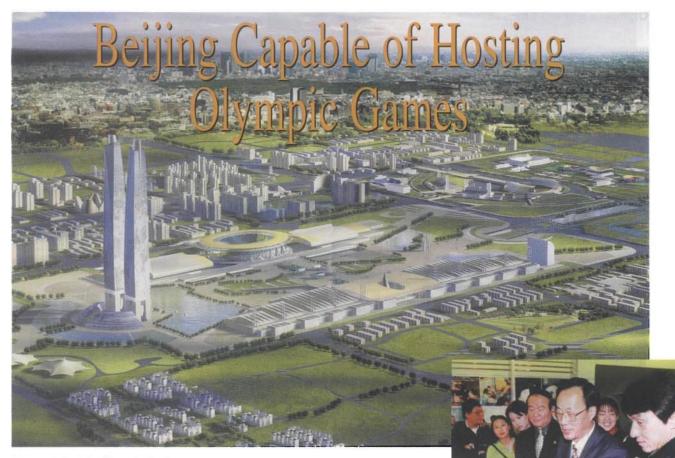


The Beijing 2008 Olympic Games Bid Delegation holds a press conference at Lausanne, Switzerland.



As a gesture of endorsement, Beijing's university students presented to the bidding committee a huge wall hanging hand-made by 1,000 students and bearing the logo for Beijing's Olympic bid.

friendship and promote peace through sports contests. As the country with the biggest population in the world, China should make an even bigger contribution to the Olympics movement and world peace. In addition, holding the Olympic Games in the capital of the most populous country will better embody the global and popular nature of the Olympics. No wonder some people say that an Olympic Games in Beijing could lead to great progress for the Olympic movement.



The model of the Olympic Park.

by Tang Yuankai

hina has made remarkable achievements in social, economic and cultural fields over the past 22 years since reform and opening up. With its GDP approaching US\$1,000 billion in 1999, China's comprehensive national strength has been greatly enhanced.

Beijing has also achieved great progress, with its total annual output value reaching US\$24 billion, and its economy will maintain an annual growth of 10 percent in the coming decade. Therefore, Beijing is economically capable of hosting the Olympic Games, says Liu Jingmin, Vice-Mayor of Beijing and Executive Vice-President of the Beijing 2008 Olympic Games Bid Committee (BOBICO). Liu noted that Beijing is fully confident of meeting the financial needs of hosting the Olympic Games when compared with the economic strength of many previous sponsoring countries at the time they hosted the Games.

Beijing has a wealth of experience in hosting large-scale international activities. For instance, it successfully sponsored the Asian Games in 1990 and the Fourth World Conference on Women in 1995. It has also held the International High-Tech Week annually over the past several years. Moreover, it will host the 21st Universide this year.

While rapidly advancing toward the status of a modern international metropolis, Beijing enjoys a stable social climate. Statistics show that Beijing is one of the safest capital cities in the world, with the lowest crime and traffic death rates and the least occurrence of fires.

Beijing is a famous ancient cultural city, with a history of 3,000 years. It served as a capital of ancient dynasties for 800 years and is now the cultural, educational and scientific research center of modern China, encompassing nearly 100 institutions of higher learning. Mayor Liu Qi said the Olympic Games bid will offer Beijing an opportunity to present to the world its rich culture, its social morality of modesty

Famous Hong Kong kungfu movie star Jackie Chan (right), a promoter of Beijing's 2008 Olympic Games bid, with Beijing Vice-Mayor Liu Jingmin.

and courtesy and its pioneering spirit.

Beijing's abundant tourist resources will be a strong support in its bid effort, which will in turn promote further development of the city's tourist undertakings. Beijing will be more attractive with a harmonious combination of its ancient and modern aspects.

Liu Qi admitted that hosting the Olympic Games will stimulate the nation's economic development. For Beijing, it will help accelerate the city's environmental construction and economic development. A city's infrastructure is undoubtedly of great importance for its success in bidding for and host-

ing the Olympic Games. At present, Beijing is devoting great efforts to large-scale infrastructure construction in order to improve its standard of municipal modernization.

The 2008 Olympic Games is expected to have 28 sports. Since mid-October last year, Beijing has received officials from 26 international sports federations, who came to Beijing on inspection tours. The international football and weightlifting federations did not send their officials to Beijing for onthe-spot inspection, but they have acknowledged reports submitted by BOBICO and issued authentication certificates. This means that BOBICO has obtained the required certificates from all the 28 international sports federations. According to the rules of the

traffic network. It is also making efforts to expand the capacity of airports and increase public transport capacity and the number of taxis. After inspection, many officials from the international sports federations said they were impressed with Beijing's modern traffic control system, advanced traffic control information system and scientific dispatching system, as well as the traffic safety publicity system. In particular, they found Beijing's experience in traffic arrangement for large-scale activities and its plan for smooth traffic during the 2008 Olympic Games to be very convincing.

International telecommunications undertakings have developed rapidly in recent years. The coming of the "digital era" has narrowed the distance between three themes: "green, humanity and science." All stadiums and gymnasiums will be renovated and constructed in accordance with the requirements of various international sports federations. And sports venue selection, design, construction and use after the Games will all reflect the concept of Beijing's bid themes.

According to BOBICO's master plan, there will be 37 venues for the 28 sports of the 2008 Olympic Games as well as 58 training fields and gymnasiums. Of the 37 venues, 32 will be located in Beijing and the rest will be in other cities. Of the 32 sites, 13 are now available, 11 will be renovated and eight new venues will be constructed specially for the Olympic Games.

Sports venues in Beijing will be distributed in one central area and three sub-districts. The central area is in the Olympic Park (called Olympic Green) close to the northern section of the Fourth Ring Road. It covers an area of 1,215 hectares, with 760 hectares set aside for woods and grass, 405 hectares for the International Exhibition and



The three-dimensional image analysis system developed by Prof. Zhang Changheng of the Wuhan Institute of Physical Culture is able to make biomechanical analyses of human body motions.

Sports Center and 50 hectares for the Chinese Nationalities Museum. The area will contain 14 sports venues, an Athletes Village, a reporters village, a news center and an international broadcasting and TV center. The three subdistricts are the University District, Western Community and North Tourist Spot.

BOBICO Vice-President Jiang Xiaoyu said that traffic convenience has been given full consideration while arranging the Athletes Village and other sports venues.



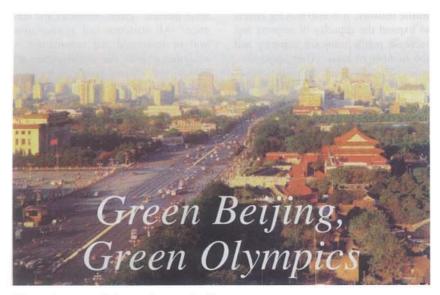
Officials from the International Swimming Federation inspect swimming pools, traffic facilities and the environment of Beijing.

International Olympic Committee, the 28 international sports federations must evaluate the reception capacity and transport, telecommunications and sports facilities of a candidate city and issue authentication certificates to it if they deem the conditions appropriate for the Olympic Games. These certificates are essential documents that should be contained in the application reports of candidate cities.

Traffic management directly affects the success of various events in the Olympic Games. Beijing is speeding up the construction and renovation of such transport facilities as circular express roads, subways, light rail transit and overpasses so as to upgrade the urban

various countries. Digital information transmission is an important means of guaranteeing information exchange and real-time transmission during the Olympic Games and thus is one of the major aspects for evaluation of the qualifications of candidate cities. China's digital technology matches advanced international standards and has convinced international sports officials that there will be no problem with communication and information transfer during the Olympic Games if the event is held in Beijing. They were also told that by the time of the 2008 Olympic Games, live broadcasts through hand-held phones will be possible.

Beijing's bid effort is centered on



The environment is improving gradually.

by Tang Yuankai

olympics has coincided with a massive environmental protection campaign in Beijing.

"We will make it a green Olympic Games," said Jiang Xiaoyu, vice chairman of the bidding committee. "We are very confident that Beijing's environment will be significantly improved."

However, he emphasized that the environmental protection drive is not merely for the bidding.

"It is for Beijing's long-term sustainable development," he said.

The lifestyle in Beijing and the whole country is going increasingly green with an increase in the awareness of environmental protection and ecological balance. The bidding has definitely accelerated this green process since the International Olympics Committee (IOC) in the 1980s made the quality of the environment a key point in the criteria for evaluating cities that want to host the Olympics.

Wang Guangtao, Deputy Mayor of Beijing, said that he hoped Beijing would use this opportunity to lift the city's environmental work to a higher level. According to Jiang, Beijing completed the first four stages of air pollution control between December 1998 and October 2000. Since November 1 last year, the work has been in the fifth stage, which ends at the end of March this year. During the current stage of air pollution control, Beijing is focusing on controlling air pollution during the heat-providing period.

Since last year, the air quality in Beijing has improved remarkably. Last November, Beijing reached ahead of schedule the air quality targets for the year 2000, which had been set in the Targets and Policies for the Environmental Pollution Control and Prevention in Beijing.

The current environmental protection measures include: cleaning up polluted rivers; building a green ecological shield at the outskirts of Beijing; removing diesel-fueled buses in the city proper; replacing sources of high-polluting energy with cleaner energy sources; using new technologies to prolong the duration of energy available now; covering all the heaps of coal, dust and soil; removing, shutting down, stopping or reducing production of high-polluting plants, such as cement and steel plants.

The environmental protection efforts are very much welcomed by Beijingers, who are more conscious of the quality of their environment than ever before. Since February 1998, Beijing's TV stations and newspapers have been releasing daily air quality monitoring results. Most Beijingers have become quite familiar with the term, air pollution index. Another term Beijingers have learned is "green land ratio," which is an important ecological index.

Environmental protection is not merely an undertaking by the Chinese Government or being done just for the Olympic bid, but it is for the people and done by the people, said Liao Xiaoyi, head of Beijing Global Village Environment Cultural Center. Last year, she went to Lausanne with the Beijing 2008 Olympic Games Bid Delegation as a non-governmental representative to give a briefing on Beijing's preparations for the bidding.

Liao is the initiator of the "green angel project," which enlisted thousands of primary school students to help build a "green Beijing." The children are encouraged to sort trash into different categories, use recycled writing paper, etc. Liao said that many are still too young to fully comprehend the significance of such behavior, but what is important is to instill into their minds the good concepts advocated by the Olympics.



Beijing is becoming much greener.



Clean and neat new residential areas.



Bid Committee's Tribute To the Founder of the Modern Olympiad

The first day of 2001 saw members of Beijing's 2008 Olympic Games Bid Committee (BOBICO) commemorate the 138th anniversary of the birth of Pierre de Coubertin, founder of the Modern Olympiad, at the China Millennium Monument. Liu Qi, Mayor of Beijing and President of BOBICO, said the Olympic spirit as advocated by Pierre de Coubertin would be accentuated in Beijing's bid to host the 2008 Games. "We will observe the principle of fair compe-

tition and meet the requirements of the International Olympic Committee," he said.

In his address, which referred to de Coubertin's birth, Liu said, "His creation of the Olympic ideal has always been fully understood and admired by the Chinese people. Beijing's ideal in bidding for the Games is also in line with the universality advocated by Pierre de Coubertin."

