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60th

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MANY HAPPY RETURNS

Celebration of the 60th anniversary of the PRC

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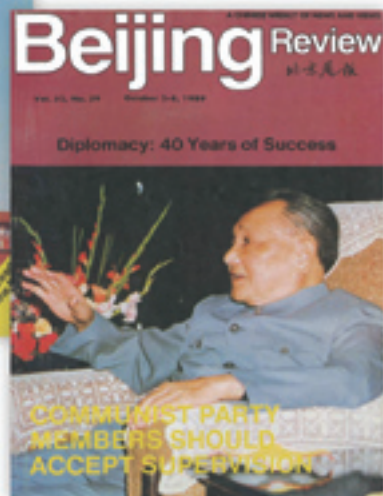
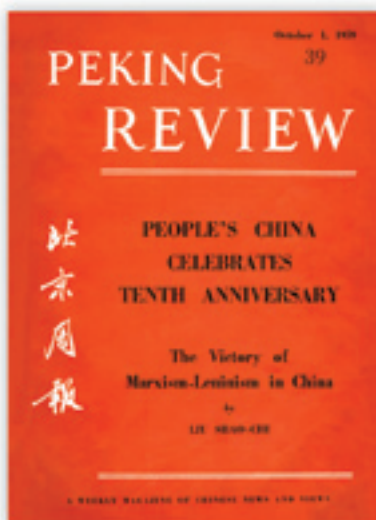
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Milestones to Remember

By ZHANG ZHIPING

Sixty years ago on October 1, Chinese leader Mao Zedong proclaimed the founding of the People's Republic of China (PRC) on the Tiananmen Rostrum in the heart of Beijing. The proclamation ushered in a new era in the history of the Chinese nation. Epoch-making changes have since taken place in the country's social, political, economic and cultural dimensions. This year on the National Day, the Tiananmen Rostrum once again witnessed a grand celebration ceremony. People of all ethnic groups and from all over the country gathered in front of the centuries-old structure, to proudly showcase the achievements of the past six decades.

Since its inauguration in 1958, *Beijing Review* has been dedicated to recording every step the nation has taken, forward or backward. In this process, we have produced a commemorative issue for every decennial anniversary of the growing People's Republic.

Sixty years is not a long time in the context of history. However, when looking back, every decade in the PRC's history has turned into a milestone of the Chinese people's unremitting struggles for a great national revival.

In the first 10 years, the first Constitution of the PRC was promulgated. The country also kicked off its march toward industrialization by carrying out the First Five-Year Plan for development.

The second 10 years featured more setbacks than any other period in the history of the PRC. In addition to severe natural disasters that ravaged the country in 1960-62, the start of the "cultural revolution" in 1966 marked the beginning of a 10-year-long stagnation and retrogression in the country's economic and social areas.

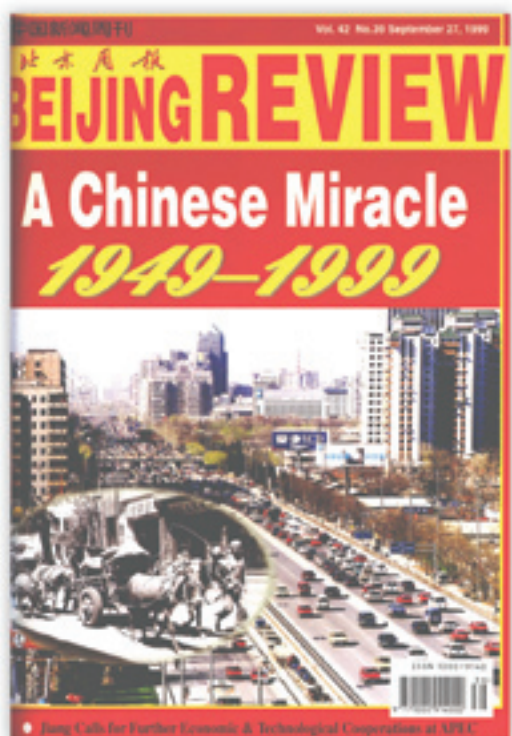
During the third 10 years of its founding, the PRC eventually established the development path that is most suitable to its actual conditions—reform and opening up. The first half of this decade was marked with such events as the successful launch of China's first satellite and the thawing of China-U.S. tension as a result of the "ping-pong diplomacy." In 1978, the Third Plenary Session of the 11th Central Committee of the Communist Party of China launched efforts to correct all the mistakes committed before and during the "cultural revolution," and decided to shift the focus of the Party and the country toward economic construction.

In the following decade, the Chinese Government made earnest efforts to push forward reform and opening up. In rural areas, where economic restructuring first began, the household contract system was put into thorough practice. The country also opened 14 coastal cities to overseas investment and later designated the Yangtze River Delta, the Pearl River Delta and the Xiamen-Zhangzhou-Quanzhou triangle area in Fujian Province as coastal opening-up areas. In 1984, the PRC made its Olympic debut in Los Angeles, the United States.

The fifth 10 years of the PRC saw China resuming sovereignty over Hong Kong and Macao. The successful launch and recovery of the unmanned *Shenzhou 1* spacecraft in 1999 showed encouraging breakthroughs in China's space exploration program.

In the last 10 years, China acceded to the World Trade Organization. In 2003, the country's first manned spacecraft, *Shenzhou 5*, made China the third country in the world to be able to put astronauts into orbit, after Russia and the United States. Its first lunar probe, *Chang'e-1*, which was launched in 2007, also proved a big success. In August 2008, Beijing hosted the first ever Olympic Games in China.

The PRC took a bumpy road to modernization in the past six decades. It still has a long way to go before accomplishing all its developmental goals and is certain to encounter more challenges in the future. Despite this, all Chinese believe that the nation is en route toward even greater success. ■





Formations featuring the national flag and the national emblem lead the pageant past the Tiananmen Rostrum



HISTORIC MOMENT: Hu Jintao, Chinese President and Chairman of the Central Military Commission, inspects soldiers of the Chinese People's Liberation Army about to take part in a military parade in central Beijing on October 1



WANG JIANMIN

Parading Toward Success

The 60th anniversary of the People's Republic of China is celebrated in grand fashion with an impressive armed forces and civilian parade

By LI LI

A grand military parade marked the commencement of celebrations for the 60th anniversary of the founding of the People's Republic of China (PRC) in Beijing on October 1, following an inspection of the country's armed forces by the top Chinese state and military leader, Hu Jintao.

"Greetings, comrades!" Chinese President and Chairman of the Central Military Commission Hu said as he saluted troops along Chang'an Avenue while riding in a black open-roof limousine.

"Greetings, leader!" the soldiers in their brand new uniforms replied loudly. The

soldiers and militia, together with ranks of camouflaged tanks and missiles, stood along the newly widened boulevard. The whole procession stretched some 3 km.

"Comrades, you are working hard!" Hu said, receiving enthusiastic replies of, "We serve the people!" from the awaiting columns of soldiers and military personnel. The solemn remarks triggered excitement from an audience of about 200,000 present at the city-center Tiananmen Square, as well as hundreds of millions of TV audiences.

The world's largest urban square was transformed into a sea of colors as 60 big red lanterns waved between 56 National Unity

Poles, representing China's 56 ethnic groups, at the east and the west ends of the square. Tens of thousands of China roses in full blossom formed the characters "Guo Qing," or National Day.

Hu's inspection of the troops preluded a full-dress National Day military parade, the 14th since the PRC was founded in 1949.

Fourteen phalanxes consisted of units from the Army, Navy, Air Force and the Second Artillery Force of the Chinese People's Liberation Army (PLA), in addition to the People's Armed Police Force, the PLA reserve forces and Beijing's militia troops.

A total of 30 mobile formations proudly

displayed more than 50 types of new weapon systems manufactured independently by China, including the newest model of inter-continental ballistic missiles. Land-based cruise missiles also made a debut at the military parade.

Other cutting-edge weaponry included China's new generation of tanks, sophisticated radar, unmanned aerial vehicles and satellite communication devices. Ninety percent of the weapons were displayed for the first time.

More than 150 jet fighters, bombers, helicopters, airborne early warning and control aircraft, and other aircraft in 12 echelons graced the skies over Tiananmen Square to conclude the military portion of the festivities.

Following the armed forces review, Hu delivered a speech on the Tiananmen Rostrum, the same place where former Chairman Mao Zedong had pronounced the founding of the PRC 60 years prior. Hu called on the Chinese people to unite more closely to build a "rich, strong, democratic, civilized, harmonious and modernized socialist country."

History has revealed that China's development has never been a plain sailing, Hu said. "But the people who have their destiny in their own hands and are united will overcome all difficulties and obstacles and continuously make great historic achievements," he said.

Looking into the future, China has "infinitely bright prospects," he told the enthusiastic masses.

China will pursue the path of peaceful development, forging friendly relations and cooperation with all countries on the basis of the Five Principles of Peaceful Coexistence, Hu said.

"China will continue to work with the people of all countries to push forward the lofty cause of peace and development and build a harmonious world of lasting peace and common prosperity," he said in the speech that was televised live nationally and internationally.

The military parade was followed by a mass procession of 100,000 civilians in 35 formations, who escorted 60 brightly decorated floats while marching under different themes.

The floats forming the Splendid China array commemorated the great changes in

the country during the past 60 years and expressed the desire for national unity and reunification of the country.

Decorated with landmarks of the 31 provinces, autonomous regions, municipalities on China's mainland, as well as Hong Kong, Macao and Taiwan, the floats focused on economic achievements while highlighting local characteristics.



LOOKING INTO THE FUTURE: Children with colored balloons and wreaths in hand walk by the Tiananmen Rostrum in a parade on October 1

The five floats from the autonomous regions of Inner Mongolia, Xinjiang Uygur, Ningxia Hui, Tibet and Guangxi Zhuang offered a distinctive flavor of ethnic minority groups with performers dressed in ethnic costumes dancing to local music.

The celebration's audience was as diverse as the multi-colored parade floats, coming from all walks of life, many of whom were excited to see the National Day parade for the first time.

Ji Shumei, a 79-year-old woman who

came from a village in central China's Henan Province, said she didn't realize the significance of the PRC's founding 60 years ago. "But I was really happy when a neighbor told me that Japanese invaders were gone forever," said Ji, who lost her mother to a Japanese army's shell that exploded in her family's courtyard when she was only 9. "It is a pity that I didn't have the opportunity to receive any education due to the wars and poverty," said Ji, who lives with her son's family in Beijing.

Ji was accompanied by her 17-year-old granddaughter Wang Yahui, a high school senior. "My grandma often tells me that I am really lucky to be born in a new era," said Wang, who plans to apply to the University of Hong Kong in a few months.

While most spectators' attention was focused on the sky when the 150 aircraft made their flyovers, Yang, a retired nuclear weapons engineer who refused to give his full name, remained focused on the progressing missile formations. Yang, 69, said he was eager to observe the latest nuclear missiles on display. "This is a cause I helped to start," said Yang, who started to work on nuclear weapons in 1962. "However advanced our weapons are, they are purely for self-defense. China announced it would never be the first to use nuclear weapons as early as 1964, when we detonated our first A-bomb," said Yang.

On September 30, China's State Council held a reception of 4,000 people to mark the 60th anniversary of the PRC's founding. Addressing the reception, Premier Wen Jiabao pledged to maintain the sustainability and stability of the country's macroeconomic policy to achieve steady and rapid economic development and contribute to the global economic recovery.

Experiences from the six decades showed China must take economic development as the central task, reform and opening-up as the driving force, and push forward socialist economic, political, cultural, social and ecological civilization construction, he said.

In another 40 years, when the New China embraces its 100th anniversary, it will be prosperous, democratic and civilized, reflecting harmonious socialist modernization, he said. ■



Navy soldiers' formation



ZHANG LEI

The leading formation of planes



CHEN XIAOWEI

Parade and Celebrations



YANG GUANG

Nuclear missiles



QIAO TIANFU

Wheeled infantry vehicles



A tanker aircraft and a new type of jet fighters

QIAO TIANFU



Ground-to-air missiles





ZHANG LEI

Servicewomen of the Army, Navy and Air Force



LI WEN



QIAO TIANFU

Missiles carried by military vehicles drive past the Tiananmen Rostrum

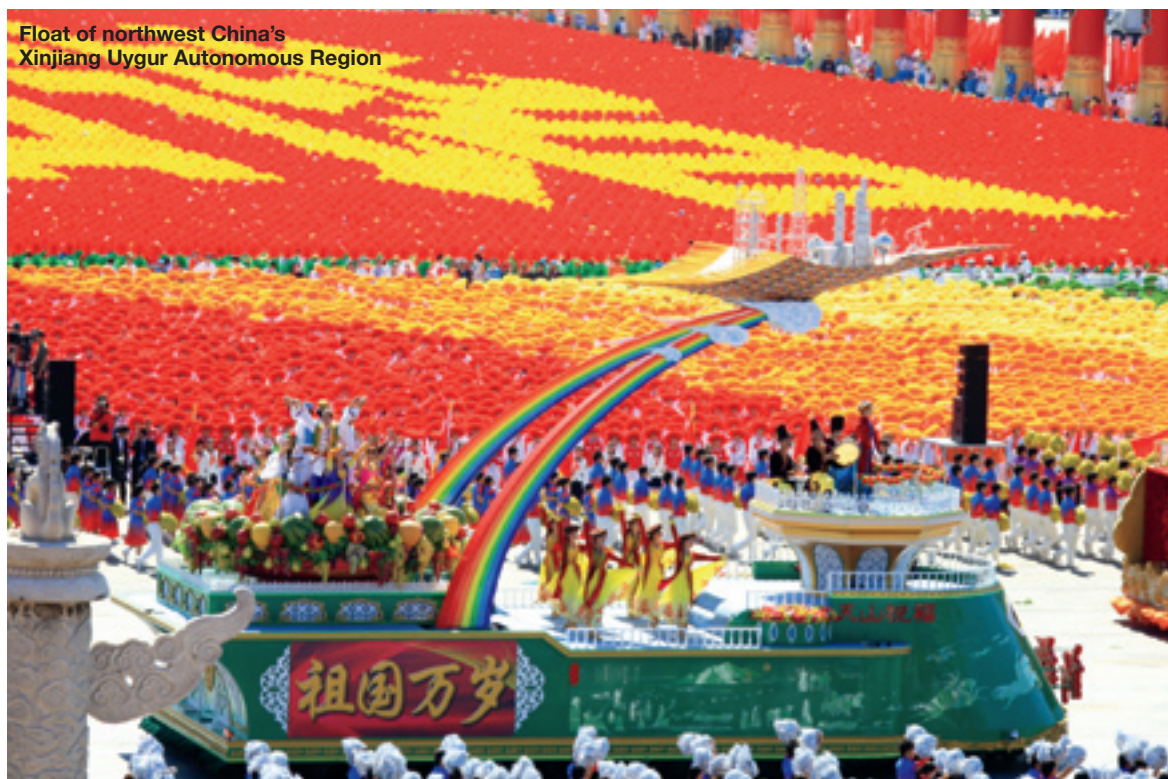


Athletic formation

WANG LEI



Float of northwest China's
Xinjiang Uygur Autonomous Region



ZHANG LEI



Children-themed float

QIAO TIANFU



A waist drum dance team from Ansai County in northwest China's Shaanxi Province

WANG LEI



Float of southwest China's Yunnan Province

QIAO TIANFU

Homes of Their Own

The Minister of Housing and Urban-Rural Development talks about the six-decade history of housing improvement

By LI LI

Minister of Housing and Urban-Rural Development Jiang Weixin said he was proud of China's achievements in rapidly improving and urbanizing housing over the last 30 years. He said he would work hard to improve living conditions for everyone.