"The chance for Beijing to host the Games would provide a closer link between the eastern and western worlds, bring fresh vitality to the Olympic Movement and make the Olympic Games a truly multicultural, multinational and international event. A brand new Beijing is striving for the

chance to stage an unprecedented Games, and also fulfill its motto of 'New Beijing, Great Olympics', which is the best way we can pay our tribute to de Coubertin."

The commemoration was presided over by Liu jingmin,, Executive Vice-President of BOBICO and Vice-Mayor of Beijing. Other celebrities in attendance included Yuan Weimin, Minister of the State Sport General Administration (SSGA), President of the Chinese Olympic Committee and Executive President of BOBICO, and He Zhenliang, member of the Executive Board of the IOC and Honorary President of the Chinese Olympic Committee.

Nine Chinese experts on the Olympics delivered addresses. Having undertaken in-depth studies of de Coubertin's concepts and ideals, they paid tribute to his historical contribution and reiterated the essence of the Olympic spirit.

Olympic Ideal Universal

He Zhenliang, member of the Executive Board of the IOC and Honorary President of the Chinese Olympic Committee, gave an address entitled Enha ing the Olympic Spirit and Promoting the Olympic Movement. He

新世纪第一天

北京纪念顾拜旦

新世纪的第一天——2001年1月1日,弘扬奥林匹克 精神暨顾拜旦诞辰纪念报告会在北京中华世纪坛隆重举 行。北京奥申委主席、北京市市长刘祺在纪念仪式云晓, 我们要在申办奥运会的活动中弘扬顾拜旦先生的奥林匹 克精神。北京申办2008年奥运会将遵循公平竞争的原则, 按照国际奥委会的规定,开展各项活动。

刘洪在讲话中说,人类社会进入新世纪之际,正是

奧林匹克运动的先驱者顾拜旦先生 诞辰138周年的日子,他所倡导的奥 林匹克理想得到了12亿中国人民的 理解和热爱。北京申办2008年奥运 会的理念也正符合了顾拜旦先生提 倡的国际性和世界性原则。刘淇说,一个新的北京,将为奥林匹克运动 在新世纪的发展带来新的活力,将 促使奥林匹克运动真正成为跨文化、 跨民族、跨国度的世界性文化体系。 刘淇最后说,公平的竞争,包含着 历史地看待现有的问题以及今后的 努力结果,北京申办2008年奥运会, 实践"新北京、新奥运"的理念, 将是对顾拜旦先生的最好纪念。

纪念大会由北京奥申委常务副

主席,北京市副市长刘敬民主持。国家体育总局局长、中国奥委会主席,北京奥申委执行主席袁伟民、国际奥委会执委,中国奥委会名誉主席何振梁,悉尼奥运会跳水冠军桑雪,在京居住的法国友人等也分别在会上讲话。

奥林匹克目标是全球性的

国际奥委会执委、中国奥委会名誉主席何振梁在1 月1日举行的弘扬奥林匹克精神暨顾拜旦诞辰纪念报告 会上说、奥林匹克运动的目标是全球性。顾拜旦寓意深 远地设计了"五环"标志,以象征五大洲通过体育紧密 地联系在一起。

何振梁在报告会上做了题为《弘扬奥林匹克精神、 推动奥林匹克事业》的发言。他说,顾拜旦将奥林匹克 运动的目标设定为促进不同国家、不同文化之间的相互 理解,从而促进和维护世界和平。正是奥林匹克运动的 全球性,使它得以突破民族与地域的局限,使古代与现 代,西方与东方汇于一处,融为一体、生生不息,经百

II-18



said de Coubertin defined the goal of the Olympic Movement as one which promotes understanding among different countries and cultures in order to maintain world peace, an ideal that has enabled the Olympic Games to, so far, survive for more than a century except for the ironic interruptions of the two world wars.

Taking universality and global development into consideration, de Coubertin advocated that venues for the Olympics should be rotated worldwide instead of only being staged in Greece. For many decades, the Games have been largely confined to North America and Europe for historical reasons, though other countries and continents have occasionally staged them.

He Zhenliang said that, allowing for both social and Olympic developments, more and more developing countries are becoming qualified to host the Games. In his opinion, it was in everybody's long-term interest to hold the Olympics in a country that has never been their venue. He pointed out that fair play was paramount in maintaining the Olympic spirit advocated by Pierre de Coubertin.

Beijing and the other four candidate cities, he said, were competitors—but at the same time also friends. He described the Olympics as a "sacred cause", meaning that competition for this cause should also be based on solidarity, friendship, mutual respect and cooperation.

Chinese Olympic Committee Chief Voices Support

Chinese Olympic Committee Chairman Yuan Weimin expressed his earnest wish that the sacred flame of the Olympics be lit on the vast land of China, contributing immensely to the modern Olympic cause founded by Pierre de Coubertin.

Yuan said The first modern Olympics was staged in 1896. In the following years, de Coubertin pushed forward the development of the Olympic movement with admirable courage and perseverance. Recently, the Olympic movement has been popularized worldwide. Through the efforts of the International Olympic Committee (IOC), there are now 199 regional and national Olympic committees in the

年而不衰。

正是出于奧林匹克运动普遍性和全球性的发展,顾 拜旦拒绝了把现代奥运会的举办地点只限于希腊的建 议,而力主在各国轮流举行。由于历史的原因,奥运会 的举办权长期被欧洲和北美国家垄断。何振梁说,随着 社会的进步和奥林匹克运动自身的发展,愈来愈多的欧 美以外的国家,包括一些发展中国家,具备了举办奥运 会的条件。他认为,在从未举办过奥运会的国家举办奥 运会是完全符合奥林匹克运动的长远利益的。

何振梁指出,一个城市申办象征着世界和平与团结 的奥运盛会,意味着它愿意为奥林匹克事业做出更多的 贡献。因此各申办城市有着共同一致的长远目标与利益, 既是竞争对手,更是合作伙伴。奥林匹克运动是一项神 圣的事业,为这项事业的竞争也应是团结友好,相互尊 重,相互合作,无愧于奥林匹克称号的竞争。

中国奥委会主席袁伟民在纪念会上讲话

"让奥运圣火在占世界五分之一人口的中国大地首 次点燃,将使顾拜旦毕生为之奋斗的奥林匹克精神得到 更广泛的传播,将翻开奥林匹克运动崭新的一页。"

袁伟民在讲话中说,奥林匹克运动创始人顾拜旦 1892年敏锐地抓住体育国际化的历史潮流,因势利导, 发出复兴奥运会的号召,并在1896年将这一号召付诸实 施。其后他以令人敬佩的献身精神和百折不挠的意志, 推动这一事业的发展。顾拜旦和其他现代奥林匹克运动 的先驱者所开创的事业已在全世界普及。在国际奥委会 的领导与协调下,分布在五大洲的199个国家和地区奥 委会与35个列入奥运会竞赛项目及28个得到国际奥委会 承认的国际单项体育组织,组成了一个覆盖全世界的奥 运之网。奥林匹克理想深入人心,奥运会已经成为当代







world, 35 kinds of sporting games listed in the Olympics and 28 international sports federations registered within the IOC. The Olympic Games have been a grand gathering of members of the Olympic family throughout the world, while also promoting world peace, progress and social development, Yuan declared.

Yuan also recalled the great contribution that Pierre de Coubertin had made during his 29 years as president of the IOC. Pierre de Coubertin promoted the sportsmanship of Olympianism, pushed forward the internationalization of sports and founded the worldwide sports organization.

Yuan pointed out that with continued social development and improvement in China's overall national strength, China has become qualified to host the Olympic Games and contribute more to the Olympics.

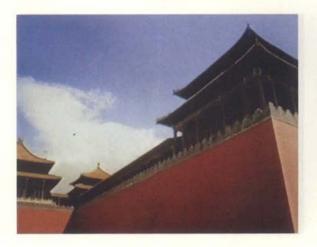
Chinese Experts On Olympic Development

Xiong Douyin (Researcher With the Sport Research Center of State Sport General Administration):

In his prose *Ode to Sport*, Pierre de coubertin passionately described sport as the embodiment of beauty, justice, courage, health, progress and peace. De Coubertin took sport as the entertainment of the gods, the motive force of life, and the first rays of the morning sun from a mountain peak that bring human beings hope, life and vitality. He considered sport as a great undertaking by humanity and foresaw that it would push forward human civilization. The development of modern sport and the Olympic Games has confirmed his prediction.

Ren Hai (Professor With the Olympic Research Center of Beijing University of Physical Culture):

Sport should be a process of "beauty creation and demonstration", a process in which people's minds are purified and where personal qualities become elevated. It is



最为引人注目的一个体育盛典, 奥林匹克运动已经成为 促进世界和平、进步与发展的社会力量。

袁伟民在讲话中回顾了被誉为"奥林匹克之父"的 顾拜旦作为国际奥委会创始人,在他担任国际奥委会主 席长达29年的时间里为奥林匹克运动的发展所建立的不 朽功绩:顾拜旦提出了奥林匹克主义的体育思想,推动 了体育国际化的历史进程,构建了世界性的体育组织机 构。

袁伟民最后指出,随着中国社会的进一步发展,综合国力的加强,中国为奥林匹克运动做出更多贡献的条件已经成熟,举办奥运会则是这种贡献的最为集中的体现。

中国专家论奥运发展

熊斗寅(国家体育总局面体育科研所研究员):

顾拜旦在他的散文诗《体育颂》中充满激情的歌颂体育,将体育看成美丽、正义、勇气、健康、进步与和平的化身。他将体育看成是"天神的欢娱,生命的动力"。对所有人来说,体育犹如"高山之巅出现的晨曦",给地球和全人灯带来希望的阳光,生命的活力,他将体育看成是全人类的事业,认为体育将推动人类文明的进步。现代体育和奥林匹克运动的发展已经证实了他的预言。

任 海 (北京体育大学奥林匹克研究中心教授):

体育应该是创造美的过程、展示美的机会。人们在 这审美的过程中,心灵得到净化,品质得到提高。通过 艺术手段来"提供一个适宜的、充满崇高和壮美的场景 来激发运动员和观众最高尚、最慷慨的情感,"构成一 个有价值的奥运会环境,在这个环境中,"那崇高庄严





necessary to provide a suitable venue with loftiness and magnificence through artistic skills to stimulate the most lofty and vehement passions of both audience and athletes, and form a valuable Olympic atmosphere. In this atmosphere, the dignified manners, unforgettable celebrations, elegant arts and lofty passion and sentiment of the audience should all blend. All this [effort] is to build up a lofty and holy ceremony for the Olympic Games.

Sun Baoli (Associate Professor With the Olympic Research Center of Beijing University of Physical Culture):

Education is the point of departure and final destination of the Olympics. When he set up the modern Olympics, de Coubertin's aim was to teach young people to find the essence of life. In his opinion, the most important thing in modern people's life is education. The Olympics is just the kind of education that teaches people how to develop from individuals into socially aware beings. The Olympics can encourage individuals to undertake self-development; thus if all individuals in society are greatly improved, the whole society will be better. In pursuit of this basic goal, Beijing will take all measures to combine sport and deucation. This concept will be carried through to the end of Beijing's bid efforts.

Wu Qiantao (Professor With the People's University of China):

The vitality of the Games and their special appeal lie in the spirit which is the soul of the Olympics rather than athletes' sporting acrobatics. The purpose of Beijng's bid to host the 2008 event is to spread the Olympic spirit widely and to seek a sublimation of humanism behind the Olympic spirit. Chinese culture esteems the harmony between man and nature; this is closely related with the Olympic spirit. Traditional Chinese culture attaches great importance to social harmony, a goal equally pursued in the Olympics.



的队列和仪态,那难忘的辉煌庆典、那精美的艺术,还 有公众的热情和高尚的情操,都应该融为一体"。这一 伟大的作品就是旨在为奥运盛会创造崇高与神圣的奥林 匹克仪式。

孙葆丽(北京体育大学奥林匹克研究中心副教 授):

教育是奥林匹克主义的出发点和归宿,顾拜旦创立 奥林匹克运动的真正目的就是通过体育运动教育青年。 他认为:在现代人生活中最重要的是教育,奥林匹克教 育是沿着由个体到社会、由微观到宏观的逻辑顺序构建 的。首先是使个人得到全面发展,进而扩展到社会,实 现其发展社会,建立美好世界的目标。因此北京将采取 各种措施将体育运动与教育相结合,这种理念将贯穿在 北京为申办2008年奥运会所组织的一切活动中。

吴潜涛(中国人民大学教授):

奥林匹克运动的强大生命力和迷人魅力,在于竞技场 上淋漓尽致展现出来的"跑"、"跳"、"变"的技巧、更 在于在奥林匹克运动中居于核心地位的奥林匹克精神的 人文底蕴。北京申办奥运的强烈诉求,就是源于这种人 文奥运精神在新世纪的传播、普及和升华。

中国文化倡导的"天人合一"的理念,倡导的"天 行健,君子以自强不息"等一系列思想都与奥林匹克精 神息息相通。它能够为奥林匹克精神所追求的和谐社会 的目的,提供一种古老而又现代的智慧。

熊晓正(中国体育博物馆研究员):





Xiong Xiaozheng (Ressearcher With the Sports Museum of China):

The aim of China's participation in the Olympic Games is to communicate with people of all countries, cooperate with them on the basis of equal competition so as to contribute to world peace and progress....These things provide the motive power that drives Chinese sport in its approach to the Olympics and the whole world. By involvement with the Olympic Games, all aspects of Chinese sports undertakings become highly developed.

Lu Yuanzhen (Professor With the College of Physical Culture of Huanan Normal University):

As competition is one of the cores of the Olympic spirit, every athletic competition must be fair and valid. All competitions of the Games are carried out in public, so most of the results are fair. That's why the Olympics have remained so charming and appealing to the world for more than a century. Nowadays, the Olympics are the grandest event on the sporting calendar. They represent world culture to a large degree. If we accept and revere the Olympics, we at the same time also absorb world cultures as well. As open-mindedness is a characteristic of the Chinese traditional culture, all we Chinese are taking a welcoming attitude to the Olympics.

Du Lijun (Secretary-General and Research Fellow of China Sports Science Society):

The history of the Olympics is also a history of development and history of sports science. And modern science is playing a more and more important role in the Olympic Games. The result is the founding of an Olympic science system. At the same time, to some degree, the Olympic Games have in part turned into an exhibition of modern science and technology. With the continuing popularization of the Olympics, I can say that every activity concerned with them is combined with modern science.



与世界各国人民交往、合作并在平等基础上竞争,从而为整个人类的和平进步事业作出贡献,是中国体育选择奥运,走出国门,走向世界的原动力。参与奥林匹克运动提高了中国体育整体水平。

卢元镇(华南师范大学体育学院教授):

竞争是奥林匹克精神的核心之一。而竞争的结果是 否有效与公正,往往取决于它的公开性。竞争的公开性 是一种社会民主的主要标志。奥林匹克提倡的竞争,其 最可贵之处就在于它是在众目睽睽之下进行的。

以奧林匹克运动为代表的西方竞技运动是当今世界 的主体体育文化,对奥林匹克的接受就是对世界文化的 接受。而从中国传统文化良好的兼容性的特质来看,对 奥林匹克是持欢迎态度的。

杜利军(中国体育科学学会秘书长、研究员):

百年奥运之路,也是体育科技进步之路。现代科学技术在奥运会整个过程中所起的作用愈来愈明显,并逐步形成一个体系,即奥运会科技体系。同时,奥运会已经成为展示现代科学技术最新成果的橱窗。随着现代奥运会规模的不断扩大,围绕奥运会而从事的每一项活动都包含着高科技成果的影子。

郝 勤 (成都体育史研究所教授):

顾拜旦的伟大贡献在于,他从古奥运会遗产中得出 了体育竞技是身心二元文化的结论,从而否定了世俗所 认为的体育竞技只是"身"的一元文化的观念,确立了 新的体育竞技价值观:人的身心协调和全面发展,培养 和造就身心协调发展、完整而健康的现代人格。





Hao Qin (Professor With the Chengdu Institute for the Studies of Sports History):

Pierre de Coubertin's contribution lies in his conclusion that sport is a binary culture that concerns both body and soul, and which refutes the old concept that sport is the culture of body alone. His new concept set up a new value for sport, in essence the harmonious pursuit and comprehensive development of both body and soul, and cultivation of an intact and healthy modern personality with a balanced development of body and soul. In the traditional Chinese ideological system, the unity of body and soul is the basic component of Chinese philosophy and understanding of life. It also became the character of ancient Chinese sport.

The goal of sport is to pursue the comprehensive development of the body and soul of a human being and, on the basis of the achievement of this, to accelerate the development and progress of the whole society.

'I Love the City of Beijing'

-Locally based Bertrand Theaud, French lawyer

In the past seven years, Beijing has grown to assume the role of an international metropolis. Dynamic as New York...charming as Paris...sprawling as london...modern as Tokyo...ancient as Athens. This is Beijing today.

The reason why I am here is that I am a sports fan, and at the same time, I love Beijing. I first came here seven years ago and was immediately charmed by the city and its people. What I guess will be more surprising to you is Beijingers' spirit of meeting challenge, their energy and will. I find these things every day in the city. As one of my compatriots said a long time ago, 'Those who endure will win.' You may recognize that it was said by Baron Pierre de Coubertin, mentor of the Modern Olympics. De Coubertin also said, 'The most important thing is to participate.' I fully agree with this statement since participation fosters friendship among people of different nationalities, and promotes the open and fair spirit of competition. This was true one hundred years ago in France, and remains true today in Paris as much as in Beijing.



在中国传统思想体系中,身心不二是基本的人生哲学和生命理念,从而建立了中国古典体育中以"形神合一"为特色的身心协调发展观。

体育的目的在于追求人类身心全面发展,并在此基础上促进社会的发展和进步,这就是现代奥林匹克主义 与中国传统文化思想的一致性所在。

我钟爱北京这座城市 在京工作的法国律师白贺桐先生

北京已成为一个国际化的大城市,多样化像纽约, 述人像巴黎,都市的扩展像伦敦,现代像东京,古典像 雅典,这就是今天的北京,集众家之长。

我调到北京工作的原因是因为我钟爱运动,同时也 是因为我钟爱北京这座城市。我第一次来到北京是7年 前,我一到北京就被北京的独特魅力和北京人民的热情 所吸引。

我想,使我和您同样感到惊奇的应该是我们所能感受到的一种直面挑战、发挥能量,势在必得的信心和信念。这种信念和信心在我们每天的生活和工作中都能感受得到。正像我的一位同胞在很久以前说的,只有那些信念坚定的人才会取得胜利。您一定可能猜到这句话就是现代奥林匹克运动的创始人顾拜且所说的。今天我们的生活一定程度上体现了奥林匹克运动中竞争的精神。顾拜且说过,贵在参与。我非常同意他的观点,因为参与可以增进不同国家人们的友谊,同样也可以促进公平竞争精神的传播。顾拜旦的思想得到了广泛的传播,这是事实,无论是在100年前的巴黎还是在今天的北京。

我非常高兴看到顾拜旦的思想被北京人所接受,并 在北京人的思想中发芽。我确信北京主办2008年奥林匹 克运动会,不仅仅是展现顾拜旦思想的机会,同时也是





So I am happy to see that de Coubertin's ideas are so widely shared by Beijingers, and are so deeply ingrained in the spirit of the people of this city. That's why I believe that hosting the Olympics in 2008 would provide a unique chance for the world to see the spirit of Beijing at its best.

'The Most Glorious Experience of My Life Was to Participate In the Olympics'

-Sang Xue, Sydney Olympic Diving Gold Medallist

"Every athlete cherishes the opportunity to participate in Olympic Games, which is considered to be the grandest of all sports gatherings. The Games are of the utmost importance as well as being a great honor to all who participate. I have taken part in many kinds of competitions and games, but the Olympics left me with a unique feeling.

Athletes from all over the world competed and became rivals in this world arena, all striving for perfection and challenging themselves to the limit. Outside the arena, in the athletes' village, however, they maintained harmonious and friendly relationships. The Olympics continue to integrate people of different nationalities, languages, customs and dress, transforming the sports gala into a splendid, beautiful garden of human civilization.

Olympics—We Join the World

A charming gift from a group of Beijing children—a large, jointly produced painting—was deeply appreciated when accepted by the BOBICO. The presentation was made during the commemoration of the 138th anniversary of the birth of Baron Pierre de Coubertin, founder of the Modern Olympiad in 1896. The painting was a symbolic expression of children's hope that Beijing will host the 2008 Olympic Games.

The painting depicted historical buildings in the five candidate cities—Beijing, Istanbul, Osaka, Paris and Toronto. Each building was in a different color. Five children from the cities danced hand-in-hand at the presentation.



展现美好北京的最佳时机。

参加奥运会是自己一生最荣幸的事 悉尼奥运会跳水冠军桑雪

世界上有各种各样的运动会、但在运动员的心目中 最珍贵的莫过于奥林匹克运动会。世界各国运动员都把 参加奥运会,在奥运赛场上展示自己的才能看作一生最 荣幸的事情。我参加过国内外的许多比赛,但当我参加 奥运会时,却有着不同的感受。各国体育健儿们在有五 环标识的奥运赛场上,龙争虎斗,拼得难解难分,在奥 运村里却又友好相处,情同手足。

奥运一我们与世界的联接

纪念顾拜旦诞辰大会收到了一件有意义的礼物—— 一幅代表着中国少年儿童申奥希望的绘画作品"世界的 奥运,我们的奥运"。

这幅由少年儿童绘制的作品中,包括5个2008年奥运申办城市的标志性建筑,以及携手共舞的5个城市的儿童。

申奥宣传影片在世界最大屏幕上播放

一个长31.4米,宽6.78米的电视墙,在纪念大会上成了令了瞩目的一道风景。参加大会的首都各界人士近300人在这里观看了精彩的申奥宣传片。宣传片展示出了新北京的面貌,中国亿万民众的热情参与和中国人民对奥运精神的理解。法国留学生李凤兰女士说:"这部申奥片真是太棒了!里面的长城、天坛等北京古老的园林和建筑,都是我曾看到过的。而这部片子里有很多新北京的建筑和街道,我也很喜欢。"





Beijing's New Great Wall

The world's largest video wall, measuring 31.4 by 6.78 meters, was the focus for nearly 300 people present at the commemoration for Baron Pierre de Coubertin's anniversary of birth. The newly-produced video, entitled *Heading for 2008—Beijing*, encapsulated previous and new footage about the city and its bid to host the 2008 Olympics.