Jiang became the Ministry of Housing and Urban-Rural Development's first leader when it was formally launched in March 2008 to replace the Ministry of Construction.

Jiang said adding the word "housing" into the ministry's name reflected the Central Government's stress on improving people's living conditions as well as the government's changed perception on how it should satisfy people's housing needs in a market economy. The government needs to strike a balance between regulating and promoting the real estate market while building more affordable and low-rent housing for the low-income population, he said.

Between 1949 and the early 1980s, housing was not a commodity in China because apartment buildings were constructed and owned by governments and allotted to government branches and factories, which distributed apartments to their employees according to rank and seniority. Residents did not own their apartments, instead paying a monthly rent that amounted to the building's maintenance fees. Housing was part of urban employees' welfare benefits.

During this period, urban residents in China faced an acute shortage of housing due to the slowdown in government investment in new construction. As a result, it was often a case for married couples to live separately in dormitories for singles, where two or three people shared one room.

In the three decades before 1978, government investment in residential construction totaled 37.4 billion yuan (\$5.5 billion), which equaled an annual per-capita investment of less than 10 yuan (\$1.47), according to government statistics.

Jiang said he had to share a room with a male colleague in a singles dormitory when he graduated from university and became a civil servant in Beijing in 1974. He said the arrange-



Minister of Housing and Urban-Rural Development Jiang Weixin

ment was considered very spacious according to the standards of the time. When one colleague got married, he recalled, the person's roommate had to squeeze into another room so that the couple could have some privacy.

"The urban population's living conditions have taken a great step forward in the last 30 years, with per-capita housing floor space jumping from 6.7 square meters to nearly 30 square meters," he said.

In 1980, housing reform was launched when urban residents were encouraged to purchase housing stock through non-government capital. The same year, China's first commercial property development project started in the southern city of Shenzhen and the country's first property development company opened in Beijing. In 1991, the State Council decided to promote housing reform nationwide and issued a policy in 1994 to ensure that middle- and low-income families were granted subsidies to buy apartments at cost. The allotting of government-built housing was halted in 1998.

"Since housing reform started in the 1980s, China's real estate market has taken shape rapidly and housing conditions have improved dramatically in terms of per-capita area, construction quality and community environment," said Jiang.

Beginning in 2003, the State Council issued a series of policies to curb real estate speculation that resulted in housing price spikes in many cities. In August 2007, it issued a document that solved the housing difficulty of low-income urban families, a milestone in the government's efforts to build affordable homes for disadvantaged groups.

"The primary task of our ministry is to build government-subsidized housing in cities," he said. He explained that the real estate market alone cannot meet Chinese housing demands and the government must offer aid to the disadvantaged groups to guarantee them shelter. Jiang said the government is still exploring the best ways to distribute government-subsidized housing.

According to government statistics, 2.5 million households had moved into government-subsidized housing by the end of 2008 and 2.3 million households had received rent subsidies. In May, the Ministry of Housing and Urban-Rural Development released a three-year plan to provide affordable housing for 7.5 million low-income urban households.

"In three or four years, 8 percent of urban households will be able to receive government housing aid," said Jiang.

He said that under his ministry's plan, new government-subsidized housing projects are aimed at increasing housing for low-income residents to more than 10 square meters per person, equipping their residences with faucet water, plumbing systems, heating, piped natural gas and improving the community environment in the next three to five years.

Jiang said another major responsibility of his ministry is to upgrade the infrastructure, including roads and power facilities, in China's rural areas, so that the urban-rural gap can be narrowed. ■



MIXED CITIES: The photo shows a mixed area of old and new residential communities in Shanghai's Jing'an District

By YIN PUMIN

The People's Republic has made remarkable achievements in improving its health care sector since 1949,

especially in disease prevention, control and treatment, Chinese Health Minister Chen Zhu said at a press conference on September 8.

"The major health indicators of Chinese citizens have leaped into the front ranks of the developing world," Chen said.

The average life expectancy of Chinese people has marched continuously upward from 35 years old before 1949 to 73 today, Chen said. Mortality rates among infants, pregnant women and women giving birth have dropped remarkably, as has the incidence of various contagious diseases.

He also said the national maternal mortality rate dropped from 1,500 deaths out of 100,000 at the beginning of the New China to 34.2 out of 100,000 in 2008. The infant mortality rate decreased from an initial 200 per thousand to 14.9 per thousand in 2008.

"Since the founding of the New China, a health care system covering both urban and rural areas has been initiated and now covers our growing population," he said.

In 1949, China had only 3,670 medical and health institutions, 84,600 medical beds and 505,000 medical workers. After 60 years of development, the country holds 278,000 medical and health institutions, 4.04 million medical beds and 6.17 million medical workers, among which 938,000 work in rural areas.

The minister said the country has established many large and modern hospitals. In urban areas, community-level medical clinics along with general and specialized hospitals all provide medical services to residents. In rural areas, a medical service network is composed of county, township and village health institutions.

"We have raised our capacity in disease prevention and control, and our R&D for health care is rapidly advancing," he said.

China is improving its facilities and revamping the way the health system works, mainly through the medical security system, he said.

In the 1990s, China began to reform its medical security system, making vigorous yet cautious efforts to improve it. In



Health Minister
Chen Zhu

Healthy Leap Forward

China's health minister sums up development of the health care sector in 60 years



GUO CHEN

TENDER CARE: An infant boy receives medical treatment in an Anhui hospital on September 26, 2008. By 2020, China will have a basic health care system that can provide "safe, effective, convenient and affordable" services to all citizens

October 2002, the Central Government set up a new rural cooperative medical system, which now covers about 850 million people. By the end of 2008, the basic medical insurance system in urban areas covered 318 million people.

The rural system "has played a prominent role in alleviating the economic burden

of rural residents. An increasing number of farmers are enjoying the benefits," Chen said.

At the start of the policy of reform and opening up, Chinese authorities promulgated 11 laws and 37 administrative regulations concerning health care, including the Law on the Prevention and Treatment of Infectious Diseases, the Food Safety Law, the Law on Maternal and Infant Health Care, the Regulation on Management of Medical Institutions and the Regulations on Public Health Emergency.

"The development of the legal framework for the health care system provided solid security for public health and also laid an important foundation for Chinese social and economic development," the minister said.

But there are still many problems in the present health care system that demands more reform.

In April, the Central Government unveiled the Guidelines on Deepening the Reform of the Health Care System, which kicked off a much-anticipated program to ensure fair and affordable health services for China's 1.3 billion citizens.

More than 850 billion yuan (\$124 billion) will be spent by 2011 to provide universal medical services to all residents, Chen said.

The guidelines identified public hospitals as the dominant providers of health services, and gave priority to the development of local hospitals and clinics in cities and rural areas.

The medicine supply system will be streamlined so that public hospitals and clinics are supplied with essential drugs at prices regulated by the government.

Authorities have pledged to build 2,000 county hospitals and 5,000 township clinics in rural areas by 2011, extending medical services and making them more affordable.

By 2020, the world's most populous country will have a basic health care system that can provide "safe, effective, convenient and affordable" services to urban and rural residents, he said. ■

By YUAN YUAN

In June, Minister of Agriculture Sun Zhengcai announced a nationwide summer re-harvest in a major grain producing area in Lianyungang, Jiangsu Province. It was the first time China saw summer grain output growth for six years in a row since the founding of the People's Republic in 1949.

A couple of months ago, a serious drought settled over some southern and northern areas. The Ministry of Agriculture immediately launched an emergency response operation and made arrangements to deal with it.

Although the drought hit some areas where autumn grain production had commenced, it was not a major natural disaster, said Sun.

Sun has been busy since he became the minister in 2006. "I've been to all the provinces, autonomous regions and municipalities on China's mainland," he told Xinhua News Agency.

"Agriculture is the world's strategic industry. It is the first thing needed for people's



Minister of
Agriculture
Sun Zhengcai

livelihoods. The stable development of grain and other major agricultural products can ensure that the country is able to deal with various difficulties," he said.

Sun has been under a great deal of pressure. "We have an ancient saying in China that says hunger breeds discontent," said Sun. "Ensuring the livelihood of 1.3 billion people is a huge task."

Sun often quotes Dean Acheson, the U.S. Secretary of State in 1949, who said on the eve of the founding of the New China that the first problem that every Chinese Government would encounter was how to feed the people.

Chinese people have proven that the goal can be achieved. From 1949 to 2008, China's grain output grew from 113 million tons to 529 million tons annually, and cotton output increased from 444,000 tons to 8 million tons annually, according to statistics from the Ministry of Agriculture. Grain, vegetables, fruits, meat, aquatic products and other major agricultural production have ranked first in the world for many years. With less than 10 percent of world's arable land, China has fed 22 percent of the world's population.

Sun said these achievements are attributable to three major rural policies. First was the implementation of the household contract responsibility system with remuneration

linked to outputs that was adopted in the late 1970s. It is the cornerstone of China's rural policy, establishing the dominant position of farmers in production and operation and raising farmers' enthusiasm to produce. Second was the reduction and eventual abolition of the agricultural tax, which greatly diminished the burden on farmers. Third was the implementation of a comprehensive rural reform, which included nine-year compulsory education in rural areas and implementation of a fiscal management system in counties and townships.

Although the People's Republic has enjoyed great development in this field, the agricultural base is still weak, said Sun.

Statistics from the Ministry of Agriculture show that the per-capita net income of rural residents increased from 44 yuan (\$6.4) in 1949 to 4,761 yuan (\$697) in 2008. But the rate of increase is far below that of urban residents.

Sun said the gap between rural and urban areas is still very large. He said increasing the income of rural people is one of his top priorities.

The right policy direction, Sun said, is to maintain the stable development of agriculture, improve agricultural science and technology and increase the farmers' incomes. ■

Keeping Fed

The Minister of Agriculture talks about the development of China's food supply

BUMPER HARVEST: Mechanized harvesters in Yuanyang County, Henan Province, harvest wheat on June 5

ZHU XIANG

Rehearsing for the Big Day

Tens of thousands of primary and middle school students participate in the grand anniversary pageant

**KEEP-
ING TIME:**
Students
practice for
the National
Day parade
that marked
the 60th an-
niversary of
the found-
ing of the
People's
Republic



By YUAN YUAN

For more than two months, the main topic around the family dinner table of Li Jiayu, a student at Xuefuyuan Primary School in Beijing's Haidian District, has been about the grand pageant that took place on October 1 to celebrate the 60th anniversary of the founding of the People's Republic of China.

In early July, the Li family, including the son, father, who also teaches at Xuefuyuan, and mother, a teacher at Beijing's Qinghe No.1 Primary School, were all selected by organizers to be part of the pageant.

Since then, practicing for the pageant has been the family's focus. They have discussed the best way to prepare during rehearsals and encouraged each other to keep getting better.

According to official statistics, the mass pageant was made up of 36 formations and six performing groups involving about 100,000 citizens. They were complemented by 60 simulated floats, and a background performance involving 80,000 primary and middle school students.

Dozens of Beijing's colleges, primary and middle schools are included in the pageant drills. About 6,000 students from 35

Haidian District primary schools formed the youngest participants and were the last to pass through Tiananmen Square, said Qiao Jian, a Haidian District government official.

A special preparatory committee for the parade was set up in March. They decided that rehearsals to be held along the Chang'an Avenue parade route would be set for midnight to avoid inconveniencing other people.

For some families, it was not easy to get up at midnight and pick up the children two or three hours later, especially on those occasions when the weather did not cooperate and it started to rain.

"Sometimes we had to get up at midnight for the drills," said Li Jiayu. "It was hard but we also regard it as an interesting experience for the whole family."

More than 100 students from Beijing's two migrant worker children's schools also participated in the parade. Li Wenlong, a grade-six student at Jushan Primary School, also had to get up several times at midnight for rehearsals. His parents are from Shandong Province and very supportive of his part in the parade.

"We planned to send Li to Shandong for

summer vacation, but we put it off for the drills. I told my son that we will have many chances to go back home anytime, but it is such a precious opportunity to take part in the grand pageant," his mother told *Legal Daily*.

Officials adopted interesting methods to train school student participants. They played games to teach them to be more cooperative.

Ji Yulin, a schoolteacher, said running and leg lifting were part of the daily routine to improve the physical fitness of students. "We trained from 7:00 to 10:30 each morning and on weekends, except for a two-week break during the summer vacation."

Luo Zhongqi, a senior at Beijing Language and Culture University, said, "I think participating in the parade helps to cultivate the cooperative spirit."

Dong Zhenggang, a postgraduate student at Tsinghua University, who sported a suntan because of the drills, said students were excited about taking part, making the celebrations more lively and diverse. Moreover, since many school children bury themselves in online games or after-school tutoring, it is good practice for the mind and body to participate in the parade drills, Dong added. ■



JUE GUO

ELABORATE PAINTING: Two craftsmen work on murals in Tibet's Sagya Monastery on May 12, 2009, as the maintenance project draws to a close

Back to Glory

Three historic Tibetan sites have been renovated over the last seven years

By YUAN YUAN

"The Potala Palace is still the same as the one in my memory from childhood," said Namgyi, a Tibetan senior citizen who grew up in Lhasa, capital of Tibet Autonomous Region. Although he learned from the television that the second phase of the palace's renovation has been completed, he said he sees no changes to the original.

The renovation project for the three historic sites, the Potala Palace, the Norbu Lingka Palace and the Sagya Monastery, kicked off in June 2002 under the rule that no changes are made to the original look or the structure of the buildings, and that no

other than the original construction techniques were employed. In the past seven years, construction experts have made great efforts to keep the original look while fixing hidden problems inside the buildings.

Nyima Cering, a leading official of the renovation project, adopted traditional Tibetan construction methods that are different from those used in building modern architecture.

The renewal of the Potala Palace's Shol Village also drew UNESCO's attention. Due to serious damage, the village was far from what it once was. Historians, scholars and experts on ancient construction were invited to study the history of Shol Village and found from the murals of the Potala Palace

what it looked like during the reigns of the eighth and 13th Dalai lamas. The research has allowed construction crews to restore the former look of the village.

"The seven-year project has not only solved all the hidden problems existing in the ancient buildings but has also kept the relics inside intact," said Nyima Cering.

Engineers also combined modern technologies with traditional construction skills to recreate the original look.

"Aga soil" is a traditional Tibetan construction material, made by repeatedly ramming together a mixture of gravel, soil and water, which is used to pave roofs and floors. It appears as solid and smooth as marble, but is not very resistant to water.



NEW LOOK: The Central Government has invested more than 70 million yuan (\$11.7 million) to renovate the Norbu Lingka Palace



REVITALIZATION: The Potala Palace shown after renovation on August 22, 2009

There are multiple layers of the material on the roof of the Potala Palace, reaching 80 cm in thickness at certain points. But it still leaks when it rains, which also damages the wooden structure and fine murals inside.

Renovations had to resolve the water intrusion and alleviate the pressure of the compounded roofing material on the beams and pillars of the building. Workers removed the original layers of the roofing and then put a flexible waterproof layer before replacing the soil.

“Adopting modern technology improves the development of ancient Tibetan building techniques,” said Nyima Cering.

The renovations are the largest undertaking and represent the highest investment

in the history of the Tibet Autonomous Region. It requires skills and presents difficulties unparalleled in the history of historic preservation.

Nyima Cering said problems exist all the way down to the building’s foundations. He said underground passageways, which look like the basements of buildings constructed by the Han people, also serve a load-bearing function. If they were to collapse, the whole building would fall down. Fortifying the passageways is a major focus of the project.

Workers first had to remove garbage from the passageways to understand their condition. High levels of dust in these passageways meant crews had to wear layers of

facemasks to get into the passageways, but some still suffered damage to their windpipes and noses.

One of the passageways runs 18 meters under the palace and is very small—it can hold only two workers at a time. It was difficult to clear the debris from the tunnel but eventually it was cleared along with the others and fixed.

Most of the workers are Tibetans who are very familiar with the traditional construction methods. Around 189,000 workers are working on the project, which is a major boost to the local economy, said Nyima Cering.

The long-term project has also cultivated a group of professionals who are experts at traditional construction. Nyima Cering said a number of young college graduates who are skilled in mural preservation participated. Before the renovation, there had been only one company in Tibet qualified for that type of work. Now there are six.

The Potala Palace, a combination of Tibetan construction art and ethnic culture, is considered a precious treasure of China. The Norbu Lingka Palace is the perfect complex of Tibetan and Han construction features and is also the highest-altitude garden in the world. The Sagya Monastery is the birthplace of the Sakya school of Tibetan Buddhism.

But after years of decay, all the three sites developed problems. It has been considered an urgent task to protect and save these precious sites.

On June 26, 2002, the project for the preservation of the three sites began with an investment of 380 million yuan (\$55.88 million) from the Central Government, an unprecedented amount in China’s history.

On August 24, 2009, the Central Government invested 570 million yuan (\$83.5 million) to preserve 22 other historic sites. Many of the Tibetan sites are suffering from the corrosive effects of time. After one is restored, problems pop up in another, so it is a continuing mission that requires time and money. But the money collected by the temples is far from enough. Since 2006, the government of the autonomous region has invested more than 10 million (\$1.47 million) on cultural site preservations, said Liu Shizhong, vice director of the regional cultural heritage bureau.

The funding mainly comes from the state. Since Tibet’s democratic reform in 1959, historic site preservation has been a major part of Tibet’s overall development program. The Central Government has allocated a total of 1.4 billion yuan (\$205 million). From the 1980s to the end of the 20th century, more than 300 million yuan (\$44 million) had been allocated for ethnic cultural heritage preservation projects in Tibet. ■

SOCIETY

Ethnic Policy

The Chinese Government published a white paper on its ethnic policy on September 27, stressing harmony and equality among all ethnic groups.

The paper, released by the State Council Information Office, reviewed the situation in the country on ethnic issues, government policies over the past six decades and economic, social and cultural progress in ethnic minority regions.

It was China's third white paper on ethnic policy, following two reports that were issued in 1999 and 2005, said an official with the State Ethnic Affairs Commission.

"Through this white paper that summed up our ethnic policy and practice, we hope international society can have a better understanding about the reality upon which our policy is based, about what the policy is and the impact it has on solving ethnic issues and promoting the development of ethnic minorities in China," the official said.

Novel Energy

China has successfully excavated combustible ice, a form of natural gas hydrate, in the permanent tundra at the southern margins of the country's north-western Qilian Mountains, the Ministry of Land and Resources announced on September 25.

Samples of combustible ice were collected in the area in November 2008, making China the first country to collect the gas hydrate in the tundra in the medium and low latitudes, the ministry said.

It also shows that China has become the third country in the world after Canada and the United States to successfully excavate gas hydrate from land, the ministry said.

Preliminary research shows that the prospective volume of natural gas hydrate in



ANCIENT WAYS A grand ritual is held in Qufu, in east China's Shandong Province, on September 28 to commemorate the 2,560th birthday of Confucius, the great philosopher

the country's frozen regions is estimated to reach 35 billion tonnes of oil equivalent.

Moon Face

Chinese experts announced on September 28 that the country's space scientists had completed the world's highest-resolution three-dimensional map of the Moon.

The map, covering the whole surface of the Moon, was made based on image data obtained by a charge-coupled device stereo

camera carried by the *Chang'e-1*, China's first lunar probe that was launched in October 2007. The map's spatial resolution, measured by the distance of two features within an image that can be clearly defined, is 500 meters.

Liu Xianlin, head of the expert team, said the map could greatly help study the features, laws and creation of the moon's surface and deepen the understanding of lunar geology and its evolution.



FLOWER SHOW

A worker waters flowers during the Seventh Chinese Flower Exhibition that opened in Beijing on September 26. The event attracted more than 1,300 flower companies from around the world



AVENUE REBORN

Tourists visit Qianmen Street, one of Beijing's oldest commercial areas, on September 28, the first day it was reopened to the public after major renovations

ECONOMY

Auto Alliance

U.S. auto giant Ford Motor Co. recently started construction of a new manufacturing plant in southwest Chongqing Municipality.

Involving a total investment of 3.34 billion yuan (\$490 million), the plant is being built by the Chang'an Ford Mazda Automobile Co. Ltd., a three-way joint venture of Ford, Chongqing-based Chana Auto Co. Ltd. and the Mazda Motor Corp. of Japan. It will record an annual output of 150,000 cars after completion in 2012, said Ford.

"The new plant in Chongqing is an important step for Ford to expand its business in China, one of the most important markets of the company," said Allan Mulally, CEO of Ford, in a statement.

A Helping Hand

China plans to gradually implement a program next year that will give a zero-tariff to 95 percent of imports from the least developed countries, the Ministry of Commerce recently announced.

The ministry said this move is aimed to increase exports to China from these underdeveloped countries, but it did not elaborate which imports would enjoy the favorable policy.

In past years China has made vigorous efforts to assist developing countries in fields such as agriculture, food, education, training, clean energy, and loan reductions or by providing tariff exemptions for impoverished nations.

Trading Suspended

The Sichuan Province-based Wuliangye Yibin Co. Ltd., a leading liquor maker, was temporarily suspended from trading for violating information disclosure rules, said the Shenzhen Stock Exchange in a statement on its website.

The liquor maker did not properly disclose investment losses and was found to have discrepancies in its reported core business revenue, the China Securities Regulatory Commission (CSRC) said.

The company lost 55 million yuan (\$8.05 million) in investments in 2007 and failed to report it.

The company reported core business revenue of 8.25 billion yuan (\$1.21 billion) in its annual performance report for 2007, compared with the actual 7.25 billion yuan (\$1.06 billion), the CSRC said.

Nuclear Power

The State Council, China's cabinet, has given a go-ahead for construction of the planned Shandong Haiyang Nuclear Power Station.

Two nuclear power-generating units will be built in the first phase of the project, each with an installed capacity of 1.25 million kilowatts (kw). They are scheduled to come into operation in May 2014 and

March 2015, respectively.

China has in recent years made a push into clean energies including nuclear power, hydro-power and wind power. It aims to propel the nuclear power installed capacity nationwide to reach 40 million kw by 2020.

Joint Air Venture

The Shanghai-based China Eastern Airlines Corp. Ltd. has recently launched a joint venture in aircraft engine maintenance with the Pratt & Whitney Canada Corp. in Shanghai.

China Eastern will hold 51 percent in the \$98-million venture that is engaged in design, manufacturing and services of aircraft engines. This is also part of the carrier's efforts to expand sources of revenues and cut costs as it fights against the downturn.

"Within three years, the venture is expected to be capable of overhauling 300 engines a year, generating annual sales of 3 billion yuan (\$439 million)," said Li Yangmin, Vice President of China Eastern.



PHOTO

BRIDGING CHINA

The high-speed passenger train between southwest Chongqing and Chengdu officially comes into operation on September 26



AFP

HIGHEST RECOGNITION

Chinese director Lu Chuan (left) and actress Qin Lan receive the Golden Shell award at Spain's San Sebastian International Film Festival on September 26 after winning in the best film category for *City of Life and Death*



SHIN ONA

NEVER FORGET

On September 26, students in Nanjing, Jiangsu Province, admire the sculpture of Claire Lee Chennault, the commander of the Flying Tigers, at a museum dedicated to pilots who sacrificed their lives when fighting in China's War Against Japanese Aggression

通达州

Lead to China

Beijing Tongdajiu Zhou Co., Ltd. is a China-based hi-tech enterprise specializing in the research and development, production, sale and service of engineering adhesives. Tongdajiu Zhou has several hundred products covering seven categories: cyanoacrylate, anaerobic, a-cyanoacrylate, epoxy, silicone, polyurethane, and modified neoprene, all of which are targeted at making machines run more safely and stably.

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The Carbon Emission Game



GREEN PORT: Workers are upgrading Taicang port machineries in east China's Jiangsu Province from oil-driven to electricity-driven, which can cut carbon emissions in the port by 50 percent

SUN SHEN

When Chinese President Hu Jintao attended the UN climate summit on September 22, he made a solemn commitment that China will cut its per GDP unit carbon emission to a significant amount in 2020 compared with that of 2005. *Economic Information Daily*, with Xinhua News Agency, published a series of articles extending China's stance on carbon reduction. Edited excerpts follow:

The United Nations Climate Change Conference Copenhagen 2009 will be held at the end of this year and will discuss the post-Kyoto Protocol carbon emission reduction targets. As one of the biggest carbon emission countries, China will face enormous pressure from developed countries. Signs loom that developed countries intend to politicize climate change to gain economic benefits.

China has been reiterating its opposition to so-called "green protectionism," which places a high carbon tariff on products with high carbon emissions in the name of environmental protection. Internationally, China insists developing countries not shoulder emission reduction responsibilities that might be imposed by developed economies.

Analysts contended that the concept of a "carbon tariff," proposed by the United States, is meant to improve its international image as a reluctant respondent to actually coping with climate change. Meanwhile, covered by the carbon tariff, it will require developing countries such as China, India and Brazil to reduce their carbon emissions, in turn crippling their exporting strength and stifling the rise of the emerging economies.

China must be cautious about the follow-up measures that might be adopted by the United States and oppose any protectionism under the disguise of green growth.

International stance

In terms of setting up greenhouse gas emission and reduction targets, developed countries must quantify their emission reduction commitments and provide reduction technology and capital aid to developing countries.

First of all, judging by per-capita car-

bon emissions, China remains below the world's average level. According to a recent World Bank report, the average annual per-capita carbon emission of the world is 4.3 tons; China is around 4.1 tons; while that of the United States stands as high as 19 tons. Developed countries' emissions are centered around "luxurious enjoyment," while developing countries burn coal for economic survival and development. Naturally, developing countries require that developed countries shoulder more responsibility in carbon emission reduction.

Second, the importers are actually the *de facto* emitter of carbon, as exporters consume domestic resources and energies to satisfy the needs of their overseas customers. Therefore, the importers should pay for the carbon emissions of their exporting countries. A large amount of made-in-China products are sold to developed countries. They enjoy the cheap and fairly good Chinese products, consume the Chinese resources, pollute the Chinese environment, and now, they are charging a so-called carbon tariff on Chinese products. It is totally groundless and unreasonable. If there is any, it should be China charging developed countries for the carbon emission and pollution the exporting goods have caused to its environment.

Third, when counting carbon emissions, the accrued amount of such emissions over the course of industrial history should be taken into account, since it is unfair to merely measure the current emissions. Chinese carbon emissions have gathered mostly since 1978 when China adopted the reform and opening-up policy. But developed countries have been emitting greenhouse gases for more than 100 years since the industrialization era in the 19th century. Comparatively speaking, the aggregated carbon emissions of China fall far less than that of developed countries. As a developing country, economic development is the top priority, thus China cannot share the same responsibility as that of developed countries.

Fourth, when negotiating carbon emissions, the function of non-governmental organizations (NGO) must be brought into full play. China has made enormous efforts in coping with climate change and reducing greenhouse gas emissions, but the international community has no idea of what China has accomplished so far.

Fifth, developed countries should transfer climate and environmentally friendly technologies to developing countries for free. The Kyoto Protocol (an international environmental treaty with the goal of achieving "stabilization of greenhouse gas concentrations in the atmosphere at a level that would prevent dangerous anthropogenic interference with the climate system")

has stated developed countries should transfer emission reduction technologies to developing countries, for instance, new energy development technology and carbon-capture technology. However, developed countries have done little and most of the time deliberately avoided the topic, passing the buck to their domestic companies' reluctance in participation. In international economic cooperation on low-carbon products, developed countries should not exploit developing countries' weakness for stupendous profits by charging overly high prices on clean technology transfers or transactions.

tion capacity, developing renewable energy, and optimizing energy structure.

In spite of the efforts made, some deep-rooted problems are still waiting to be resolved.

In the process of urbanization and industrialization, many cities have blindly expanded production without realizing the potential damage they might exert on the environment.

Some local governments, in an attempt to attract foreign investment, bring a lot of low-end manufacturing businesses that were dumped by developed countries into China. Many of them are high energy consumption, high carbon



HARNESSING NUCLEAR POWER: Construction of the Yangjiang Nuclear Power Plant in Guangdong Province, the largest in China, begins in December 2008

Domestic alarm

Domestically, government officials, economists and scholars have all realized the importance of greenhouse gas emission reduction. The Western developed countries might take advantage of carbon emission reductions, but for its own part, China should act positively to reduce greenhouse gas emission and make due contributions to the undertaking of environmental protection.

Among the 4 trillion yuan (\$586 billion) stimulus package adopted by the Chinese Government last November, approximately 580 billion yuan (\$85 billion) is invested in projects designed to handle climate change.

China has been sparing no effort in cutting greenhouse gas emissions through adjusting economic structure, developing a cyclic economy, saving energy, raising energy efficiency, filtering out-dated produc-

emission and high pollution projects.

Against the backdrop of concerted international efforts to eliminate high carbon emission projects, China might pay a lot in the future to phase out the high-carbon emission, high-polluted foreign industrial projects.

In urban planning, local officials attempted to build "international metropolis," cutting down trees, narrowing bicycle paths, expanding motorways, and building skyscrapers. Those measures exert a gradual and imperceptible influence on the citizens, many of whom worship all things foreign, such as their pursuit for high-energy consumption vehicles.

Some cities, such as Shanghai, Hangzhou and Wuxi, are striving to catch up with the international trend to build low-carbon cities, but they lack solid knowledge of what "low-carbon city" refers to and require updated information on the topic. ■

By LAN XINZHEN

With its rapidly expanding economy, China is facing a growing demand for oil and other limited natural resources. While the country has become increasingly dependent on imported resources, two recently discovered oil deposits in its own backyard will help alleviate its oil shortage.