Li Fenglan, a French student in Beijing, said, "The video was fantastic! Beautiful scenes of the Great Wall, the Temple of Heaven and other ancient Chinese buildings and architectures have long been of great interest to me. I am equally fond of all the newly built buildings and avenues in the city. The creation of these in so short a time seems miraculous."

Biography of Pierre de Coubertin

- Pierre de Coubertin: Founder of the Modern Olympics; the Second President of the International Olympic Committee (IOC); French educator.
- Jan. 1, 1863, born in Paris. He showed great interest in ancient Greek history and was concerned about French education in his youth.
- 1883, advocated holding the World Games.
- 1887, called for reform of the French educational system, and founded the French Runners' Association.
- 1892, mounted an appeal to revive ancient Olympic Games.
- 1894, elected as Secretary- General of the IOC and drafted IOC's first Charter.
- 1896, elected as President of the IOC. First Modern Olympics staged.
- 1912, published his famous prose poem, Ode to Sport, which won the gold medal at the Fifth Olympic Games in Stockholm.
- 1925, resigned as IOC president, but elected as its Emeritus President.
- Feb. 9, 1937, died in Geneva, Switzerland.



顾拜旦生平

- 顾拜旦: 现代奥林匹克运动创始人,国际奥委会第2届 主席,法国教育家
- 1863年1月1日出生于巴黎。青年时代喜爱古希腊史,关 心法国的教育。
- 1883年提出定期举行世界性体育竞赛,恢复古代奥林匹克运动会的主张。他多次去英国考察,开始进行比较教育学的学术研究。
- 1887年发表"法国与英国中等教育制度对比"的报告, 呼吁改革法国的教育制度。1887年建立法国跑步协 会联合会。
- 1892年顾拜旦在索波大学(即今巴黎大学)发表了"复兴奥林匹克运动"的著名演说,提出创办现代奥运会的建议。
- 1894年6月16日在顾拜旦的坚持和说服下,以复兴奥林 匹克运动会为目的的巴黎国际体育会议召开,6月 23日正式成立国际奥林匹克委员会。顾拜旦当选为 国际奥委会秘书长。他亲自起草,制定出国际奥委 会的第一部宪章。
- 1896年在雅典举行第一届奥运会之后, 顾拜旦继D.凯拉 斯当选为国际奥委会主席。
- 1912年在斯德哥尔摩举行第五届奥运会时,他针对当时体育竞赛中的一些弊端,发表了著名诗作《体育颂》,获得这次奥运会文艺比赛金质奖章。
- 1925年辞去国际奥委会主席职务,并被推选为终身名誉 主席。

1937年2月9日病逝于日内瓦。



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Getting Fit the Latest Trend

by Tang Yuankai

ear after year, Beijing's open spaces along the streets, in the parks and in front of residential buildings are the venues for people doing body-building exercises in groups or individually in the morning. These people, from all walks of life and at different ages, do exercises, run, practice *qigong* and the martial arts, or dance to the disco rhythm.

Most elderly people prefer *taiji* boxing, which enables a person's body to become more pliable, steadier, stronger and more balanced. Taking into account *taiji* as the embodiment of the traditional spirit of the Chinese nation, the designer of the emblem for the Beijing 2008 Olympic Games Bid Committee completed his design in the shape of an abstract *taiji* practitioner, hoping to illustrate the essence of traditional Chinese sports culture.

According to statistics, the number of Chinese people participating in daily sports activities is increasing rapidly. More and more people have developed a strong enthusiasm for personally participating in sports activities rather than dully watching in gymnasiums or sitting in front of the TV.

In the wake of China's rapid economic development, most Chinese have realized a greatly improved standard of living, no longer needing to worry about food and clothing. In the meantime, a lower labor intensity has impelled people to increasingly focus on health and turn sports into an indispensable part of their lives or even an entirely new lifestyle.

Indoor Fitness Becomes a Fashion

All people want to be healthy. Although a variety of health products are now available, more Chinese are tending to take part in sports activities to make themselves stronger. Even when certain elements force them to stay at home, many people use fitness equipment or take part in aerobics.

With self-preservation becoming common knowledge in health care, people are beginning to pursue higher targets, hoping to improve their physical quality, delay aging, prolong their vitality and be immune from diseases. They are no longer satisfied with a "normal" life, but long for a better standard of living and longevity in sound health. As a result, various natural and scientific body-building methods, equipment, venues and services have prevailed, while the functions of fitness clubs and organizations, which prosper by conforming to the trend of the times, have gone beyond mere venues for sports activities to "dream works" integrating body-building, social communication and body aesthetics.

With Chinese people wealthier than ever before, the occurrence of such diseases as obesity, hypertension and heart disease, which in the past were a problem for just the

wealthy, is rising among the entire society, forcing people to spend more time in fitness activities.

Many sports clubs have started courses teaching methods for body-shaping and weight-control, and have invited nutrition experts to lecture on healthy dietary habits and sports coaches on body-building skills. Some of them have also introduced special instruments to measure club members' fat ratio, in order to find out related improvements in their bodies.



A women's aerobics class.

Stadiums, gymnasiums and fitness centers offer facilities for physical training all year round. Generally, these places are large spaces, have special facilities, and are fully equipped, able to meet the demands of different sports enthusiasts. Currently the average Chinese worker has about 120 off days each year, accounting for almost one-third of a year, and students have 180 days without classes. In some major cities such as Beijing and Shanghai, "body-building in the holidays" is being energetically advocated. Related departments hope to take advantage of the holiday sports market to boost consumption on sports.

In today's China, sports activities, instead of feasts, have become a means of social communication among many people. For example, family bowling contests are now very common in China. These activities help family members enhance ties while keeping fit.

Outdoor Events Have Stronger Appeal

Although China's medical insurance system is constantly being improved, people are beginning to realize the benefits of keeping fit as a way of avoiding the need for remedial health measures. Knowing that it is a fantasy to recover one's childhood, many still want to challenge the traditional concept of age and add some childish fun to serious adult life. Outdoor sports, therefore, are a top choice.

Recent years have seen a rise in the interest in sportsrelated tourism in China. This unique combination of two favorite activities allows people to relax in natural surroundings while experiencing the stimulation of a variety of outdoor sports. Urban dwellers can also take advantage of such opportunities to increase social communication.

Mountaineering, rock climbing, skiing, boating, rafting, archery, horseback riding, cycling and hang-gliding are the current favorites among Chinese sports enthusiasts.



A group taiji performance in the Heaven Temple in Beijing.

Government Campaigns for Public Sports

The State Sports General Administration conducted a nationwide survey on social sports development in January 1997, which investigated lifestyles, concepts and objectives of sports activities. According to the survey results, those frequently taking part in sports activities accounted for 31.4 percent of China's total population. Declaring the figure is higher than the average for developing countries, Minister Yuan Weimin of the State Sports General Administration said China has achieved remarkable progress in public health over the past several decades.

According to Yuan, the rising status of China in the international community will not only be based on increasing economic strength but also on improvements in public health. For this purpose, sports departments must do their utmost to draw more people into participating in sports activities. Yuan said.

The State Sports General Administration has taken a series of measures to enhance people's awareness of sports and promote development of public sports activities, aiming to make body-building part of the daily life of more Chinese people and have them take part in sports activities on their own initiative. The administration has also urged sports departments at various levels to study and comply with trends in public sports activities and to develop more events catering to different conditions and needs. In the meantime, intensified efforts have been made by sports departments to strengthen the ranks of instructors for public sports activities and set up necessary training bases.

Many sports organizations have expanded their services

to cover local enterprises, schools, neighborhood communities and even individual residents, setting up complete health and fitness networks. Their services include sponsoring training courses and lectures of all kinds, directing the development of social sports activities and organizing sporting events.

Sports Industry Takes Shape

The increasing number of people participating in sports also guarantees bright prospects for China's sports industry.

For many years, the sports industry in Western countries has flourished. However, in China, the industry remains in a period of initial growth. Increasing numbers of Chinese have recognized that in addition to enjoying contests of strength and wisdom, improving personal health and winning honor for the State, sports can also generate profits and serve as a new stimulus to the growth of the economy.

In today's China, there has been encouraging progress in the development of both a tangible sports market and intangible sports assets, including fitness and recreation, competitions, information services and consultation, radio and TV programs, and sports equipment and sportswear. By 1999, China had issued sports lottery tickets worth 10 billion yuan, with all revenues put into sports undertakings. China Sports Industrial Co. Ltd., which was listed in 1998, is China's largest listed sports company.

Currently, China's sports industry still faces arduous tasks in market exploitation and legal construction. While investing in and promoting public sports activities, the related government departments are formulating necessary development programs and concrete measures to ensure the healthy development of China's sports industry.

In 1995, the 15th meeting of the Standing Committee of the Eighth National People's Congress adopted the Sports Law of the People's Republic of China. Thereafter, several dozen national and local sports regulations were promulgated in the country. As a result, China's sports-related legal system is gradually taking shape.



Several Nanjing residents take part in fitness activities in their residential quarter.

Three-Year Target for SOE Reform Reached

by Li Rongxia

n September 1997, the 15th National Congress of the Communist Party of China set a three-year objective for the reform of State-owned-enterprises (SOEs): most large and medium-sized SOEs were to turn around their loss-making operations through reform, reorganization, association and improved management and establish a modern enterprise system.

By the end of 2000, the three-year objective for the SOEs reform basically had been reached. Most large and medium-sized SOEs have reduced losses, increased profits and built a modern enterprise system, said Sheng Huaren, Minister in charge of the State Economic and Trade Commission (SETC), at a press conference.

Basis of Conclusion

According to the minister, the conclusion that the threeyear objective had been reached was based on the following facts:

- State-owned and State-holding industrial enterprises have increased profits by a big margin. SOEs and State-holding enterprises accomplished 80.65 billion yuan in profits in 1997, which dropped to 52.5 billion yuan in 1998 due to the influence of the Asian financial crisis. From January to November 2000, State-owned and State-holding enterprises yielded 208.3 billion yuan in profits, up 1.4-fold over the same period of the previous year. Profits for the year 2000 were around 230 billion yuan, a 1.3-fold rise over the previous year and a 1.85-fold rise over 1997.
- Profits have increased or losses been reduced in most industries. Among the 14 industries under key supervision, four were in the red in 1997, and five in 1998. By the end of last year, 12 industries, namely the light industry, textiles, machinery, metallurgy, petrochemicals, building materials, tobacco, nonferrous metal, electronics, gold, pharmaceuticals and power, either had increased profits or turned from deficits to profits. The net deficits in the coal and military industries decreased significantly. The textile industry, as a breakthrough point in the three-year SOE reform, attained its target of reducing cotton spindles and employees and ending losses one year ahead of schedule, blazing a trail for other industries.
- Thirty-one provinces, autonomous regions and municipalities directly under the Central Government had offset losses or increased profits by the end of 2000. The traditional industrial bases in northeast China, which were the focus of the three-year reform, ended losses and started to make profits ahead of schedule.



Employees from Hanzhong Herbal Medicine Plant, based in Shaanxi Province, take training classes.