Earlier this year, the Geophysical Exploration Co. of the Zhongyuan Petroleum Exploration Bureau discovered an oilfield with reserves of about 140 million tons in Chaogewunduer Town, located near Urad Rear Banner in the Inner Mongolia Autonomous Region.

The company's exploration team began collecting field information on the surrounding area of 388 square km in May. As it stands, the explored oil reserves of the area, sitting around 140 million tons, are of high quality and have a high value of exploitation. The company says that the first-phase of exploration has been completed, allowing exploitation to commence sometime next year.

In mid-September, the exploration team of Shengli Oilfield in Shandong Province discovered another new oilfield, named Qiaodong Oilfield, with reserves of 10 million tons near the estuary of the Yellow River. The oil reservoir, lying 3,000 meters underground, is expected to produce 100,000 tons of oil annually.

Discovery of the two oilfields raises China's verified oil reserves to 4.3 billion tons.

Sun Baojiang, professor at China University of Petroleum, says that continued exploration and discoveries have raised China's oil reserves steadily over the past few decades. The country's verified oil reserves have been growing at an average annual speed of 200-300 million tons in the past 10-odd years.

Advanced technologies

The application of advanced technologies has facilitated the discovery of new oilfields.

When its first large oilfield, Daqing Oilfield, was discovered in northeast China, China adopted the continental theory of petroleum origin, where only an analysis of rock level samples could confirm if an area contained oil reserves, according to Sun. Due to the procedures involved, the method took at least one or two years to produce results about an area's oil potential. Chinese geologists had spent five years in exploration before discovering Daqing Oilfield.

But now, the three dimensional seismic exploration technology has become the main means for the quick and concise exploration of oilfields. With this technology, geologists can analyze whether an area has oil reserves from the underground information supplied by arti-



Crude Discoveries

Two recently discovered oilfields will help alleviate China's growing need for "black gold" and fuel the engines of progress and innovation

DISCOVERING MORE OILFIELDS: Oil production is in progress at Shengli Oilfield. In September 2009, exploration teams discovered a new oilfield—Qiaodong Oilfield—in the locality

ZHU ZHENG

cial seismic waves. By utilizing this method, the Geophysical Exploration Co. of the Zhongyuan Petroleum Exploration Bureau had spent just three months before making the oilfield discovery in the Inner Mongolia Autonomous Region.

Aside from sophisticated exploration technology, Chinese oil companies also lead the world in advanced oil well exploitation technologies. In the early stages of development, specifically at Daqing Oilfield, oil was forced to the surface on its own pressure, which had built up from its location beneath the Earth's surface for millions of years, resulting in a classic gushing oil well. When oil could not rush to the surface on its own due to a lack of pressure, water was used to flood the oil well to boost pressure. However, this method presented the problem of high water content in the oil.

Research and development, taking lessons from the procedural inadequacies of Daqing Oilfield, resulted in a chemical technology of multifunctional macromolecule surfactants. Compared to technologies that "pump up" oil with layer pressure or "squeeze out" oil by flooding the wells, the new technology will

"wash out" more oil with chemical surfactants.

Application of this new technology increased the comprehensive recovery rate at Daqing Oilfield to over 50 percent, 10-15 percentage points higher than the world average. Considering the oilfield's 5 billion tons of reserves, if the recovery rate is increased by only 1 percentage point, the output can rise 50 million tons.

The new technology now used by many oil-drilling and exploiting operations in China, has led to a substantial increase in oil output. In 1949, when the People's Republic of China was founded, the country's crude oil output was only 120,000 tons. In 1978, with its crude oil output surpassing 100 million tons for the first time, China became a major world oil producer. In 2008, the country's crude oil output hit 190 million tons, 1,583 times that of 1949, ranking fifth in the world.

With advanced technologies, Chinese oil companies have explored a way of "swapping technologies for resources" in their international operations. Currently, more than 300 teams from Daqing Oilfield are working in 28

countries and regions worldwide, such as Iran, Sudan, Venezuela, Kazakhstan and Indonesia.

Wang Zhen, Director of the China Energy Strategic Research Institute, says that thanks to 50 years of efforts, Chinese oil industry has accumulated state-of-the-art technologies and become more competitive globally.

Technological development for new means of oil exploitation has continued. Currently Daqing Oilfield is busy tackling "the quaternary oil recovery technology," where biological engineering procedures will be used to exploit crude oil remnants in old wells. The residual crude oil will be exploited in the form of natural gas, a method that is not employed in other countries.

New oilfields

Although the proven reserve of oil is increasing yearly, China's oil output still cannot meet the market demand.

China Energy Development Report 2009 released by the National Energy Administration of the National Development and Reform Commission on July 29 estimates that in 2009, China's crude oil output will reach 193 million tons, a year-on-year increase of 2.1 percent. But last year China consumed more than 390 million tons of oil, forcing it to import 207 million tons to meet its demand, with the import volume growing 2.1 percent over the previous year.

To date, more than 50 percent of China's oil consumption relies on imports.

The report also estimates that in the next two years, China's oil supply will remain at a low growth level, while the Chinese Academy of Social Sciences estimates that between 2010 and 2020, Chinese oil demand may increase at an annual rate of 3.3 percent. Based on the pro-

duction capacity in 2009 (480,000 tons per day), in two years' time, China will need to import 5.67 million tons of oil every day to maintain socioeconomic operations.

As for oil production, oilfields in east China are reducing their output, while the development of oilfields in west China is slower than anticipated. In addition, output from offshore oilfields is falling behind expectations. As a result, Chinese oil output is unlikely to increase markedly in the immediate future.

It is estimated that in 2010 and 2015, China's crude oil output will reach 177-198 million tons and 182-200 million tons, respectively, indicating a low growth rate. By 2020, the country's crude oil output is expected to remain around 181-201 million tons, and begin to see an annual decrease in ensuing years.

According to the "national oil and gas resource appraisal" carried out by the Ministry of Land and Resources (MLR), China's prospective oil reserves stand at 108.6 billion tons.

Sun noted, aside from the call to save energy and develop new energy alternatives, China needs to strengthen its efforts to explore and discover more oilfields.

In fact, the Chinese Government has also required related departments to intensify their efforts in oil exploration. The MLR stated in the National Plan on Mineral Resources it released earlier this year that to alleviate the shortage of oil supply, China will need to discover six 100-million-ton oilfields and six to eight 100-billion-cubic-meter gas fields by 2010. From 2011 to 2015, China will need to discover 10 oilfields of 100 million tons and eight to 10 gas fields of 100 billion cubic meters.

If the planned goals of the MLR can be realized, China's recoverable oil reserves will double in the next five years. ■

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China's First Large Oilfield Celebrates 50th Anniversary

Located in the west of Heilongjiang Province, Daqing Oilfield is the first large oilfield discovered in China.

With a history of 50 years, the oilfield began production on September 26, 1959, marking the beginning of the Chinese oil industry and breaking the conclusions of foreign experts that "China is an oil-poor country." The oilfield is vitally important to the country's self-support of oil and has exerted great influences on China's industrial development. A whole set of independently created exploration, exploitation and supporting technologies have been developed in the 50 years since the oilfield's opening, many of which are of the most advanced level in the world.

As the largest oilfield in China, its crude oil output in 1963 was only 4 million tons. In 1966, its output surpassed 10 million tons, with a surplus after satisfying domestic demand. In 1976, Daqing Oilfield produced more than 50 million tons of crude oil, maintaining a high output level for 27 years. By March 22, 2009, the oilfield had produced a total of 2 billion tons of crude oil, accounting for more than 40 percent of the country's aggregate crude oil output from land oilfields.

Future plans entail Daqing Oilfield, when ensuring the steady production of crude oil, strengthening its efforts in the exploitation and utilization of natural gas. Plans include increasing the output of natural gas to 8-10 billion cubic meters by 2020, a three-fold rise from that of 2008. At present, Daqing, with verified natural gas reserves of more than 1 trillion cubic meters, is China's fifth largest inland gas field.

China's Auto Market Speeds Along

Chinese automakers draw the attention of international investors due to their strong performance against the stagnant global auto market and the huge potential for expansion

By LAN XINZHEN

The success of the Chinese automobile market in the midst of an economic crisis that has most consumers hesitant to invest in new cars is raising eyebrows and increasing international investors' interest in exploring possible financial opportunities in China.

Goldman Sachs Capital Partners (GSCP), the private equity arm of Goldman Sachs Group Inc., recently invested \$334 million in Geely Automobile Holdings Ltd., offering financial support for the automaker's future expansion plans. After the investment plan was released to the foreign media even greater attention was focused on the Chinese auto industry, as the financial move by GSCP will increase the ferocity of competition in the auto market.

The investment will be made through the subscription of convertible bonds and warrants. According to the Geely announcement on September 16, the company plans to issue convertible bonds of \$245 million and warrants of \$89 million.

A private carmaker located in east Zhejiang Province, Geely was listed in Hong Kong in May 2005. Investment from Goldman Sachs will be used to expand production, including an increased annual capacity of 150,000 cars in its workshop based in central Hunan Province.

Optimistic future

The demonstrated sustainable growth of Geely, as well as its prospective future, may have been tantamount in Goldman Sachs'

decision to invest \$245 million in it.

According to an interim financial report released by Geely on September 8, the company recorded a significant growth in net profit of 596 million yuan (\$87.26 million) in the first half of 2009, up 145 percent from the same period of 2008. Basic earnings per share for the first half of 2009 were approximately 0.09 yuan (\$0.01), up 93 percent year on year. The company expects to sell 250,000 units this year, representing an increase of 22 percent from 2008. Since the company accomplished 65 percent of its full-year sales target in the first seven months of this year, it believes that the target is within reach. It further anticipates that profits in the second half of this year will be better than in the first half.

A large chunk of the company's profits come from the domestic market. Thanks to the government policies, including a 2008 sales tax cut for smaller cars, the introduction of a fuel tax in January 2009, and the promulgation of the "stimulation package for the automobile industry" in early 2009, market demand for the company's safe, energy efficient and environmentally friendly vehicles kept increasing in the first half of this year.

Current figures show that Geely has sold more than 1.2 million units and established 109 stores, 680 sales agents and 569 post-sale service stations throughout the country. More than 430 suppliers offer spare parts to Geely.

The success Geely has experienced on the home front has not been matched on its sales abroad, as its exports have been severely affected by the global financial crisis. According to its interim report, exports accounted for only 5 per-

cent of the company's total sales volume in the first half of 2009, while in 2007 and 2008, the rate was 12 percent and 19 percent, respectively.

Geely statistics showed that exports in the first seven months of 2009 dropped 69 percent from a year ago. At its highest distribution point in 2008, the company exported 4,000-5,000 units per month, but it only exported several hundred cars per month at the lowest point this year. Exports have rebounded to some 2,000 units presently, and the company expects better export figures in the second half of this year.

Since 2003, when Geely entered the global market, its auto units and products have gradually made their way into more than 30 countries.

Growing out of the Huangyan County Refrigeration Elements Factory established in 1986 in Taizhou, Zhejiang Province, Geely entered the auto industry in 1997. On August 8, 1998, the first independently developed Geely car drove off the assembly line.

The company currently operates six manufacturing bases and power assemblies respectively in Linhai, Ningbo and Luqiao of Zhejiang Province, in addition to facilities in Shanghai, Lanzhou (Gansu Province) and Xiangtan (Hunan Province), with an annual manufacturing capacity of 300,000 complete vehicles and 300,000 engines and transmissions. The company now has over 30 models of complete vehicle products in eight series, including Geely CK, Geely MK, Geely Vision, Shanghai Huapu and Coupe; 1.0L-1.8L engines in eight series; and manual and automatic transmissions in eight series.

The group's Geely Automobile Research



JIANG LIN

LAUNCHING MORE MODELS: The new solar powered Geely Eagle is exhibited at the Changchun Automobile Expo. Geely now has the capacity to launch four to five car and engine models every year

Institute can launch four to five new car and engine models each year.

Employing 8,000 people, Geely has a registered capital of 630 million yuan (\$92.24 million) and total assets of 5 billion yuan (\$732.06 million).

The company expects to produce 42 models from 15 series by 2015, facilitating both left- and right-hand steering wheels and conforming to the regulations and consumer habits of all countries. Likewise, Geely will also be boasting eight different series of engines and seven series of manual and automatic transmissions. In addition, Geely plans to have an annual production and sales capacity of 2 million units and complete the construction of 15 overseas production bases, thereby achieving the goal of selling two thirds of its products in the world market.

International investors attracted

According to statistics released by the China Association of Automobile Manufacturers, in the first eight months of this year, China produced 8.25 million automobile units and sold 8.33 million, up 26 percent and 29 percent, respectively, year on year, ranking first in the world. The Chinese auto market, recovering first in the overall stagnant global market, has the potential to attract the attention of not only world famous automakers but also international investors.

Before the GSCP investment in Geely, a subsidiary of Berkshire Hathaway Inc., under Warren E. Buffett, spent \$232 million purchasing 10 percent in shares of BYD Co. Ltd., while Chery Automobile Co. Ltd. received investments of 2 billion yuan (\$292.83 million) from such overseas investors as CDH Investments and Bohai Industrial Investment Fund Management Co.

For Chinese automakers, in order to survive possible mergers and acquisitions in the Chinese auto market, obtaining capital injections from international investors is an outcome heavily sought after.

To international investors, Chinese automakers are likely to become leaders in the global auto market, and the Chinese auto market has already established itself as a market of key importance in the world.

The actions of international investors are solidifying the recognition of China as a major auto market. Ernst & Young, a global leader in assurance, tax, transactions and advisory services, announced on September 22 that it would be establishing a global automotive center in Shanghai.

Statistics from the company indicate that the global auto market will begin to recover by the end of 2010, while the Chinese auto market will maintain sustainable growth. By 2015, China expects to sell 15 million motor vehicles, becoming one of the three largest markets in the world together with North America and Europe. ■

CRISIS FOCUS

A Difficult Decision

The financial outlook began to look a bit more optimistic in September, as some economic indicators, such as the DOW Jones Industrial Average and the prices of physical assets, showed signs of recovery one year after the outbreak of the financial tsunami triggered by the bankruptcy of Lehman Brothers. But does the numeric recovery really count? More importantly, is it time for the rescue programs to cease? **Wang Jiang**, Chair Professor at Sloan School of Management of Massachusetts Institute of Technology, offered his insights in an interview with the Shanghai-based *21st Century Business Herald*. Edited excerpts follow:

Currently, asset prices have seen a substantial increase, especially those that greatly plunged during the financial crisis, like real estate, credit products, gold, gas and industrial materials. For those assets, as of now, the price increases have not been able to fully cover the losses witnessed in the past year, and it will be difficult to predict whether or not they will be able to fully recover in the future.

Gold, on the other hand, went through a different price change than the other assets, as soaring gold prices reflected inflationary expectations.

From my point of view, the inflation is not nearly as serious as was anticipated. Total liquidity growth has been high, but luckily it did not lead to actual inflation. We did not see high inflation through inflation indexes, because uncertainties remain in real economic revival. Household consumption in the United States shrank while savings increased, which did not leave much space for price increases. Under these circumstances, the government is able to maintain high levels of liquidity.

But to be completely honest, I don't fully agree with the rescue plan of the U.S. Government. To some extent, the government's support for banks went too far. Banks need to assume responsibility for their behavior; otherwise they will do more harm to the stability of the whole financial system.

When financial institutions, like Citibank, were in trouble, the U.S. Government was forced to keep them afloat simply because they were too large to let sink. The government lent money to those banks, but the despair did not die out. The non-performing assets are still there.

When the financial crisis first broke out, the U.S. Government did not hesitate in saving the banks because they worried about more serious problems if no actions were taken at all. I don't think we should exaggerate the possibility of an economic depression. But I also understand the government's overreaction while faced with that situation.

Now, some governments are considering if they should withdraw their rescue plans or not. The situation is the same now as it was at the outbreak of the financial crisis. If they withdraw now, what should we do when the economy fluctuates later? The U.S. unemployment rate is still increasing and will remain high for a much longer period of time than anticipated. We still don't know whether the government's efforts in lowering the unemployment rate will pay off.

If the unemployment rate increases after the withdrawal of the bailout plan, the public shall have enough reason to further criticize the government. For economic policymakers, it will be a difficult choice to make. ■



TO THE POINT: The Chinese central bank raises the red flag of bad debt risks from credit cards as default payments increase. China Investment Corp., the sovereign wealth fund, makes a push into commodities needed to feed humming economic machines. By handing out heavy tax breaks and financing incentives, China aims to assist ailing small businesses. The German industrial titan Siemens A.G. remains committed to the Chinese market despite the economic slowdown. Chinese home appliance makers take heart from government stimulus measures as they see a strong rebound in profits.

By HU YUE

MARKET WATCH

Plastic Problems

Despite its reputation as a nation of savers, China is seeing a take-off in the use of credit cards. While the shift from save to spend is what policymakers would like to see at a time of tepid consumption, they also realize that risks are involved in the adoption of the plastic cards.

Consumers are using plastic to pay for an expanding array of goods and services as a credit culture begins to take shape in the country. The trend was encouraged by card-issuing banks that scrambled to capture a slice of the lucrative credit pie.

As of the end of this June, Chinese banks had issued more than 160 million credit cards, an average of 0.12 per person, according to a recent report of the People's Bank of China, the central bank.

While the acceptance of credit cards should be a cause for optimism, risks linger strong as cardholders are increasingly falling behind on their monthly obligations. The credit card debt that was overdue for at least six months was 5.77 billion yuan (\$844.2 million), a 131.3-percent jump from one year earlier, said the report.

But the risks remain manageable due to a shallow market penetration, said Chen Jin, President of China CITIC Bank Credit Card Center. Just 14 percent of eligible customers have a credit card in China, compared to 81 percent in Hong Kong and 70 percent in

Taiwan, according to a report from the accounting firm McKinsey & Co.

In addition, analysts believe the conservative spending culture is also establishing a firewall against risks.

Buying Mood

With two gleaming deals settled in less than one week, the scared China Investment Corp. (CIC) is making a swift comeback.

On September 22, the \$200-billion sovereign wealth fund announced it would pay \$850 million for a 14.5-percent stake in the Noble Group Ltd., a Hong Kong-based trading firm listed in Singapore. As a multinational trade powerhouse, Noble maintains a global presence ranging from Brazilian sugar to Australian coal.

In another move, the Indonesian thermal coal producer PT. Bumi Resources Tbk. said on September 23 that the CIC had invested \$1.9 billion to purchase its "debt-like" instruments.

The CIC seems to have regained a risk appetite as the deep downturn puts more deals within reach. After making a string of loss-making investments in Western financial institutions, the investment titan stayed largely on the sidelines. By holding to cash positions, it outperformed other big sovereign wealth and pension funds to report a minimum 2.1-percent loss on its overseas portfolio in 2008.

Analysts believe the buying rush is driven partly by the fundamental thirst of the Chinese economy for natural resources, as well as a pressing need to diversify away from the U.S. Treasuries.

"There are a lot of opportunities for the CIC and other sovereign wealth funds as the market turns around," said Jin Liquan, Chairman of Supervisory Board of the CIC.

"But as a long-term investor, we will continue to keep a balanced portfolio," he added.

Aiding SMEs

China is gearing up to staunch the woes of small and medium-sized enterprises (SMEs) through generous tax cuts and a massive boost to their financing.

The State Council, China's cabinet, has recently launched a guideline on how to lick the wounds of the small businesses, calling for better financial services for SMEs. As China continues to contend with the ripple effect of the global recession, these smaller firms are enduring a large share of the economic pain.

According to the guidelines, China will cut the corporate income tax rate from 25 percent to 20 percent for small businesses whose annual taxable income is less than 30,000 yuan (\$4,392).

Those struggling small companies that fail to pay taxes on time can enjoy a three-

Numbers of the Week

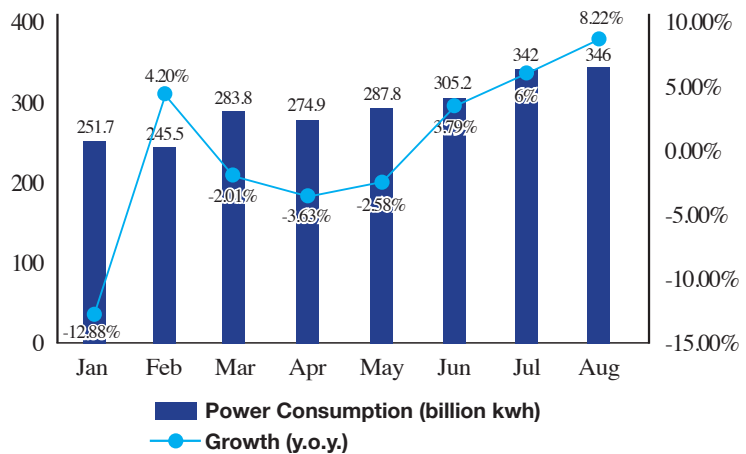
4.8%

China's industrial output value in the electronics sector rose 4.8 percent year on year in August, said the Ministry of Industry and Information Technology.

10.6%

The profits of China's industrial enterprises above designated size (with annual main business revenue of over 5 million yuan or \$732,000) were down 10.6 percent year on year, the National Bureau of Statistics said.

China's Power Consumption from January to August, 2009



(Source: China Electricity Council)

month grace period, said the State Council.

A bottleneck choking the smaller firms has been a lack of access to credit. It is not without justification that commercial banks consider smaller businesses bigger risks, and a poorly developed credit-rating system made financing an even bigger task for them. But there are signs that the policymakers are now determined to level that field.

The guidelines vowed to widen credit for smaller companies and pledged to propel rural banks and small loan companies, as well as an improved credit guarantee system and credit-rating system for them.

If appropriately implemented, these measures will breathe life into the small businesses, as they send a strong signal that SMEs will not be left to gain solid footing on their own, said Li Yizhong, Minister of Industry and Information Technology.

Siemens Roars On

The Siemens A.G. underpins its foothold in China as the German conglomerate seeks shelter from the financial storm.

On September 23, the Bosch and Siemens Home Appliance Group opened a \$70-million plant in Nanjing, Jiangsu Province, to produce energy-efficient washing machines for the domestic market.

The opening was part of Siemens' efforts to tap into the Chinese market, its second largest overseas market after the United

States. Seeing numerous opportunities, the industrial giant in February announced an additional investment of 1.35 billion yuan (\$197.5 million) to explore alternative energies in China over the next three years, on top of the 10 billion yuan (\$1.46 billion) mid-term investment pledged in 2006.

The company additionally inaugurated its first wind power turbine plant in Shanghai in May, marking its entry into the emerging energy market.

"China's demand for new energies and environmentally friendly technologies will remain robust. This will continue to be a strong growth area for Siemens in China," said Richard Hausmann, President of Siemens China, to *Beijing Review*.

"Despite a world economy slowdown, we see a bright long-term prospect for our presence here (China)," he added.

For multinational giants like Siemens, the Chinese market is becoming an increasingly calm harbor to weather choppy financial waters. Its China sales revenues increased a robust 19 percent in 2008.

Appliance Increases

As the government stimulus provides a boost to what would otherwise be a sluggish season, Chinese appliance makers are basking in the glow of a substantial turnaround.

The sharp economic upturn has put customers into a shopping frenzy and retailers

are stepping up heavy discounts in a warm embrace of the weeklong National Day holiday, one of the busiest retailing weeks of the year.

According to data from the National Bureau of Statistics, the combined profits of home appliance makers nationwide rebounded by a robust 11.2 percent since last year.

The real estate boom released pent-up demands, and a number of government incentives have also played a key role in sparking buyer interest, said Zhu Lijun, a senior analyst with the China Galaxy Securities Co. Ltd., in an interview with the *National Business Daily*.

China has kick-started a program that allows consumers in nine cities and provinces, including Beijing and Shanghai, to claim 10 percent of the purchase price of new appliances if they recycle their older models. In addition, farmers can receive cash subsidies for appliance purchases.

A considerable drop in prices of commodities like steel and copper also provided a floor for their profit margins, said Zhu.

Commodity prices are bound for a prolonged rally in the coming months, but most home appliance makers have bought into forward contracts to hedge against cost inflation, he said.

The biggest concern lies in the appliance export market that grew anemic as Western customers hunker down in the wake of an economic washout, added Zhu. ■

The Ritz-Carlton, Beijing

The Ritz-Carlton Bar at The Ritz-Carlton, Beijing has introduced a series of prestigious features to make it one of the most exclusive venues in Beijing. Featuring such drinks as the Macallan Fine and Rare 1950 Cask 0600 and Krug by the glass or bottle, and performances by Sabrina Montgomery, The Ritz-Carlton Bar is a rejuvenating experience with the most bespoke services and unique offers in the most luxurious and exclusive setting to the discerning connoisseurs.

Imparting a sense of the 1920s' English gentlemen's club glamour, The Ritz-Carlton Bar displays an airy yet subtle ambiance that will mesmerize the crowd. Featuring the Macallan Fine and Rare collection ranging from 1926 to 1976 with the most premium Macallan Fine and Rare 1950 at 5,000 yuan per shot, these vintages identify the very best of the Macallan's oldest maturing stock, and make available the greatest range of vintage single malt ever released. For guests who prefer champagne, the bar has one of the crown jewels of champagne, Krug, offered by the glass. Other all-time favorite cocktails, wines and beers are available. The bar also features some of the finest Cuban cigars that consummate the experiences of total indulgence.

Debutting the bottle keep service in Beijing, The Ritz-Carlton Bar provides the service to guests who wish to keep their unfinished bottles until their next visit. The bottles will be labeled exclusively with guests' names in a simple and elaborate way.

A final touch that completes the luxurious experience at The Ritz-Carlton Bar is the live performance by versatile American performer, Sabrina Montgomery and a band composed of a pianist, guitarist, saxophone, drummer and bass. Traveling and performing around the world in some of the most luxurious hotels in Tokyo, Shanghai, Hong Kong, Australia and New York, Sabrina Montgomery recently landed with The Ritz-Carlton, Beijing. On the strength of her considerable talent, singular presence and engaging personality, Sabrina is set to delight and entertain audiences with her unique, original performances and sensational interpretations of Jazz, Blues, Afro-Cuban, Neo-Soul, R&B and Flamenco. Her performance starts from September 18, 2009 and she is on stage every Tuesday, Wednesday and Saturday evening from 7 - 9:45 p.m.; Thursday and Friday from 8 - 11:45 p.m. The band will perform every Thursday and Friday from 8 - 11:45 p.m.



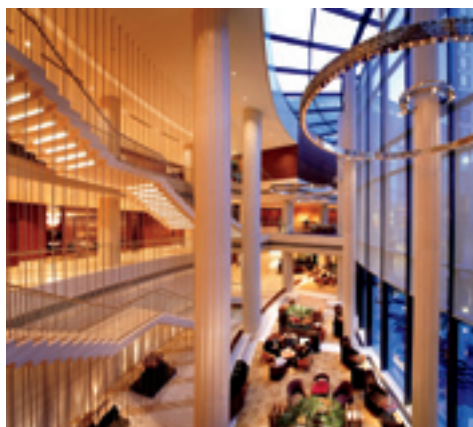
Hilton Beijing Wangfujing

Halloween celebrations break out all over at Penta dining haven of the award-winning Hilton Beijing Wangfujing, from a blast party at Flames bar to kids trick-or-treat at Vasco's restaurant.

The Halloween Party will be held on October 30 at Flames on level 5 from 8 - 10 p.m. The price is 98 yuan per person with a 15-percent surcharge with all-you-can-drink option from selected beverages.

Hilton Kids Cooking Class will be held on October 31 at Vasco's on level 5 from 3 - 5 p.m. The price is 98 yuan for class fee with a cup of delicious hot chocolate. Let the little chefs roll up the pin to bake their very own pumpkin pie, cookies and candies!

Fizztastic Champagne Brunch will be offered on November 1 at Penta on level 5 from noon to 3 p.m. The price is 368 yuan per adult with a 15-percent surcharge (kids under 12 enjoy 50 percent off and those under 6 eat for free).



The Regent Beijing

The Regent Beijing has achieved the prestigious Green Globe Benchmarked Bronze status under the Green Globe Earthcheck Benchmarking program managed by EC3 Global. The global program recognizes The Regent Beijing's commitment to operating at the world's highest environmental standard.

In achieving Benchmarked Bronze status, by using the Earthcheck TM tool, The Regent Beijing is committed to benchmarking its energy and water consumption, total waste volume and community commitment along with implementing an integrated environmental and social policy. These measures will ensure efficient practices and large cost savings, ensuring The Regent Beijing is on the path to securing a sustainable future for the environment.

Grand Millennium Beijing

Francois Vanvi (left), Executive Assistant Manager of Grand Millennium Beijing warmly welcomes Ahmed Rezk, Ambassador of the Arab Republic of Egypt, during his recent visit at Grand Millennium Beijing.



Crowne Plaza Shanghai Fudan

Crowne Plaza Shanghai Fudan was honored to receive the Group Diamond Award and Best Dish Innovation Award in the 2009 Shopping Festival Culinary Competition. Emmanuel Stavrakakis, Executive Assistant Manager of food and beverage of Crowne Plaza Shanghai Fudan (second left) celebrated with the participants.



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Wherever You Are Going, Crocs Takes You There



On September 19, a special bus pulled out of the Joy City Shopping Center in Beijing. Just before it drove off, a host of fashion models in the latest arrivals of Crocs took people to "Destination," the new theme

of its autumn and winter show.

In fact, this was far from mere product placement, but rather the biggest brand promotion Crocs has done in China. It demonstrated Crocs' confidence in the Chinese market—as well as its belief in its long-term development goals with China.

This winter, Crocs will integrate fashionable touches, bright colors and the utmost comfort into design. Dating, working, shopping or traveling, you can always find one type that fits you. All the new products are made of Croslite™ material.