- Most large and medium-sized loss-generating SOEs have got out of difficulty. The number of loss-making large and medium-sized SOEs had reduced to 4,391 by November 2000, accounting for 66.5 percent of the 1997 figure of 6,599. Some of the enterprises have ended losses and started to make profits. Some retreated from the market through closedown or bankruptcy and some were merged or reorganized. By the end of 2000, the number of large and medium-sized loss-generating SOEs had decreased by 70 percent.
- Most large and medium-sized key SOEs have established a modern enterprise system. Of the 2,700 pilot enterprises for establishing a modern enterprise system designated by the State Council or selected by various localities, most have been restructured into corporations. Of the 514 State-owned and State-holding enterprises listed among the 520 key State enterprises, 430 or 83.7 percent have undertaken the reform to be restructured into corporations, and 282 have been wholly or partially transformed into limited liability companies or joint-stock companies with limited liability to diversify investment forms. The framework of a modern enterprise system has been established, the incorporated management structure has taken shape, and decisive steps have been made in terms of separating government functions from enterprises' management, shifting operational mechanism and strengthening scientific management.

A Hard Battle

The achievements made in the SOE reform and ending losses are hard-earned. To reach the objective and promote the State-owned sector as a whole, the State adopted a series of policies and measures to strategically readjust and restructure the economic layout of the State-owned sector and



Lianyungang Alkali Plant, one of the nation's three biggest alkali plants, offsets losses through readjusting the product mix and strengthening internal management.

SOEs during the past three years. Suitable means of reform have been taken to eliminate or promote the enterprises in light of their differing economic performance. All localities, departments and enterprises have conscientiously implemented the State policy and measures, carrying out effective work in SOE restructuring and the strengthening of management to reform and lift SOEs out of difficulties.

- The macro-economic environment has been improved and structural readjustment accelerated. The three-year SOE reform was carried out under the circumstances wherein the commodity shortage was ended and patterns of supply and demand changed greatly. The impact of the Asian financial crisis further aggravated contradictions caused by insufficient effective demand. During those three years, the State adopted a pro-active fiscal policy and stable monetary policy, expanded domestic demand, increased export rebate rates by a large margin, lowered bank interest rates, cracked down on illegal activities such as smuggling and defrauding of the export tax refund, launched anti-dumping activities, rectified market order and dealt with the arbitrary collection of fees and unjustified fines and financial levies on enterprises. These macro-economic control policies and measures have improved the external environment for the production and operations of the SOEs.
- Efforts have been intensified in increasing efficiency by downsizing staff and establishing a mechanism of dropping the less competitive enterprises out of the market. The State has built up a channel for the enterprises that have lost their competitiveness to retreat from the market by writing off bad loans and non-performing debts and promoting bankruptcy and mergers. Since 1998, a total of 1,718 projects have been approved for mergers or bankruptcy. Among them 1,504 were large and medium-sized projects with 126.1 billion yuan reserve written off against bad loans and non-performing debts. A number of insolvent enterprises that had long been in a hopeless deficit position and mines with exhausted resources have been dropped out of the market, helping eliminate the source of deficits. According to preliminary estimates, large and medium-sized SOEs have cut losses by around 30 billion yuan through mergers and bankruptcy in the past three years.

Personnel redundancy has been a prevailing and prominent problem for SOEs. During the past three years, while intensifying efforts to increase efficiency by reducing surplus employees and resettling laid-off workers, the State has adopted a series of policy and measures to ensure that the basic living allowance for laid-off workers is paid in full and on time in order to maintain social stability. The laid-off workers have also been encouraged and helped to be reemployed through various means. More than 96 percent of laid-off employees that entered the re-employment centers have got their basic living allowance. Over the past three years, SOEs have had 21 million lay-offs, a number that has reduced by 15 million, with 13 million being re-employed through various means.

● Debt-to-equity swaps have been carried out to improve the capital structure. Debt-to-equity swaps were designated to help the State commercial banks with their reform in handling non-performing capital by turning partial debts of the SOEs to the State commercial banks into the equity of financial asset management companies. Through strict examinations and recommendations, 580 enterprises have been designated for debt-to-equity swaps involving 405 billion yuan, with bank interest suspended from April 1, 2000. According



Huamao Group, based in Anhui Province, holds an exhibition of its defective products.

to statistics, the asset-liability ratio of these enterprises dropped from more than 70 percent to less than 50 percent, and interest payments decreased by around 20 billion yuan. More than 80 percent of the enterprises that practiced debt-to-equity swaps ended losses and started making profits in the same year. Debt-to-equity swaps have lightened enterprises' debt burden, allowing them to emerge from deficits into a profit-making position. This has promoted the transformation of the operation of mechanism of the enterprises and the establishment of a modern enterprise system, brought into operation part of the non-performing bank capital and lessened financial risks.

Technological progress has been accelerated and enterprises' development potential enhanced. During the past years, the State has adopted various policy measures to make SOEs more market-oriented. Focusing on structural readjustment and centering on increasing variety, improving quality, enhancing efficiency and enlarging exports, SOEs



Hanzhong Herbal Medicine Plant in Shaanxi Province recruits salespersons who should be herbal medicine professionals familiar with the market.

have accelerated technical renovation, and promoted structural optimization and industrial upgrading. Since 1999, the State has allocated a certain portion of money reaped from treasury bonds issued, using it for enterprise technical renovation and subsidizing interest payments for loans to support the technical renovation of old industrial bases including those in northeast China, key industries, key enterprises and key products, thus guiding the capital flow of banks and enterprises and halting the decrease in the rate of investment in technical renovation. Based on the principal of strengthening control over aggregate supply and demand and preventing duplicated construction, 880 projects with a total investment of 240 billion yuan were arranged. Of the total, 145.9 billion yuan were bank loans, with 19.5 billion yuan in the form of interest subsidization by the State. Most of the projects are expected to be completed in two years. When the projects are put into production, the product mix and competitiveness of major industries will be greatly improved.

Acceleration of technological innovation by enterprises is key to enhancing their competitiveness. In recent years, the State has strengthened the construction of the technological innovation system centered on enterprises. More than 80 percent of the 520 State key enterprises have founded technological development centers, and have increasingly enhanced research and development capability.

- The establishment of the modern enterprise system has been accelerated and a shift in the operating mechanism promoted. Recent years have seen the promotion of the modern enterprise system, including separating government functions from those of enterprises, exploring effective methods of State asset management, implementing the reform for restructuring enterprises into corporations, separating social functions from those of enterprises and deepening reforms in labor, personnel and income distribution systems.
- ◆ The principle of managing large enterprises well while relaxing control over small ones and promoting strategic restructuring of SOEs has been carried out. This principle has been an important one in promoting the national economy.

The State has paid great attention in recent years to the

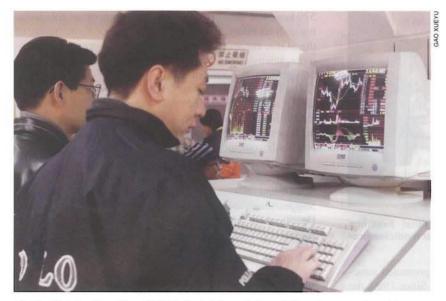
520 key State enterprises which play an important role in the national economy. To accelerate the strategic restructuring of the SOEs, enhance the rate of industrial concentration, promote international competitiveness and develop orderly competition, China National Petroleum Corp. (CNPC), China Petrochemical Corp. (SINOPEC), Shanghai Baogang Group and 10 military industrial group enterprises have been established; China Telecom has been restructured; and organizations of group enterprises in the railway, civil aviation and nonferrous metal (aluminum) sectors is underway.

Regulations on the sale of small SOEs have been formulated to solve problems in restructuring small enterprises. STEC and relevant departments have worked out the Suggestions on Encouraging and Promoting the Development of Small and Medium-Sized Enterprises to further boost their development.

Arduous Tasks

Public ownership and the market economy can be organically combined and SOEs can perform well, SETC Minister Sheng said. "We realize soberly, of course, that reaching the three-year objective is only an initial achievement. Many deep-seated contradictions and problems existing in the SOE reform and development have not yet been solved." He said the overall profitability of SOEs is still weak; the foundation for better economic performance by SOEs is not solid; there lacks a smooth way for enterprises to retreat from the market; the mechanism for keeping superior and eliminating inferior enterprises has not yet been established, a fairly large number of enterprises that should have been dropped out of the market have not retreated in time; the modern enterprise system is still not sound enough; the reform for restructuring enterprises into corporations is not up to standard; operating methods have not undergone a fundamental shift; management is backward and discipline is slack, causing occasional serious accidents in production; the technical level of production is low; structures are irrational and the capacity for technological innovation insufficient. This means that the task is still arduous in strengthening and enlarging the achievement of SOE reform and ending losses, deepening reform, readjusting the structure and accelerating development.

The coming five to 10 years will be a key period in China's social and economic development, as well as in SOE reform and development. To adapt to the need of the socialist market economy and approaching WTO entry, China will continue to emphasize SOE reform as a key link in the overall economic restructuring, strengthening and enlarging the achievement of SOE reform and turning around their operation, and will further promote the reform and development of SOEs. By 2010, strategic restructuring and adjustment will be basically accomplished; relatively rational State economic layout and structure will take shape; the improved modern enterprise system will be established; economic benefits will be enhanced significantly; the capacity for scientific and technological development, market competitiveness and resistance to risks will all be strengthened; and the State sector will, in a better way, play a dominant role in the national economy.



On the last trading day of 2000, both Shanghai and Shenzhen stock exchanges closed bullish. China's stock markets rose more than 50 percent in the year, leading the world's stock exchanges.

Securities Market Comes of Age

n December 1, 1990, the Shenzhen Stock Exchange started trial operations in a room of a few dozen square meters. At the time, there was only one stock—Shenzhen Anda—listed for trading.

Eighteen days later, on December 19, amid the beating of gongs and drums, the Shanghai Stock Exchange formally started business at the Pujiang Hotel, a 155-year-old European-style building at 15 Huangpu Road, Shanghai. On that day, there were altogether eight stocks listed for trading. Although stocks had been issued and traded over the counter prior to that, people tend to view December 19 as the beginning of New China's securities market.

On July 3, 1991, the Shenzhen Stock Exchange was officially founded. The founding of the two stock exchanges marked the beginning of New China's stock market. Since then, China's securities market has steadily

developed from scratch and realized historic leaps in market scale and standards. Now, at the stage of transition to becoming a mature market, it is one of the most dynamic developing markets in the world.

Great Development

The rapid development of China's securities market was unthinkable 10 years ago. In 1991, there were only eight listed companies on the Shanghai Stock Exchange and six on the Shenzhen Stock Exchange. The total market value of the two stock exchanges was a mere 10 billion yuan.

Ten years later, Zhou Xiaochuan, Chairman of the China Securities Regulatory Commission (CSRC), cited a number of figures to demonstrate the great progress made by the securities market. First, a large number of Stateowned enterprises (SOEs) have been listed on the stock market, which provides them with direct financing channels for the upgrading of traditional

industries. By the end of November 2000, companies listed in the mainland of China numbered 1,063, which raised funds totaling 484.61 billion yuan. Add in companies listed overseas, and the funds raised amounted to 944.32 billion yuan.

Second, the securities market has realized a historic leap in terms of scale and standards. The total market value of the stock market has reached 4,600 billion yuan, and investors have opened more than 56 million accounts for stock trading.

Third, intermediary institutions have grown up at the securities market. Today, there are 98 securities companies with more than 2,600 offices.

And finally, institutional investors have developed significantly. To date, there are 34 securities investment funds, with their aggregate scale exceeding 55 billion yuan.

Meanwhile, all stocks, funds and bonds have realized paperless issuance and trading. The trading and settlement networks of the Shanghai and Shenzhen stock exchanges cover all parts of the country, with their main techniques up to advanced world standards.