Since Crocs was launched in October 2002, it has grown significantly. Initially, the shoes were designed and intended for boating and outdoor use as their non-marking sole eliminates slipping. Crocs' success was greatly due to the way in which their products became universally accepted as all-purpose comfortable shoes. Today, Crocs shoes are sold worldwide and the company continues to expand its business. In spite of their rapid success, Crocs are still committed and dedicated to ensuring they still stand behind the core values of Crocs footwear. The company is committed to making comfortable, lightweight, fashionable, slip resistant

and functional shoes that can be manufactured quickly and efficiently at affordable prices to their customers.

Crocs can be sterilized in water and bleached without harm to the material ventilation ports, keep feet cool and allow water, sand and debris to pass through.

Patented closed-cell resin ensures comfort as it softens with your body heat and molds comfortably with your foot. They are all anti-microbial, so you won't fall victim to the dreaded "stinky feet" syndrome.

Crocs are extremely comfortable and are made of light plastic; each one weighs just four ounces. With ergonomically designed heel cup and arch support, Crocs help to reduce muscle fatigue in the feet and legs.

The nubby sole bed provides a massage every time you shift.



By CHEN WEN

Pittsburgh has a history of battling recession. The collapse of the steel industry in the 1970s brought Pittsburgh's economy down with it. Since then, however, Pennsylvania's second biggest city has rebounded with help from sectors including health care, education, technology and financial services.

In fact, the city of 300,000 people now ranks among the most livable in America.

And on September 24 and 25, when leaders of the world's 20 largest economies convened there, they only heard about Pittsburgh's success story—but, more importantly, tried to come up with a similar roadmap for global economic recovery and sustainable growth.

This was the third meeting for the leaders of the Group of 20 (G20) nations, which represent 85 percent of the global economy's output, in the past year.

The first G20 leaders' gathering to deal with the world financial crisis took place in Washington, D.C. last November. The Washington summit was a success in that

A SUMMIT ASCENT:
G20 leaders pose at their third summit in Pittsburgh, the United States, on September 25



New Era of Engagement

G20 leaders achieve breakthroughs in sustaining economic recovery and reforming the international financial system at their third summit in Pittsburgh

it achieved a general agreement on the root causes of the crisis as well as cooperation in strengthening economic growth.

Against the backdrop of the fast-spreading economic deterioration, the London summit that followed in April this year reached an agreement calling for the reform of the international banking system. It also called for the injection of \$1.1 trillion to various programs designed to tackle the economic downturn and promote recovery.

In Pittsburgh, the United States presented its guests a backdrop of a place that has emerged from the depths of a severe economic slump to a vibrant economy. Amid this calm atmosphere these leaders reviewed the recovery progress made since the London summit and discussed ways to move forward.

It is important for leaders of major economies to discuss global development at a period punctuated by slow growth, Steven Dunaway, an adjunct senior fellow for international economics at the U.S. Council on Foreign Relations told *Beijing Review*.

The third G20 summit was needed, as "the process of recovery and repair remains incomplete," said the 23-page Leaders' Statement issued at the meeting's end.

"We cannot rest until the global

economy is restored to full health," said the statement, "and hard-working families the world over can find decent jobs."

Imbalance

Addressing global imbalances would be a priority at the G20 summit, stressed U.S. President Barack Obama before he arrived in Pittsburgh.

"We can't go back to the era where the Chinese or the Germans or other countries just are selling everything to us," said Obama during an interview with CNN on September 20.

Rebalancing the Chinese economy has been the subject of debate for a long period of time, said Dunaway. Early in the aftermath of the financial crisis last year, some economists and officials, including former U.S. Treasury Secretary Henry Paulson, said economic imbalances were largely to blame for the global crisis.

Moreover, they said, these ranged from high savings and massive trade surpluses in countries like China, to high consumption and trade deficits in countries like the United States.

"This is the reality of imbalance, but it's not the main reason that led up to the financial crisis," said Ma Xin, Director General of the International Cooperation Department at China's National Development and Reform

Commission, at a news briefing held by the Chinese delegation to the G20 summit on the sidelines of the summit.

Ma said there are other imbalances in the world, like the imbalance of wealth distribution, imbalance of development and imbalance of international payments.

He added that China's low rate of consumption is a structural problem that has accumulated over many years. Moreover, he said the nation is aware of the problem and has spared no effort in expanding domestic demand and stimulating consumption.

China announced a massive \$586 billion stimulus package last November to boost domestic demand in the face of slumping exports.

With large amounts of money spent on upgrading infrastructure, increasing rural incomes, promoting social welfare programs and combating environmental issues, China achieved a 7.1-percent gross domestic product growth in the first half of 2009 from the same period a year ago. This came despite the fact that its exports fell for the 10th consecutive month in August.

Chinese President Hu Jintao said at the Pittsburgh summit that China has attached great importance to "comprehensive, balanced and sustainable social and economic growth" and has mainly relied on "expanding



YAO DAWEI

domestic demand” in mitigating the impact of the crisis.

To balance its economy, Beijing should remove price distortions, allow more flexibility in exchange rates and improve social services, Dunaway told *Beijing Review*.

Even so, it will take time for China to establish social security systems for the protection of health care and retirement that will reduce incentives for “precautionary” savings, Nicholas Lardy, a China economy specialist at the Peterson Institute for International Economics in Washington told Bloomberg News.

The G20 countries agreed to increase the quota share to dynamic emerging markets and developing countries at the International Monetary Fund by at least 5 percent and the voting power for developing and transition countries at the World Bank by at least 3 percent to enhance their representation, according to the Leaders’ Statement.

They also committed to developing internationally agreed rules by the end of 2010 to improve both the quantity and quality of bank capital and putting them into practice by end-2012.

At the same time, they ruled out short-term exit strategies, promising to maintain their measures to support economic activity until recovery is fully assured.

Protectionism

Despite repeated vows by world leaders at the G20 Washington summit last November and again in London in April to resist protectionism, trade tensions spurred by imbalances appear on the rise.

According to Chad P. Bown, a senior

economist and trade expert at the World Bank, the economic recession has “inevitably spawned industry demands for protectionism” in many countries.

In a recent article titled *Confronting the Protectionism Spawned by the Crisis*, Bown pointed out that “major developed and emerging economies have increased their use of trade-restricting policies such as anti-dumping, safeguards and countervailing measures since the onset of the crisis.”

“A tremendous amount of new protectionist activity,” he added, “is being directed against China’s export in particular.”

Take Washington’s 35-percent tariff on exports of Chinese-made tires for example. It has been roundly condemned by Beijing as being very damaging to China’s tire export industry.

Indeed, announced ahead of the Pittsburgh gathering, it promises to be one of the most contentious issues to date involving the United States, the industrial world’s biggest economy and China, the developing world’s biggest economy.

“China is the biggest victim of trade protectionism,” said Yu Jianhua, Director General of the Department of International Trade and Economic Affairs at China’s Ministry of Commerce during a news conference on September 24.

In the first eight months of 2009, according to Yu, a total of 79 cases involving trade remedies—90 percent of which came from G20 members—were brought against China at a cost of \$11 billion, up 120 percent over the same period last year.

China’s exporting momentum in the past decade has earned it massive trade surpluses as well as frequent accusations of currency exchange manipulation—a factor long criticized as the culprit for international trade imbalances.

China is not seeking long-term excessive trade surpluses, and has been trying to keep a balance between imports and exports, Yu told reporters.

One of the major reasons for the imbalance is the relocation and distribution of industries driven by globalization, he said. “We strongly oppose trade protectionism,” Yu stressed.

Climate change

Although no longer a centerpiece of the G20 agenda, dealing with climate change is not an issue that world leaders could afford to neglect as they gathered in one of America’s greenest cities to discuss sustainable growth.

“We will spare no effort to reach agreements in Copenhagen through the United Nations Framework Convention on Climate Change (UNFCCC) negotiations,” said the Leaders’ Statement, without elaboration.

In December, the parties of the UNFCCC will meet for the last time on the government-

Group of 20

Formally established in 1999 to bring together major industrialized and developing economies to discuss key issues concerning the global economy, the Group of 20 consists of Argentina, Australia, Brazil, Britain, Canada, China, France, Germany, India, Indonesia, Italy, Japan, Mexico, Russia, Saudi Arabia, South Africa, South Korea, Turkey, the United States and the European Union.

level for the renewal of the Kyoto Protocol. Spotlights have been cast on the stance of China and the United States—as they are the world’s two largest emitters of greenhouse gases.

Chinese President Hu Jintao announced detailed targets and timetables with which to curb greenhouse gas emissions and to invest in clean energy at the UN climate change summit, held two days ahead of the G20 meeting.

This climate summit was “designed to mobilize the political will needed to reach a deal at the UN climate change talks in Copenhagen this December,” he said.

U.S. President Obama also vowed to take the climate issue seriously at the opening of the high-ranking UN meeting. His lack of specifics, however, disappointed some environmentalists and activists.

“I think people are expecting the United States’ engagement and leadership in this issue,” said Jonathan Adams, an expert on climate change at the Washington-based World Resources Institute. “Because it is still vital to build a momentum.”

Both China and the United States are trying to strike a balance between boosting economic growth and curbing carbon emissions, Adams told *Beijing Review*.

He went on to suggest that both countries should encourage the development of climate-friendly technologies to create green jobs and improve energy efficiency, which will help them achieve “quality economic growth.”

Overall, the G20 summit is poised to become an institutionalized mechanism as its leaders designated it as the “premier forum” for their “international economic cooperation.”

“We agree to meet in Canada in June 2010 and in [South] Korea in November 2010,” they said in the Leaders’ Statement. “We expect to meet annually thereafter and will meet in France in 2011.” ■

(Reporting from Pittsburgh, the United States)

China's UN Pledges

President Hu Jintao calls for international cooperation to build a richer, safer world during the UN summits in late September

By DING YING

Accelerating economic strength and political influence have both made China the center of an intense international focus.

The world community, meanwhile, is curious about China's view on the future of world affairs. During the UN meetings in late September, Chinese President Hu Jintao addressed this by stating the country's stances on international development, peace and security.

At the conclusion of Hu's UN tour, China's Foreign Minister Yang Jiechi noted the president's speeches, including issues like the financial crisis, climate change and nuclear non-proliferation, have "significant bearing" on the international community.

They also have "direct bearing" on China's long-term strategic and developmental interests, he added.

Building world harmony

In a keynote speech at the general debate of the 64th Session of the UN General Assembly on September 23, Hu called for common development worldwide.

The UN General Assembly holds a regular session every September to December. As the beginning of every year's session, the general debate offers equal opportunities for UN members to discuss international issues, while presenting their views.

This year's theme was Effective Responses to Global Crises: Strengthening Multilateralism and Dialogue Among Civilizations for International Peace, Security and Development. Leaders contributed by offering their opinions on how to emerge from the economic recession while realizing a global revival.

The deepening economic globalization has linked all countries closely together, Hu said.

In the dawn of the 21st century, he added, the world is undergoing major development, changes and adjustments, and all this will ultimately lead toward peace, development and cooperation.

Nonetheless, he added, instability and uncertainties in the international landscape loom large, posing severe challenges to world peace and development. Climate change, food security, energy efficiency and

public health are among the many global challenges faced by all.

Thus the international community, Hu said, has a responsibility "to build a harmonious world of enduring peace and common prosperity and contribute to the noble cause of peace and development of mankind."

Hu noted a few major points about such a new world. These include viewing security in a broader perspective to safeguard world peace and stability, taking a more holistic approach to development to promote common prosperity and pursuing cooperation with a more open mind.

"We should be more tolerant to one another and live together in harmony," he added. "We should acknowledge differences in cultural traditions, social systems and values and respect the rights of all countries to independently choose their development paths."

These points illustrated China's vision of "a harmonious world" in detail, said Wang Zaibang, Vice President of the China Institutes of Contemporary International Relations. They indicated that the country is looking at the world in light of its future development, he added.

Being the largest developing country in the world, China's destiny is increasingly linked with that of the entire world, Hu said. He promised the country would stick to its path of peaceful development, one that leads to mutual benefits and win-win results.

Hu noted the fact that China has lived up to its role as a world citizen by extending assistance to more than 120 countries.

Beijing, he added, also has written off outstanding debts against 49 less developed debtor nations. At the same time, Hu noted, China offers zero-tariff rates on goods from more than 40 least developed countries.

In assisting other developing countries, the Chinese President said, Beijing will increase its support for nations hit hardest by the global financial crisis. This will be done, Hu said, by earnestly implementing relevant financing plans, intensifying trade and investment cooperation and helping raise their capacity to resist risks and achieve sustainable development.

"President Hu's speech addressed the world's doubt about China's development," said Zhou Qipeng, an international relations expert at China Foreign Affairs University. "China's development is an opportunity, not a challenge; a contribution, not a threat, to the world."

New concept of security

At the UN Security Council Summit on Nuclear Non-proliferation and Nuclear Disarmament held on September 24, Hu outlined China's stance on nuclear issues, and advocated Beijing's "new concept of security."

It was the first meeting the UN Security Council ever held to address these issues. All five permanent Security Council members, as well as nine non-permanent members, sent their heads of states or governments to the summit.

Hu reiterated China's firm commitment to a nuclear strategy of self-defense. "We

China's Proposal

Chinese President Hu Jintao made a five-point proposal for building a better and safer world through nuclear non-proliferation and nuclear disarmament when addressing the UN Security Council nuclear summit on September 24 at UN headquarters in New York:

- maintain global strategic balance and stability and vigorously advance nuclear disarmament;
- abandon the nuclear deterrence policy based on first use of nuclear weapons and take credible steps to reduce the threat of nuclear weapons;
- consolidate the international nuclear non-proliferation regime and prevent proliferation of nuclear weapons;
- fully respect the right of all countries to peaceful use of nuclear energy and carry out active international cooperation; and
- take strong measures to enhance nuclear security and reduce nuclear risks.

(Source: Chinese Ministry of Foreign Affairs)



JU PENG

TOWARD A SAFER WORLD: Chinese President Hu Jintao attends the UN Security Council Summit on Nuclear Non-proliferation and Nuclear Disarmament on September 24 in New York, along with State Councillor Dai Bingguo (second row right) and Foreign Minister Yang Jiechi (second row left)

have adhered to the policy of no-first-use of nuclear weapons at any time and under any circumstance,” he said, “and made the unequivocal commitment that we will unconditionally not use or threaten to use nuclear weapons against non-nuclear-weapon states or nuclear-weapon-free zones.”

“To realize a safer world for all, we must first and foremost remove the threat of nuclear war,” Hu said.

He suggested solutions leading to a safer world: Overall peace and stability; peaceful resolution of international disputes; poverty eradication; and the removal of the root causes of conflict and instability.

Further success, he added, may be found in fully respecting and accommodating the legitimate and reasonable security concerns of all countries, and ensuring security for all through win-win cooperation.

Hu also underlined the importance of diplomatic understanding and mutual trust, while urging countries to adhere to a multi-

lateral approach to ensure that the UN plays a leading role in international security cooperation.

“President Hu’s statement highlighted China’s new concept of security,” noted Jin Canrong, Deputy Dean of the School of

“We should acknowledge differences in cultural traditions, social systems and values and respect the rights of all countries to independently choose their development paths.”

—Chinese President Hu Jintao

International Studies at Renmin University of China.

Some countries insist on absolute security for themselves and tend to put their own security interests above the security of other countries, Jin said.

Unlike the old concept, he said, China’s new concept of security stresses that security is not a zero-sum game, and there is no isolated or absolute security.

On September 24, the UN Security Council also adopted Resolution 1887 underscoring the goal of “seeking a safer world for all and creating the conditions for a world without nuclear weapons.”

This will be done, read the resolution, “in a way that promotes international stability, and based on the principle of undiminished security for all.”

Such unanimity is in accordance with not only China’s new concept of security and nuclear strategy, but also the nation’s aspirations for world peace and stability. ■

1. VENEZUELA

Venezuelan President Hugo Chavez looks on as Argentinean President Cristina Fernandez de Kirchner and Brazilian President Luiz Inacio Lula Da Silva greet each other on Venezuela's Margarita Island on September 26. South American leaders signed a document to establish the Bank of the South with an initial investment of \$20 billion



XINHUA/AF

2. IRAN

This satellite image shows an alleged underground uranium enrichment facility near the Iranian city of Qom. Tehran announced on September 25 that it would admit International Atomic Energy Agency officials to inspect the newly disclosed nuclear plant



XINHUA/AF

3. THE PHILIPPINES

A Filipino boy is carried to safety through floodwaters brought by tropical storm *Ketsana* near Manila on September 26. At least 140 people had been reported dead in the massive floods as of September 28



XINHUA/AF

4. NORTH KOREA

A South Korean man cries with his North Korean sister during a family reunion at North Korea's Mount Kumgang resort near the north-south border on September 26. Hundreds of Koreans from both sides of the 38th parallel joined relatives for reunions between September 26 and October 1, following a two-year halt to the program

3



XINHUA/APP

5. KAZAKHSTAN

A Russian Soyuz rocket is transported to its launch pad at Kazakhstan's Russian-leased Baikonur Cosmodrome on September 28. Guy Laliberte, founder of the Canadian circus troupe Cirque du Soleil, traveled aboard the Russian rocket to the International Space Station on September 30, along with astronauts, becoming the world's seventh space tourist

4



XINHUA/APP

6



XINHUA/APP

A Mainstream Historical Epic

The success of *The Founding of a Republic* proves movies with mainstream values and ideology can also have great appeal for the Chinese audience

By TANG YUANKAI

Sixty years ago, at the dawn of the founding of the People's Republic of China, Mao Zedong, the then Chairman of the Central Committee of the Communist Party of China (CPC), offered some prophetic words.

"The founding of a new republic will be half a success if we can invite all the heavy-weights for the national political consultative conference," he said.

Sixty years later, an epic movie based on this vision, *The Founding of a Republic*, has brought together an all-star cast to replicate this historic moment, and the achievements that led up to it. Of the 172-strong cast, nearly 100 are A-list actors and actresses, as well as the country's top directors.

Creative breakthroughs have generated a significant buzz surrounding the release of this film in terms of the sensitivity of the subject matter and the portrayal of historical figures. The historical accuracy surrounding the film, meanwhile, has aroused great interest from the Chinese movie-going public.

Indeed, box office receipts have already been extremely successful. By September 16—the first day of its release—the film had reportedly earned 14.77 million yuan (\$2.2 million). And within four days, the movie set a new domestic box office record—103.5 million yuan (\$15.2 million).

Sending a gift

This year, of course, marks the 60th an-

niversary of the People's Republic of China. It has been a tradition ever since 1958 that films are made to commemorate every 10th anniversary.

Like previous movies paying tribute to the spirit of the revolution, *The Founding of a Republic* is of high artistic integrity and ideological content. But it also emphasizes its entertainment and box office value.

"Some movies, though they have had screenwriters and directors emotionally involved in the production, failed to move the audience," said Han Sanping, the film's general director, "because one element is absent—the audience's perspective and interests."

Stardom, added Han, is a simple secret to attract a larger audience. "We need the most bankable stars to attract more audience to go to the cinema," he said.

Han said director Chen Kaige, winner of the Palme d'Or at the 1993 Cannes Film Festival, recommended he cast all-star actors because only six months were available for production and pre-production.

"Casting stars who have personal charisma and superb acting skills were the only choice to finish the project in such a short time," he said, adding that Chen called them, one by one, until the list of names swelled from 20 to 172.

Many of them appeared only for several seconds in the 140-minute movie. World-famous *kungfu* legend Jackie Chan, for instance, hoped to play Chairman Mao, but

instead wound up playing a reporter with just a couple of lines. Acclaimed action movie director John Woo's scenes, on the other hand, have been completely removed.

A look back in history

The plots allow for participation of many other stars, however. The movie depicts the historical period from August 1945 after the victory of the War Against Japanese Aggression to the time marking the founding ceremony of the new republic on October 1, 1949. This period witnessed many landmark events that involved a host of important characters.

"The movie has major historical events as its narrative thread and focuses on the portraying of important historical figures," Han said. "It concludes at the founding of a new state, that is, the People's Republic of China."

The core event is the meeting that decided the future of the nation—preparations of the First Plenary Session of the Chinese People's Political Consultative Conference (CPPCC).

At the time, CPPCC members overcame numerous obstacles in order to go to liberated areas from overseas, Hong Kong and regions under the Kuomintang regime. "It is a historic moment on China's political stage with rich conflicts, crises and suspense," said screenwriter Wang Xingdong.

The movie, moreover, focuses on the political wisdom of Mao and other CPC leaders



in the effort to build up the united front and unite and win members of all democratic parties and patriots from all walks of life.

In the end, they realized the goal of ruling the country through multi-party cooperation and the political consultation system. The First Plenary Session of the CPPCC was successfully held to elect the leadership of the new government and legitimately gave birth to the People's Republic of China.

Commercial success

In addition to the important subject matter, stars rallied for the movie also because of the influential figure Han Sanping, Chairman and General Manager of China's largest state-owned film enterprise, China Film Group Corp. (CFG).

Han was elected as one of China's economic leaders of the year 2008, an honor offered by China Central Television, for his contributions to movie commercialization.

The group's big-budget and high-return movies took over 50 percent of the country's movie market last year. Han, in particular, was also involved in the production of all eight domestic movies that generated more than 100 million yuan (\$14.6 million) at box office last year.

As a result of its vertical integration in the industry value chain, the CFGC today has a number of businesses under its wing, including film and TV series production, movie distribution chains and cinema operations, as well as film import and export

businesses.

The group has invested only 30 million yuan (\$4.4 million) in this movie as many actors and actresses volunteered their services for it. "We finished the script just 10 months ago and all our resources were used for the production, such as equipment, props and costumes," Han said.

In the final deal splitting box office revenues, usually the film production company claims 45 percent, while the cinemas take the remaining of 55 percent. As a result, receipts of 100 million yuan (\$14.6 million) at the box office could yield investors nearly 40 million yuan (\$5.86 million).

It was reported in the media that the producer of *The Founding of a Republic* has eyed receipts of 450 million yuan (\$66 million). If attained, this film would break the domestic box office record earnings of 430 million yuan (\$63 million) set by *Transformers II* during its release in China over the summer.

"If the movie proves to be a box office success, it may become a model for tribute films," Han added.

Counting the stars

The movie also offers the audience unique entertainment in terms of identifying their beloved actors and actresses. Yet, the cast will not divert their attentions from the plots and characters thanks to a well-done typecasting.

The guiding principle behind the cast-

ALL-STAR CAST: "We need the most famous stars to attract a greater audience to go to the cinema," said Han Sanping, General Director of *The Founding of a Republic*

ing of actors, according to Han, was the resemblances the performers shared with the appearances and attributes of the characters they played.

Chen Kaige, for example, played the legendary general Feng Yuxiang because "Chen, tall and sturdy, weighs more than 100 kg and, at the same time, he is a director enjoying worldwide fame," said Han, "and has a personality similar to a strategist like Feng."

When they could not find ideal matches in terms of appearance and personality traits, they focused more on personality and mannerisms, said Han.

He pointed to the iconic Chen Kun, who played Chiang Ching-kuo, Chiang Kai-shek's elder son, as an example. Seventeen of the 20 directors did not approve of his casting since Chen's overall physical appearance doesn't resemble the character at all.

Only three, including Han and Chen Kaige, agreed because "Chen Kun exhibits aloof and enduring courage and fortitude that reminds us of Chiang Ching-kuo," Han said.

Chiang Ching-kuo, in his 30s, was an experienced soldier having fought for the Soviet Union between 1941 and 1945. "Unlike his peers who had never experienced real storms, Chiang Ching-kuo at that ►►

moment was eager to save Kuomintang's regime from collapsing," Han noted.

"Chen has captured this mentality and worked all out to bring it out," Han added.

Ten years ago, while still a student in the Beijing Film Academy, Chen Kun was selected to play Nie Er, composer of the People's Republic's national anthem, in a tribute film. He said the experience of playing again in a tribute film benefited him greatly.

"Young actors are easily content with playing empty characters, but when I walked into a team dedicated to serious production, I began to realize how diffident I am," Chen Kun said.

But Chen Kun felt intimidated and doubtful of his character rendition amid so many glamorous stars that radiated with their explosive performances.

"While I prepared myself to learn from these senior actors with due modesty," Chen Kun said, "I felt the inner urge to prove my existence in the movie, or you can call it the instinct of an actor."

It is undeniable that serious stars can conquer audiences with only a few lines and scenes. And directors Chen Kaige, Jiang Wen and Feng Xiaogang, to name a few, have all contributed several such impressive scenes.

Jiang Wen, an actor-turned director, for instance, was a guest actor who played a brutal murderer, Mao Renfeng. He went through all kinds of documents for clues as to how to interpret Mao's character.

In the movie, he arched his back when he saluted to "Chiang Kai-shek," because, according to his research, "Mao graduated from a Japanese officers' training school and saluted in the Japanese style," Jiang said.

Breakthroughs on the screen

Historical figures such as Mao Zedong and Chiang Kai-shek have frequently appeared on the silver screen in the past three decades, each time making breakthroughs in ideological or artistic presentation and interpretation.

Despite these performances, the typical interpretation of Chiang Kai-shek in previous movies and TV series still followed the stereotype of a haughty military dictator.

But this time around, Zhang Guoli, who has also directed a number of TV series drawing high audience ratings, cherished his 38 scenes. In them, he sought to reproduce a multifaceted Chiang Kai-shek with a rich complexity far different from previous interpretations.

Mao Zedong's portrayer Tang Guoqiang, who played the same character in nearly 20 movies or TV series, emphasized new discovery and interpretation, too. Tang, who emerged as a household name in the 1970s, said that he was not a typecast actor.

"Any actor will hope to play as many different characters as he can, and the character Mao Zedong offered us ample room for interpretation. I hope I can still play him at 70," Tang said.

"We want to make breakthroughs allowing the camera to dig into the hearts of historical characters," director Huang Jianxin said.

The audience will be surprised at the fresh interpretations of these leaders—notably how the stereotypes have been changed.

Zhou Enlai, the gentle and benign former Chinese premier who was always in a calm mood, this time is portrayed angry and, at one point, roundly drunk at the news of a great triumph. Mao Zedong was depicted inebriated too. Mao Zedong is seen lying on



COMMERCIAL SUCCESS: Han Sanping (right) and Huang Jianxin, directors of *The Founding of a Republic*, aims to make the mainstream tribute movie a commercial success through fresh interpretations of historical figures

his side, giggling like a child with the anticipation of the birth of the New China.

The scene, according to Huang, elicited tears from many cinema managers. "Such details can trigger empathy and move audiences, although it's hard for breakthroughs in the shooting of leaders," said Rao Shuguang, a researcher with China Film Art Research Center.

In addition, Huang emphasized that they wanted a modern movie—one with a modern sense and modern expressions.

"Usually such movies have about 700 shootings, but we have 1,500 for a quicker pace," Huang said. "We used movie languages including music and metaphor to replace straight narration to depict history. We wanted to make it grandiose and with smooth flow."

Huang, now Chairman of the Beijing Film Director Association, achieved fame by shooting Chinese movies with new perspectives. He has been a production supervisor for many a box office action blockbusters including *The Warlords* by Hong Kong director Peter Chan, *Kill Bill* and *Mummy 3*.

"I always love shooting the ordinary people," Huang said. The movie includes numerous perspectives, emotions and humor, while making a serious subject enjoyable for the young people born in the 1980s and 90s.

"Truth is the ultimate pursuit for our interpretations of historical characters and, at the same time, we hope to produce great movies with mainstream and ideological values for mass audiences," Han said. "The success of *The Founding of a Republic* has proven that we can achieve both in one movie." ■



VISION OF A REPUBLIC: Mao Zedong (right), portrayed by Tang Guoqiang, and Zhou Enlai by Liu Jin, ponder over the future of a new republic in the movie



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Finnair

Finnair has launched an easy-to-use service allowing companies to quickly produce their own environmental report for their total travel miles. The "Eco-Report" tool has been added to Finnair's popular brand experience Web pages at <http://www.feel.finnair.com>.

Flying Finnair is an environmentally friendly choice because of the lower emissions involved. Using the new tool, emissions are easily reported for internal and external stakeholder information purposes.

Finnair offers a total of 400 route pairings between Europe and Asia, linking 40 European and 10 Asian destinations via Helsinki. Its new long-haul fleet presents even more advantages for environmentally responsible companies. Finnair's new jet aircraft consume as much as 20 percent less energy.

United Airlines

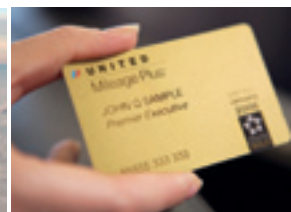
United Airlines, the world's largest trans-Pacific passenger carrier, announced the launch of tour packages to U.S. Disneyland and the east and west coasts in collaboration with six Shanghai travel agencies and the American theme park. This is the second time United Airlines has undertaken major Disneyland tours after the signing of the Tourism Destination for Chinese Travelers Agreement last year.

United Airlines has joined hands with six travel agencies in Shanghai and Disneyland in the United States to offer tour packages. The first tour group will depart from Shanghai on October 27, 2009. There are two packages: a nine-day tour along the west coast and an 11-day tour along both coasts, available for 16,800 yuan and 23,000 yuan, respectively.

The packages feature several themes, including Thanksgiving, Christmas and New Year's celebrations.

United Airlines also unveiled exciting premium offers available to its Mileage Plus members planning to fly with United Airlines in the fall and winter of 2009.

Starting now and running until December 15, 2009, offers will be available to Mileage Plus members purchasing qualifying roundtrip tickets and traveling before December 31, 2009. Travelers must register online any time prior to their departure, or within 30 days after traveling to receive special offers. Qualified United first class (F/A) passengers will receive



15,000 bonus miles, United business class (C/D/Z) passengers will receive 10,000 bonus miles and United economy class (Y/B/M/H) passengers will receive 5,000 bonus miles.