The proportion of securities in the gross domestic product (GDP) is an important indicator of a country's securities market development. In other countries, the proportion usually ranges between 40 percent and 100 percent. In China, it only took 10 years to raise the proportion to 50 percent, with the total market value at the Shanghai and Shenzhen stock exchanges exceeding 4,600 billion yuan, 3,500 times that in 1990.

In only 10 years, China's securities market covered the ground that took 100 years in Western countries, said a former chairman of the London Stock Exchange.

Liu Hongru, as the first chairman of the CSRC, has personally witnessed the founding and development of the securities market in China. Recalling the past 10 years, Liu was filled with many emotions.

"There have been many achievements over the past 10 years," he said.
"But the most fundamental achievement is the successful exploration of the road to a socialist capital market with Chinese characteristics despite the complete absence of experience. This development is characterized by its high speed, large scale and high-level technical beginnings. During the past 10 years, the theoretical system, legal system, issuing and trading system and regulatory system of the socialist capital market have been resolved and developed. The Chinese securities market has made initial links with international practices."

Thus far, China's securities market has started to link up with international practices with respect to regulations, accounting, and issuing and trading techniques. Through the B-share and H-share markets, Chinese enterprises have also entered the international capital market.

Today, although different opinions still exist on more specific issues such as how to construct and develop the securities market, nobody doubts its importance in the national economy and social development. The 15th National Congress of the Communist Party of China made it clear, "The securities market is an important component of the national economy." The status of the securities market could not be defined in a better way.

Regulation: Protection of Investors' Interests

The securities market is based on the confidence of investors, and such confidence and expectation rely on the practical protection of the interests of investors.

Common stock traders gather at the stock-trading offices located on streets of different sizes in the cities. Staring at the changing figures and curves on electronic screens, their minds are busy with the decision on whether to buy in or sell out.

Statistics show that the overwhelming majority of investors on the stock market are individuals. This was true of the 400,000 investors when the stock market began 10 years ago and with the 56 million investors in 2000. According to data provided by the information centers of Shenzhen and Shanghai stock exchanges, by July 31, 2000, institutional investors at the two stock exchanges only accounted for 0.68 percent while individual investors made up 99.32 percent. Considering the fact that China's stock market is supported by 56 million individual investors, the protection of

individual investors means the protection of the country's stock market. And the protection of the interests of investors depends on a fair environment and a guarantee by laws and regulations.

With the lack of available rules to use as reference, China's stock market has experienced a relatively long period of experimentation. During this period, market rules such as related laws and regulations pertaining to the stock market were explored and drafted, which, however, were incomplete and even defective. Meanwhile, market regulation has lacked experience.

When the Shenzhen and Shanghai stock exchanges were first established, the issue of a shareholding system was under heated discussion and the goal of reform to establish the socialist market



On the first day of the stock market in the new century, the stock indexes in both Shanghai and Shenzhen stock exchanges rose. Here, individual investors keep a close watch on the stocks.

economy was yet to be determined. To a large extent, the development of the securities market was a "trial" with the risk of being closed at any time. Under the circumstances, the securities market basically operated with the support of local governments and consequently was merely a regional capital market.

With the lack of adequate regulations, the stock market became a myth of overnight wealth. It started with speculation, went crazy and finally triggered social turbulence. On August 10, 1992, because of fraudulent practices in the drawing of lots for the form to buy newly issued stocks, many people who had waited in line for three days and three nights and yet did not get the forms, went into a rage. That night, they protested on the street. From this incident, related government departments acutely realized the necessity of regulations. Later on, 13 ministries and commissions organized the State Council Securities Management Commission and the China Securities Regulatory Commission. But market regulation was still inadequate. It was only after April 1998 when the China Securities Regulatory Commission was designated the regulatory authority for securities in the State Council's institutional restructuring that a unified national securities regulatory mechanism took its initial form.

On July 1, 1999, China's first Securities Law was finally promulgated for implementation after six years of modifications and improvements. This symbolized that the legal system for the regulation of the securities market was up to a new level. As a milestone in the 10-year development of the securities market, it added an important weight to people's confidence in the long-term steady development of the securities market.

The Securities Law is nicknamed the "blue-sky law," meaning the securities market does not permit the black cloud of cheating, the chilly wind of falsity or the storm of manipulation. According to the stipulations of the Securities Law, securities trading should be based on the principles of openness, fairness and justice. The three unlawful activities, namely, insider trading, market manipulation and investor cheating, are banned. Any violation of the law is a criminal offence and will be punished.

From 1993 to October 2000, the CSRC filed 440 cases involving rule breaking and transgressions of the law in the securities and futures markets. After investigations and verifications, the CSRC meted out administrative penalties to 360 institutions and 408 individuals involved in 199 cases. The penalties included the confiscation of illegal income, fines, suspensions or cancellation of the qualifications for engaging in securities and futures business, and a ban on market access. The

fines and confiscated money amounted to 1.3 billion yuan.

Since 2000, the regulatory authorities have adopted a new system whereby any company fulfilling the requirements can be approved to go public. The exit mechanism of listed companies will also be launched soon. The quality of listed companies has improved significantly, which lays a solid foundation for the steady and healthy development of the securities market. In addition, securities dealers are allowed to use their stocks as collateral for financing, and insurance funds and social security funds are encouraged to enter the stock market. Meanwhile, research is being conducted relating to the establishment of Sino-foreign joint fund management companies and the introduction of qualified foreign institutional investors. All these policies and measures will greatly increase the fund supply of the market and push China's securities market up to a new level in terms of marketization and internationalization.

Foreign Firms Hope to Be Listed in China

The year 2001 will be a new start for China's securities market to advance toward standardization and maturity.

CSRC Chairman Zhou Xiaochuan expressed that efforts will be made to work out solutions for problems including inadequate market standardization, occasional market manipulation and cheating, insufficient regulatory personnel and techniques, limited market internationalization, simple market level and limited product variety, imperfect structure, etc.

Government and market should play their own rightful roles. The relationship between the government and the market has been a key issue in the development of the securities market. Liu Hongru, chairman of the Subcommittee on the Economy of the National Committee of Chinese People's Political Consultative Conference, said that government must exercise rigorous regulations. Only with rigorous and appropriate regulations can the market develop steadily and the interests of investors be protected. On the other hand, it must be noted that the government should not approach the market too closely; anything that should be decided by the market should be exempt from government interference. Based on this, a multileveled market system should be established and improved. This is also one of the indicators of the maturity of China's securities market.

Protection of the interests of investors, especially small and medium investors, should be specified. Open, truthful, complete and timely disclosure of information is the soul of the securities market. It is the cornerstone of the principles of justice, fairness and openness. Without the proper disclosure of information, it is impossible to form a transparent market environment and just market order, and the interests of small

and medium investors cannot be protected effectively. According to CSRC officials, regulatory authorities will improve their regulations by providing a system guarantee, enhancing investor education, and intensifying regulatory measures and social supervision, all in an attempt to strengthen the confidence of investors and protect their interests.

Endeavors to improve the quality of listed companies should make obvious progress. Gao Shangquan, Chairman of the Chinese Society for Research on Economic Restructuring, pointed out that, basically speaking, the quality of the securities market is determined by the quality of listed companies. If no progress is made in improving the quality of listed companies, the prosperity of the securities market will be a short-term phony prosperity that can only be maintained in the context of a bubble economy.

It is a long-term, arduous task to establish an effective regulatory mechanism. It should be said that the reform of the regulatory system for China's securities market has made remarkable progress over the past two years. The CSRC has set up nine offices for securities supervision and management throughout the country, two offices directly under the CSRC and 25 emissary offices. Since the beginning of 2000, it has set up inspection subbureaus in the nine major securities management offices, which form an inspection team composed of more than 1,400 personnel. Even so, regulatory work is still not adequate. Experts suggest that a specific regulatory system and regulatory means should be designed in line with the intrinsic laws of the securities market.

Experts also point out that raising the level of internationalization is an inevitable trend in China's securities market. According to the framework of the World Trade Organization (WTO) and relevant agreements, China will gradually open its financial sector and allow foreign securities institutions to enter into the Chinese market step by step. China's WTO entry will also allow the establishment of Sino-foreign joint securities companies and fund management companies, and allow qualified foreign enterprises to be listed on China's stock market.



Now there are 98 securities companies with more than 2,600 offices, and investors have opened more than 56 million accounts for stock trading.



Should Doctor-Patient Relationship Be Defined As Business-Consumer Relationship?

n October 29, 2000, the Standing Committee of the Zhejiang People's Congress adopted the Procedures of Zhejiang Province for Implementation of the Law of the People's Republic of China on the Protection of the Rights and Interests of Consumers. The Procedures went into effect on January 1, 2001. It was a major breakthrough because the Procedures put the doctor-patient relationship within the scope of the readjusted Law on the Protection of the Rights and Interests of Consumers. Thus, Zhejiang became the first province in China to explicitly define the doctor-patient relationship as a business-consumer relationship.

According to a report in the Chongqing Economic News, on the morning of November 29, 1999, Fang Jianzhi, 84, escorted by her housekeeper, went to the Beibei Rehabilitation Center for the Aged to have a routine urine test. Fang stumbled over the hospital's 6-cm high threshold and was hospitalized for fractures to her right thighbone and right wrist. The fractures led to a cold, which developed into pneumonectasias, a chronic disease. Fang died about 20 days later. Kong Lingping, Fang's son, complained to the hospital. When talks between the two sides proved fruitless, Kong sued the hospital.

Kong collected a lot of evidence, including evidence from eight elderly people who had also stumbled over the hospital's threshold, a document from the Ministry of Construction and many photographs. According to the Ministry of Construction document, which went into effect on October 1, 1999, "Passageways frequented by elderly people shall not be installed with thresholds and the ground shall not be designed with an elevation."

On the hospital's side, it was argued that because the hospital was built in 1998 before the promulgation of the Ministry of Construction document and moreover, as the patient was not a consumer, the hospital would not bear responsibility for the injury.

The case finally focused on the issue of whether a patient is a consumer. In early January this year, the Chongqing Beibei District People's Court ruled in favor of the hospital. Reason: a patient is not a consumer.

There has long been a debate on whether a patient is a consumer. An official with the Chongqing Consumers' Association said that for a hospital, whose purpose is to heal the wounded and rescue the dying, it should not be a difficult thing to put a "beware-of-threshold" signboard at the gate. Zhejiang Province has stated that "patients are consumers" and the law stipulates that "if commodities and services provided by business operators cause injury to consumers, the operators shall make compensation." There seems to be a general trend nationwide that regards patients as consumers.

The definition of the doctor-patient relationship as a business-consumer relationship is an inevitable result of the market economy. Wu Gaohan (spokesman for the China National Consumers' Association): When a patient sees a doctor, it is consumption, and consumption for survival. Thus it is a "necessary" consumption because the patient's survival would be threatened if he or she did not see a doctor. The Chinese Government and governments in other countries have all adopted mandatory measures to guarantee such a "necessary" consumption, that is, a patient, whether he or she has money or not, is entitled to medical services. The purpose of healing the wounded and rescuing the dying in medical services makes the exchange relationship between doctors and patients special, but does not change the nature of consumption. Superficially, there is not an exchange

relationship in medical services at public expense, but an underlying exchange relationship still exists. There is no reason to deny that patients are consumers or to deny that the doctor-patient relationship is within the coverage of the Civil Law, Contract Law and Law on the Protection of the Rights and Interests of Consumers.

Chen Huangshui (chairman of the International Organization of Consumers' Associations): It is widely believed in the world that medical institutions are to serve patients. Patients are consumers who pay for medical services. No matter whether a hospital is public or private, its purpose is to provide services to patients. The rights and interests of patients in

the use of medical services are of far more significance, and deserve to be protected by law.

Mr. Zheng (attorney): From the point of view of law, the doctor-patient relationship is actually a relationship between business operators and consumers. When a patient goes to a medical institution to see a doctor, he or she is receiving the medical services provided by the hospital. Registration at the hospital means the establishment of a service contract between the patient and the hospital, which complies with the definition of consumer in the Law on the Protection of the Rights and Interests of Consumers. As for the saying "Healing the wounded and rescuing the dying," it is a product of the former planned economy. At that time, people paid little attention to such civil disputes and they were often solved through unified State administration. With the development of the market economy, as a matter of fact, the constraint on hospitals to morally heal the wounded and rescue the dying has been greatly weakened.

Mr. Wang (man in charge of the 148 legal aid hotline): Personally, I think the definition of the doctor-patient relationship as one between a business operator and a consumer is an inevitable result with the deepening of the structural reform. Doctors provide medical services to patients, and their relationship should be handled in accordance with the market law. The market economy is intrinsically an economy ruled by law, so the doctor-patient relationship should be specified as a legal relationship. Healing the wounded and rescuing the dying is merely a moral standard with little force of constraint. If a moral standard is employed to function as a constraint in a field where the law plays the predominant role, relations will be hard to straighten out.

The health departments of the State have authorized some hospitals as non-profit-making hospitals, which, owing to their inexpensive medicines and medical treatment, can help protect the rights and interests of disadvantaged groups such as those with low incomes. Moreover, a

national medical care system is to be established soon, in which people who cannot afford medical care can rely on the State's security funds for their medical treatment. In short, the definition of the doctor-patient relationship as a relationship between operators and consumers will benefit most of the people. From this point of view, Zhejiang has set a good example. Of course, the actual practice needs the support of specific standards.

In fact, many disputes erupt because hospitals are not transparent in collecting fees and providing treatment. A survey showed that nearly 80 percent of patients are not clear about hospitals' fee collection and treatment programs. The reason cannot be simpler: "The money is mine and I have

the perfect right to know how it is spent; the body is mine and how it is treated." If the doctor-patient relationship is defined as one between operators and consumers, hospitals are obliged to explain the fees and treatments to the patients. In reality, arbitrary exaction of fees by hospitals and little information disclosure are common phenomena.

Zhao Lujie (serviceman): I think the stipulation will help standardize the services of hospitals. But there must be relevant medical regulations because the stipulation alone is not enough. As a matter of fact, a patient has the right to know. By providing more information, hospitals give back the right to know to patients. Under the market economy, patients should be treated as central because human interests are the most fundamental. Patients should also be aware what rights they've got so that they can better defend them.

Li Xiuzhi (cadre): If hospitals guarantee a patient's right to know, doctors can be prevented from making profits from the illegal purchase of medicines. The media should play their supervisory role better in such incidences. Common people hope hospitals can take the Zhejiang event as a breakthrough and establish a positive image in the public eye so that their serving the people heart and soul will no longer be a matter of paying lip service. But some



patients, because they can get reimbursement for medical care, voluntarily give up their rights and ask doctors to prescribe more medicines than necessary. So patients also need to check their own behavior.

Wei Xiuling (cadre): Both patients and doctors should not abuse their rights. The act of one person being able to get medicines for the whole family because he or she can get the expense reimbursed should be put to an end. If an accident occurs because of the misuse of medicine, who is to take responsibility? So, there should also be regulations to supervise patients while they exercise their rights as consumers.

Viewing the doctor-patient relationship as an operator-consumer relationship is biased.

Qi Minshuang (doctor): It is not fair to view the doctor-patient relationship as an operator-consumer relationship. When a doctor treats a patient, it is not a simple process. The doctor needs to alleviate the patient's pain with his or her knowledge as well as a loving heart. The relationship cannot be a simple relationship based on economic interests. I think the media should call for equality between doctors and patients rather than simply say, "Long live the understanding." In other countries, even people at the bottom of society take a bath and change into clean clothes before seeing a doctor. But in China, some patients pay no attention

to personal hygiene, yet they order doctors to prescribe medicines for them. They even vent their ill tempers on doctors as if the doctors inflict all the sickness and pain. They do not understand that patients should comply with the treatment of doctors. They know even less that doctors take responsibility and risks in treating patients.

Yang Weiyuan (an activist for protecting the rights and interests of consumers in Beijing): The doctorpatient relationship has been a sensitive issue worthy of indepth exploration. If consumers' associations and people's congress deputies can interfere in the judgment of medical disputes, more information in medical work will surely be disclosed. It's a pity that Zhejiang's regulations are only valid in Zhejiang and not in Beijing.

Zhu Fan (employee at an Internet company): Since ancient times, being a doctor has been a respected occupation. The respect comes from the morality of doctors who are supposed to heal the wounded and rescue the dying. But now, hospitals, doctors' reactions toward patients, doctors' scalpels and doctors' skills are all influenced by marketization. I do not mean to blame marketization, but marketiza-

tion should be understood properly. People should not only enjoy the benefit of marketization but also bear responsibility for marketization. After all, the vocation of a doctor is to alleviate patients from the pain of disease and individual doctors have vastly different skill levels. Therefore, to define the doctor-patient relationship as an operator-consumer relationship is necessary but not sufficient.

Data:

In March last year, the relevant department under the Ministry of Health expressed its view through the news media on whether the doctor-patient relationship should be defined as an operator-consumer rela-

tionship. According to sources in the Ministry of Health, as the doctor-patient relationship

is a special civil relationship, medical disputes should not be included in the activities of the March 15 Program, a yearly event in China which aims to protect the rights and interests of consumers. Otherwise, the interests of both doctors and patients would be hurt. The readjustment of the Law on the Protection of the Rights and Interests of Consumers is mainly targeted at the operator-consumer relationship with the aim of making

profits. As public medical

institutions are not supposed to

make a profit and the State grants certain welfare policies, they are intrinsically different from enterprises whose purpose is to make a profit. Therefore, medical disputes are a special kind of civil dispute and the doctor-patient relationship is a special civil relationship. The Law on the Protection of the Rights and Interests of Consumers does not fit into the handling of medical disputes.

Owing to the limit of scientific and technological development, many fields of medicine are still beyond the understanding of human beings and medical experts are helpless to cure some diseases. Plus, patients are individually different and the same diagnosis and treatment may lead to different results. Even the most experienced doctors may fail to obtain the expected results and even cause a medical accident. Therefore, medical treatment, which has its own set of rules, also has a relatively high degree of risk. Medical accidents and medical disputes can be extremely complicated, so they should not be put on par with ordinary infringements on the rights and interests of consumers caused by the quality of commodities or the illicit activities of business operators.

Top 500 Foreign-Funded Businesses in China

he ranking of the top 500 foreign-funded businesses (in terms of sales income) in China between 1999-2000 was announced recently. Shanghai Volkswagen Automotive Co. Ltd. ranks first for the ninth consecutive year with a sales income of 26.74 billion yuan.

The businesses on the list display the following features:

Large scale and good performance.

The sales volume of the 500 businesses totaled 807.85 billion yuan, averaging nearly 1.62 billion yuan each. The sales volume of 244 businesses exceeded 1 billion yuan.

Total investment of these businesses has topped US\$67.65 billion, with an average scale of US\$135 million. The investment of 141 businesses exceeded US\$100 million and that of 313 enterprises surpassed US\$30 million.

The volume of export proceeds collected by the 500 businesses approached US\$25.2 billion, with an average volume of US\$50.39 million. This amount accounted for 28.43 percent of total export value of foreign-funded enterprises and 12.93 percent of the national total in China for the period.

These enterprises have performed well. Of the 500 businesses, 426 made profits during the year, accounting for 85.2 percent of the total enterprises on the list.

Diversified industries for investment.

These 500 businesses involve a wide range of industries and fields. In particular, the number of foreign-funded ventures engaged in the automobile, information and communications, electronics and electrical appliances, power, iron and steel, real estate, retail sales, high technology and service sectors has been rising annually. The scale of such enterprises tends to be larger and their sales volume ranks high on the list of the top 500 businesses.

Concentrated sources of investment.

Overseas investors of the 500 businesses mainly come from some 30 countries and regions. Hong Kong continued to rank first having investments in 201 businesses. Japan and the United States ranked second and third with investments in 69 and 49 enterprises respectively. What deserves attention is that 30 firms funded by investors from the British Virgin Islands, five by investors from the Cayman Islands and three by investors from Western Samoa were also found in the list of the top 500 foreign-funded businesses.

In terms of sales, the sales volume of Hong Kong-funded businesses amounted to 328.69 billion yuan, accounting for 40.69 percent of the total and averaging about 1.64 billion yuan each. The figure is higher than the 1.26 billion yuan of average sales volume of Japanese-funded enterprises, but lower than the 1.97 billion yuan of U.S.-funded ventures.

Coastal areas continue to be the main destination of overseas investment.

Of the top 500 businesses, 444 are located in coastal areas, with Guangdong (including Shenzhen) ranking first, home to 153 of them. It is followed by Shanghai (99), Jiangsu (53) and Beijing (31).

In terms of sales, the sales volume of businesses in coastal areas approached 717.79 billion yuan, accounting for 88.85 percent of the total, and that of the firms in central and west China stood at 90.06 billion yuan, constituting 11.15 percent.

First 30 of the Top 500 Foreign-Funded Businesses in China 1999-2000

No.	Company	Sales Volume (million yuan in RMB)
1	Shanghai Volkswagen Automotive Co. Ltd.	26,740.74
2	Motorola (Tianjin) Electronics Ltd.	23,699.36
3	Guangdong Mobile Communications Co. Ltd.	18,570.78
4	FAW-Volkswagen Automotive Co. Ltd.	10,934.48
5	Konka Group Co. Ltd.	9,376.11
6	Beijing Nokia Mobile Communications Co. Ltd.	9,221.13
7	Zhejiang Mobile Communications Co. Ltd.	7,334.58
8	TCL Household Appliances (Huizhou) Co. Ltd.	6,930.05
9	Guangdong Nuclear Power Joint Venture Co. Ltd.	6,630.86
10	Shanghai Bell Ltd.	6,282.02
11	Beijing Ericsson Mobile Communications Co. Ltd.	6,207.51
12	Ma'anshan Iron and Steel Co. Ltd.	6,147.76
13	Nanjing Ericsson Communications Co. Ltd.	5,990.81
14	Shanghai GM Automotive Co. Ltd.	5,965.38
15	Jiangsu Mobile Communications Co. Ltd.	5,733.22
16	Suzhou Philips Consumer Electronic Co. Ltd.	5,715.46
17	Dongguan Nokia Mobile Communications Co. Ltd.	5,614.77
18	Seagate International Technology (Wuxi) Ltd.	5,503.76
19	Aeolus-Citroen Automobile Co. Ltd.	5,182.19
20	Shenzhen Seagate Technology Co. Ltd.	5,031.39
21	Top Victory Electronics (Fujian) Co. Ltd.	4,956.82
22	Shanghai Kangyuan Real Estate Development Co. Ltd	d. 4,854.85
23	Shanghai Siemens Mobile Communications Co. Ltd.	4,812.14
24	Great Wall International Information Products (Shenzhen) Co. Ltd.	4,684.77
25	Guangdong Guanghe Power Co. Ltd.	4,588.65
26	Shenyang Golden Cup Passenger Vehicle Co. Ltd.	4,533.83
27	Shanghai Vacuum Electronic Device Co. Ltd.	4,374
28	Huafei Color Display system Co. Ltd.	4,338.38
29	CNOOC China Ltd.	4,287.05
30	Hangzhou Wahaha Health Food Co. Ltd.	4,206.79

Basic Law for Zhongguancun High-Tech Park

egulations for the Zhongguancun Scientific and Technological Park that have been needed for a long time went into effect on January 1, 2001.