United will give passengers booking flights online through <http://www.cn.united.com> the chance to earn an additional 1,000 bonus miles. Additionally, passengers booking flights through one of United's worldwide websites who have not purchased a ticket through the United website in the last year can earn an extra 500 bonus miles. Bonus miles will be credited to Mileage Plus accounts four to eight weeks after completing qualifying travel activities.

United Mileage Plus offers its frequent flyers exclusive opportunities to travel on United flights or enjoy other service reward choices. Members can earn miles and redeem rewards by flying with United or other Star Alliance members. United elite members are eligible to enjoy Economy Plus seating with one partner free of charge. United frequent flyers are entitled to earn extra bonus miles in a quicker way on each United flight.



LAN Club Beijing

LAN Club Beijing is going to hold its third anniversary celebration on October 23-24, 2009. The events include:

● World Famous Chinese Chef Special

LAN Club Beijing invites the finest Chinese chef to create a seven-course special menu. You can enjoy it for only 580 yuan per person.

● Marilyn Monroe Exhibition and Qeelin Limited Jewellery Show

Twelve limited edition gelatin silver prints of Marilyn Monroe, icon and legend of the 20th century, are being first displayed in Beijing in LAN Club's art space, with world top brand Jewellery Qeelin's European limited edition jewelry show. The show will be held from 6 to 9 p.m. Entrance is free.

● Thousand People DJ Party

It will be the coolest party in Beijing at LAN Club, with world famous jazz band performances until midnight. The party is held

from 9.30 p.m. Entrance is free.

● White Suite

Young artists will have their great art designs shown at LAN Club Beijing's White Bar, with Michelin Chef William's specially made Tapas.

LAN Club Beijing is located at Twins Plaza on Chang'an Avenue, near the Wangfujing shopping and business area to the west, the China World Trade Center to the east and the embassy quarters to the north. The 7000-square-meter LAN Club is a high-end venue that brings premium levels of culture and cuisine to Beijing.

South Beauty Restaurant Group

National celebration, family celebration, everyday celebration! Good relationships,

good fortune and good karma always! The double celebration of the Mid-Autumn and National Day holidays has arrived.

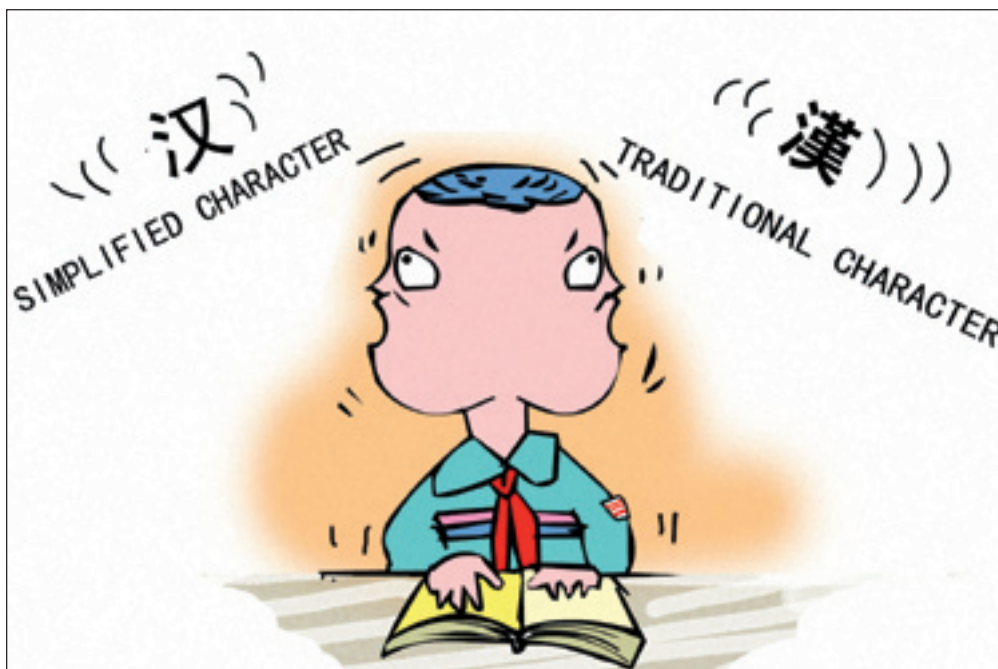
South Beauty would like to thank and invite its loyal and supportive customers to share in this festive event. On the occasion of the 60th anniversary of the People's Republic of China, the restaurant will give away 1 million shark fin soups.

If you spend over 300 yuan at any South Beauty restaurant in Beijing, Shanghai, Tianjin and Chengdu, simply by showing the coupon during your meal you will receive a shark's fin in chicken soup from October 1 to 31. You can print the coupon by downloading it from the restaurant's website, www.southbeautygroup.com.

South Beauty is also offering the chance to experience "The World of Crabs" prepared in a variety of styles for your enjoyment.



Should China Resume the Use of Traditional Characters?



In the past few years, a debate has emerged as to whether China should resume the old way of writing Chinese characters to preserve its culture. This year, Pan Qinglin, a member of the National Committee of the Chinese People's Political Consultative Conference, the country's top advisory body, made an aggressive proposal, calling to abolish the use of current simplified Chinese characters within 10 years.

The contemporary Chinese written language has two standard sets of characters—traditional and simplified. The Chinese mainland first introduced simplified characters in 1956, which were created by decreasing the number of strokes to make the writing easier.

Pan listed three reasons for his proposal: First, the simplified characters were too roughly created in the 1950s; second, although traditional characters are a bit complicated to write, nowadays, computers can make the process very simple; and third, the resumption of traditional characters will facilitate the communication between Chinese mainlanders and people in Hong Kong, Macao and Taiwan where traditional charac-

ters are being used.

In response to Pan's proposal, officials from the Ministry of Education said that simplified characters were widely used in all sectors of social life and they would not be abolished without legal revisions. Li Yuming, Deputy Director of the State Language Commission, stressed again in August that the government had not considered the overall resumption of traditional characters.

Although the government holds an explicit attitude toward this issue, heated debate among ordinary people, particularly on the Internet, has never faded.

Supporters of the resumption believe that simplified characters are a result of the pursuit of higher efficiency. In order to make characters easier to learn, the use of simplified characters was reasonable during a certain historical period. But the time of handwriting is over, having been replaced by computer keyboards. Now it doesn't matter how difficult Chinese characters are. Besides, traditional characters are more closely connected with history and tradition.

Opponents argue that, if traditional char-

acters are resumed, dictionaries, books and many other things will need to be revised, which will cost huge amounts of manpower and money. Others say that characters are a kind of tool; so as long as they are easy to read and write, it's okay.

Value historical heritage

Wu Shaomin (www.people.com.cn): Characters are expected to vividly reflect the things they represent to the greatest extent possible. In this regard, traditional Chinese characters undoubtedly do better than simplified ones.

Some people argue that as long as they are easy to read and write, any form of characters is okay. Simplified characters make it possible for more people to read Chinese and learn about the Chinese culture. They have contributed a lot to the rapid reduction of illiterate population

in the early years of the founding of the People's Republic of China.

When producing new forms of characters, if we gradually lose our valuable traditions, we should feel ashamed as we are losing the excellent civilization our ancestors created for us.

All over the world, many civilizations have disappeared after the disappearance of the characters that recorded their history. Today, we can still find some people who know traditional Chinese characters, but who knows if anyone will be able to recognize them after decades have passed.

Zhang Ruoyu (www.china.com.cn): In the 1950s, in order for people to easily learn, read and write, complicated traditional Chinese characters were simplified. In this campaign, characters were regarded only as a kind of writing tool, with their cultural and historical significance totally neglected. As a result, nowadays, Chinese characters are nothing but a low-grade symbol system. It is a totally different character system. As a result of the "simplification campaign," traditional characters have been discarded and then disappeared from people's lives.

When traditional characters become “antiques,” a lot of valuable traditions also become “antiques,” such as the art of brush calligraphy. Thus, what we are losing is not only a set of characters, but also the ability to inherit culture.

Wu Jie (www.xinhuanet.com): It is allegedly because traditional Chinese characters are too complicated to read and write that the government decided to simplify the characters in the 1950s. But today we are in the information age. With the help of computer keyboards, complicated traditional characters are no longer an obstacle. Besides, the social and economic development in Hong Kong, Macao and Taiwan shows that traditional characters do not necessarily hinder development at all.

Written characters certainly need to keep up with the times, but they are also the carriers of culture. If future generations are unable to recognize what the former generations wrote, the continuation of culture is impossible.

As long as traditional characters are still the major carriers of Chinese civilization, as long as there are still undiscovered mysteries in the works written in traditional characters, and as long as the study of things like traditional Chinese medicine depends on traditional characters, it is premature to remove traditional characters from our lives.

Rule is inviolable

Hou Jiang (Beijing Evening News): Traditional Chinese characters came into shape after thousands of years of evolution in line with changes in the social and cultural environment, and in this way they managed to survive. Indeed, traditional characters are of great cultural importance. But nowadays, their significance is diminishing. In this case, if traditional characters are imposed on the current simplified set of characters, users will find it difficult to adapt and daily communication will fall into disorder.

Whether simplified characters are reasonable or not, they have developed into the officially accepted standard form, and their use is one of China’s state policies.

As long as a set of written characters is of real significance and survival capability, without forced regulations, people will still be willing to use it. We’d better follow the rules of cultural inheritance and preservation, instead of being overprotective. Otherwise, we might end up with what we don’t want to see.

Wang Shaohui (www.gmw.cn): Before the Chinese mainland adopted simplified Chinese characters in the 1950s, most of them already existed. The government has only standardized their use. The purpose of doing so is to help hundreds of millions

of illiterate and semi-illiterate people read and write more easily. Only when they had learned a certain number of characters would it be possible for them to acquire scientific and cultural knowledge and then work well in all sectors of the country’s development. Simplified characters have contributed a lot to China’s social and economic progress over the years.

We learn characters to make our lives easier. It was only at a certain period of historical development that characters began to have cultural significance. Written characters are not the only way to carry Chinese culture.

easy to read and write.

Wang Bo (China Reading Weekly): As far as Chinese characters’ evolution is concerned, first they developed into complex forms from ideographic symbols, which happened during the primary stage of their development to suit the demands of reality, and then the characters experienced a process of simplification to better suit the faster pace of life. Thus, character simplification is an irreversible trend. The advantages of simplified characters, such as that they are easy to read and write, make them more suitable for the information age. These characters are now widely used to record and spread

Dear Readers,

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

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Although we rely more on computer keyboards than handwriting today, simplified characters are widely used all over the Chinese mainland. Under these circumstances, even if authorities spend 10 or 20 years encouraging the use of traditional characters, it is difficult to predict how many people will accept and use them.

Li Zhenzhong (Yangzi Evening News): From the evolution of Chinese brush calligraphy, we can see that the ancient Chinese never stopped simplifying characters, but that the characters evolved in accordance with the development of writing materials, tools and culture. As long as the trend is toward a more reasonable and acceptable direction, we should encourage it. Thus, it is unnecessary to repeatedly alternate between traditional and simplified characters.

Actually, some current simplified characters were used long ago by writers or even in official documents. We are standardizing the use of these simplified characters. Simplifying Chinese characters is not a frivolous pursuit, but something that is demanded by the times. To be frank, Chinese character simplification is a cultural “revolution,” and its function is more than making characters

culture and thus should be stabilized. As for problems with simplified characters we currently use, authorities are trying to solve them and make the characters more standard and regular.

Qu Fangye (Oriental Morning Post): It’s exaggerating to say the replacement of traditional characters by simplified ones has caused cracks in the Chinese culture. Many factors are responsible for the extinction of cultural traditions, so people should not blame the problem on simplified characters alone. It’s ridiculous to forbid hundreds of millions of Chinese people from using simplified characters for the sake of preserving traditional culture.

As a product of the ancient Chinese farming era, traditional characters are of little importance to modern society. Is it necessary to resume traditional characters just for the sake of traditional culture? Take Taiwan for example. Residents there all know traditional characters, but they are not necessarily all traditional culture lovers. Thus, as long as related experts know traditional characters, the preservation of traditional culture will continue. But we ordinary people do not need to all use this set of characters. ■



RED GREETING: National flags are hoisted outside shops along Yandai Xiejie Alley in Beijing to celebrate the 60th anniversary of the founding of the People's Republic of China

Hidden Treasure

By GOU FU MAO

There are many times I feel close to going crazy in Beijing. The overhooting horns and the dangerous driving of local drivers are slowly driving us cyclists to extinction, here in the bicycle capital of the world.

What keeps me sane is my weekly session with some of Beijing's warmest souls. We meet at the English corner in the Chaoyang Library. There, all topics are open for discussion. We usually talk about family and business, two Chinese priorities across all age groups, I've discovered. There are always plenty of requests to explain European religion and culture. Some, however, like one of my older students, 80-year-old Mr. Gou, prefers to sing, in English.

Lately we've talked about the 60th anniversary celebrations and I'm lucky in the diversity of ages that I get a good sample of what China's thinking. Most look forward to the time off, some have been inconvenienced (by their offices being shut to make way for rehearsals) and some worry about the cost of

it all to local taxpayers when there's already so much to pay for.

Frugality comes easily to my students, who saw harder times.

I've heard stories from the 1940s, from the Shanghai native who came to Beijing with her sister, where the two studied chemistry. The toughness of 1960s China is explained by Summer, the man who manned the public intercom system at the Aeronautics Academy in Tianjin. And others tell me about the 1970s, years spent in the Chinese embassy in Albania. I've heard about 1980s China from a woman who spent it at home waiting for her husband, away overseas learning about Western retail management.

There's also the younger generations, like Mr. Lou who works as an attendant at an upscale apartment complex in the suburban district of Shunyi. He complains a lot about complaints and rudeness from tenants. It's a rudeness he and other migrants are unfortunately used to. Shunyi encapsulates the widening income gap of modern China like nowhere else and in this newer patch of the

district migrant worker neighborhoods have been leveled to make way for luxury restaurants and furniture stores.

I sometimes feel that even a 60-year-old China is still not very well known or understood. Foreign friends with little time to spare on business and tourist visits to Beijing complain about similar things: aggressive driving, bad air and a lot of ostentatious displays of wealth such as big cars, paunches and loud shirts.

It's a shame, because those are the conspicuous minority. To know Beijing you have to make an effort to meet, and talk to, the majority—the likes of retired doctor Rose, who runs the English corner. Or Mr. Tang, the retired railway station inspector. These are friendly, knowable folks with all the patience possible to explain and share China with a curious foreigner. I feel very lucky to have them to talk, and listen, to.

They'll likely never—or rarely—step into a Starbucks. Their means are modest and they don't have any flashy sedan to park on the footpath. No, but they'll teach you priceless, disappearing Beijing knowledge and crafts. They'll invite you to eat *jiaozi* and play shuttlecock. And on October 1, I marked the big 60th birthday with them, the ordinary, decent people of Beijing. ■

The writer is Irish and lives in Beijing

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