The experts who drafted the regulations said the move was made to regulate actions featuring market economy, information economy and new economy. The document will deeply influence the development of Zhongguancun Scientific and Technological Park.

The regulations include 13 new breakthroughs in legislation.

They protect legal rights and assets of investors. "The investment, income and other asset-related rights of investors, and their other legal rights will be protected by law. Others cannot occupy or do harm to those rights."

"Investors can conduct all businesses, except for those that are banned by law because they are not in the public interest and social order or are against the norm." This is a common principle in the laws of most countries but appears for the first time in Chinese administrative regulations.

"When the enterprises register with the government, the authorities do not apply any restrictions on the range of operations unless the business is under government regulation." It is a great reform following the market economy and international practices.

The regulations encourage talented people to seek jobs in Zhongguancun Park and allow teachers and students on campus to take on part-time jobs. Venture capitalists can establish a new form of limited partnership with their Chinese partners. To attract talented people, the regulations give more opportunities and freedom to talented people from abroad or other provinces. So the visiting scholars and talented people can develop in Zhongguancun Park more easily.

There will be 20 other rules for the implementation of the regulations, some of which will come into effect in February and the rest later.



Machinery and Electronics Exports Top US\$100 Billion

n 2000, China exported machinery and electronic products valued at more than US\$100 billion. They have been China's leading export goods for the past six successive years. State Councilor Wu Yi pointed out that the healthy and fast increase in machinery and electronics exports promoted the adjustment of China's economic and industrial structures and also accelerated foreign trade.

By November 2000, the volume of machinery and electronic exports had reached US\$95.75 billion, hitting their target earlier than expected. Li Huifen, President of the China Chamber of Commerce for the Import and Export of Machinery and Electronic Products, said volume in 2000 was expected to reach US\$105 billion, up 38 percent over the previous year. The increase accounted for half of the improvement in China's foreign trade.

In the Ninth Five-Year Plan period (1996-2000), the annual average rate of increase in machinery and electronic exports reached 19.1 percent, eight percentage points higher than the average rate of increase for exports as a whole. Export volume is 2.4 times greater than that in 1995. From 1985 to 2000, the ratio of machinery and electronic products in exported commodities has risen from 6.13 percent to 42 percent.

Tariffs Reduced

he State Council ratified a reduction in the import tariff on passengers' personal luggage and postal baggage (the Luggage and Post Tariff) as of January 1.

After the adjustment, the tariff on cosmetics and television, video and digital cameras was lowered from 80 percent to 50 percent; the tariff on cigarettes and wines was cut from 100 percent to 70 percent.

Following the adjustment, the tariff has four levels: the rate for printed matter and food is about 10 percent; for textiles and electronics, 30 percent; for cosmetics, video, television and digital cameras, 50 percent; and cigarettes and wines, 70 percent.

The Luggage and Post Tariff was made more convenient for passengers and Customs agents by combining the Customs tariff, the value-added tariff and the consumption tax. The previous tariff rates were established in 1996. Following the expansion of international exchanges and the reduction of general Customs tariff rates, this adjustment was viewed as necessary. The average tariff rate is down from 55 percent to 40 percent.

Flying China Southern Airlines, Flying With the Most Perfect Service



How Far the Digital Library

n December 1, 2000, the National Library (formerly known as the Beijing Library) began to supply a free one-hour service for online readers. The "Foreign Languages Library On-line" also started up. Has the digital library arrived?

In February 1999, the National Library started an internal network for the library. The data of more than 5 million copies of library material can be looked up on the network, which has greatly improved in speed and effectiveness. Two thousand computers have been installed for readers to use. However, some parts of books haven't been listed online and readers can get information only by inserting the title of a book, which may not be convenient for readers.

Currently, the National Library has links with four domestic networks and the cable TV network. So it is capable of a billion bits of information. The digitalization of the material has had some success and in 1999, the National Library's website was visited



about 104 million times. Meanwhile, only about 2,700,000 readers paid a visit to the library that year. Today, between 150,000 and 200,000 readers visit the National Library's website every day.

By the end of 1999, the National Library had collected 22 million books, including 5,660,000 Chinese books. But the information readers can get on-line is still limited. So you could say, the true digital library is still far from us.

National Library staff researcher Sun Chengjian thought digital standards should be unified. A single library could not be called a digital

library; rather, a digital library must consist of a group of libraries, he said. So the standard of digitalization needs to be unified in order to benefit all visiting readers. In fact, digitalization of a library is not just about a single library or several libraries, but should involve all libraries of a country, even the libraries of the world, Sun said. Making full use of the Internet. libraries can share their resources simultaneously. Sun also said that when compared to the enormous financial backing and information of foreign digital work, Chinese digital libraries need more cooperation and adjustment.

Temple of the Earth Discovered in Nanjing

rchaeologists have unexpectedly discovered the remains of stone buildings in the ancient Chinese capital of Nanjing. The remains have been described as the Temple of the Earth during the period of Southern and Northern Dynasty (AD222-589). The discovery is very valuable for research on the culture and ceremonies of ancient China.

Experts believe the remains are from the oldest and largest Temple of the Earth during the feudal period.

The buildings lie on the highest peak of Zijinshan Mountain and cover more than 16,000 square meters. The main altar is square and faces south; its four stories made of stone have different heights. On the top platform of the altar, four small altars made of yellow clay are arranged symmetrically facing south. In addition, the archaeologists discovered stone steps extending to the altars from the south that are referred to as the "South Royal Road" in ancient materials. The steps zigzag to the foot of the mountain and on both sides of the path pass more than ten platforms of different sizes. The platforms are described as the altars' attached buildings. Research on the platforms is continuing. The archaeologists also discovered

some ashes, animal bones, tiles and decorated bricks. Pieces of celadon porcelain were discovered underground.

"Based on ancient materials and the discovery, especially the style of construction, we can define the altar as a 'North Altar' of the Song (Liu) Dynasty (AD420-479)," said Hu Yunxiang, Deputy Director of the Cultural Relics Research Institute under the Nanjing Cultural Relics Bureau.

Such altars, where emperors prayed to heaven or the Earth, were located in buildings of the highest status. The South Altar was located in the "Temple of Heaven" for praying to heaven, while the North Altar was in the "Temple of the Earth" for praying to the Earth. Ancient Chinese materials mention such altars in the Zhou (11th Century B.C.-256 B.C.), Qin (221-206 B.C.), Han (206 B.C.-AD 220) and Tang (AD 618-907) dynasties, but examples had never been found. This discovery fills in a break between the Southern and Northern Dynasty and the Ming Dynasty (AD1368-1644). Xu Pingfang, President of the Chinese Archeological Society, said, "The discovery is important to research on Chinese ancient ceremonies because the discovery fills in this gap."



hile most star-worshippers are still doing their utmost to get portraits of their favorite movie and singing stars, some stylish girls in central China's Wuhan city have developed a new fashion trend—nude portraits of themselves. Correspondingly, this service is now available in many photo studios in the city.

Demand for this service first took place in Wuhan in 1987. Madam Liu, a female photographer who then worked at the New Concept Photo Studio in Qingshan District, eventually accommodated her customer's wishes. In 2000, the number of customers demanding this service increased by 5 percent. Generally speaking, each month throughout the city five or six girls have reserved time to pose nude.

According to a photographer, customers wanting to pose nude generally have a better educational background, most are from the white-collar class and include company employees and fashion designers. There are also teachers, postgraduates, college students and models, who want to pose nude. A majority of them are between 20 and 25, unmarried or newly-married. Their prime objective, they say, is to have these nude portraits as a souvenir of the beauty of their youthful days.

It is reported that photo studios have made some rules, banning photographers from touching customers, particularly while working.

The rate for posing for a nude portrait is somewhat higher than that for a fully-clothed photo, priced at about 1,500 yuan per set. Generally, each set consists of 33 photos.

Photographers in Wuhan have shown great interest in the new fashion trend.

Among the few female photographers in Wuhan, Madam Liu said young women are always beautiful, and it is of great significance for them to have their own beautiful bodies taken as a memento. As a photographer, Madam Liu declared she is strongly interested in posing the human body since she considers the beauty of the human body a lasting theme of artistic creation. The photographer, she notes, can enjoy the passion of creativity especially when thinking of the best way to illustrate the beauty of the human body.

After getting approval from the models, the Natural Style Photo Studio hung two nude portraits of the human body in its lobby. Wu Junsheng, a photographer with the photo studio, said he has always tried to expand artistically in a commercial photography operation. Wu believes the development of artistic nude photography certainly is a challenge to his creative talents.

Lan Qing, a member of the Wuhan Photographers' Association, pointed out that artistic nude photography has developed rapidly in Taiwan, Beijing and Guangzhou, and some models in these cities have also intentionally used their bodies to create some artistic poses in order to guide the photographers. Lan said Wuhan lags behind Beijing and Guangzhou in terms of the artistic level of human body photography, but the city has made relatively rapid progress in terms of its commercial operation.

Lan explained that there are actually a series of clear-cut rules on what poses and what parts of the body can be shown in this style of photography throughout the world. If photo studios can strictly abide by these stipulations and seriously place emphasis on illustrating the beauty of the human form, then artistic nude photography will certainly attract a certain group of people and this will promote the development of the photographic arts. However, since the people involved in the current surge of interest in artistic nude photography are blind to a certain extent, and they have not completely realized the artistry of human body photography, their interest in this trend may be short-lived, Lan said.

by Wang Min



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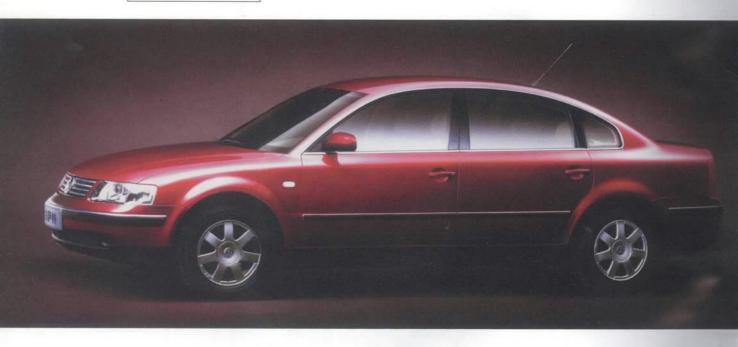
Olive Cosmetics (Chongqing) Co. Ltd., famous for its natural vegetable shampoo, imported three automatic filling lines from Germany. The first line is now in operation.

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