

TREATING POLLUTED AREAS P.22 | CHINA'S FINANCIAL SUPER CENTER P.30

# BEIJING REVIEW

VOL.55 NO.8 FEBRUARY 23, 2012

北京周報 WWW.BJREVIEW.COM



## ON MORE FAMILIAR TERMS

Vice President Xi Jinping's U.S. visit helps to promote mutual understanding

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

ISSN 1000-9140



9 771000 914123

邮发代号2-922 · 国内统一刊号: CN11-1576/G2

# CHINA AFRICA

中国非洲网 A news monthly covering China & Africa



An Africa-oriented English monthly covering China and Africa published by BEIJING REVIEW, ChinAfrica is the only one in China featuring news, views and analysis for an African audience.

**12 issues a year at a subscription rate of 180 yuan**

Subscription hotlines: (8610) 6831 0644, 6899 6223, 6899 5808

**Postal Distribution Code: 2-916**



## THE DESK

2 Valentine's Across the Pacific

## THIS WEEK

## COVER STORY

## NATION



20 Celebrating Good Deeds  
People who have touched China

26 Establishing a Uniform Ruling  
Four cases to guide Chinese law

## BUSINESS



34 In For a Bumpy Ride  
IMF report predicts economic ups and downs

36 Market Watch



10 Cover Story

Spreading the word

## FEATURES

10 Being Friends, the Correct Choice  
China VP visits U.S., stresses stronger ties

14 Wisdom of the Old Generation  
Remembering the Shanghai Communiqué

22 Heavy Metal Danger  
Land and water plagued by toxic metals

30 Money Hub  
Making Shanghai more international

40 A Migrant's Tale  
Documentary focuses on strife of the migrant worker

## CULTURE



42 Unsettled Film Rating  
Watching guide needed

## FORUM



46 What Are Harmonious Families?

## EXPAT'S EYE

48 Winnie the Pooh and the Ice Festival Too  
Corporations invade Harbin ice festival

## Valentine's Across The Pacific

As couples the world over celebrated Valentine's Day on February 14 with gifts and showings of affection, visiting Chinese Vice President Xi Jinping and his host U.S. President Barack Obama reassured each other of the importance of the relationship between the largest developing country and the biggest developed nation.

Xi's trip overlaps the celebration of the 40th anniversary of President Richard Nixon's icebreaking visit to China and the issuing of the Shanghai Communiqué in 1972.

These historic events opened the gate for communication and exchange, and broke down the wall of confrontation in favor of one geared toward cooperation. The two countries also made a profound contribution to remodeling the international political landscape.

In the past four decades, China and the United States have reaped remarkable fruits in politics, trade, cultural, and people-to-people exchanges. The progress achieved in developing bilateral ties has far exceeded even the most optimistic expectation.

Now, it is the time for the two nations to fine-tune the tone of their bilateral ties. This year is an election year in the United States. It will also witness the 18th congress of the ruling Communist Party of China this fall in Beijing. Xi's state visit to the United States offers a peek into the course of bilateral ties in the next decade.

Besides meeting political and military figures in Washington, D.C., the Chinese vice president also visited the state of Iowa and Los Angeles in California to attend a number of activities. A fact sheet on strengthening bilateral economic relations was released when Xi was in Los Angeles and the business delegation accompanying Xi purchased U.S. commodities worth \$27.1 billion.

Although highlighting the economic and trade progress between the two sides, we must admit that trade frictions and difference can hardly be avoided. But China has taken active steps to meet U.S. concerns over protection of intellectual property rights and the trade imbalance, and we hope the United States will make progress in easing restrictions on hi-tech exports to China and Chinese investment in the United States. If we can only buy soybeans and Boeing aircraft from the U.S. side, the trade imbalance between the two sides can hardly be addressed.

China and the United States also face the task of building political and military mutual trust, as uncertainties exist. The two nations have different views on regional and hot-spot issues, let alone their stands on the Taiwan question, Korean Peninsula and the Middle East. They need to tackle these problems constructively and strategically.

At his meeting with Obama, Xi said he is confident that China and the United States have the wisdom, ability and measures to maintain and advance their partnership. Obama said it is vital that the United States has a strong relationship with China. We believe these commitments are not only reserved for the likes of Valentine's Day. ■

### WRITE TO US

✉ Send an e-mail: [contact@bjreview.com.cn](mailto:contact@bjreview.com.cn)

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

北京周报 英文版 2012年 第8期 ISSN 1000-9140 广告许可证 0171号  
北京市期刊登记证第733号 邮发代号2-922 国内统一刊号: CN11-1576/G2 国内零售价: 人民币6.00元

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



## BEIJING REVIEW

A News Weekly Magazine  
Published Since 1958

□ iPad APP

<http://www.bjreview.com>

E-mail: [contact@bjreview.com.cn](mailto:contact@bjreview.com.cn)

President & Editor in Chief: Wang Gangyi

Vice President: Qi Wengong

Associate Editors in Chief: Li Jianguo, Huang Wei,

Wang Yanjuan, Zhou Jianxiang

Assistant President: Li Zhenzhou

Executive Editor: Ding Zhitao

Assistant Executive Editors: Yao Bin, Zhang Zhiping

Editorial Administrators: Li Ning, Shi Bosen

Senior Consultant: Shao Haiming

Opinion Editor: Zan Jifang

World Editor: Yan Wei

Nation Editor: Yao Bin

Business Editors: Yu Shujun, Lan Xinzheng

Culture Editor: Ding Wenlei

Editorial Consultants: Brandon Taylor, Raknish Savan Wijewardene,

Thomas Bradley Rippe

Staff Reporters: Tang Yuankai, Ding Ying, Wang Jun, Li Li, Liu Yunyun,

Yin Pumin, Liu Yu, Pan Xiaojiao, Hu Yue, Yuan Yunnan, Wang Hairong,

Liu Xinlian, Yu Yan, Yu Lintao, Zhou Xiaoyan, Bai Shi

Photo Editor: Wang Xiang

Photographers: Jiang Xiaoying, Wei Yao

Art: Li Shigong

Art Director: Wang Yajuan

Chief Designer: Cui Xiaodong

Designer: Zhao Boyu

Proofreading: Qin Wenli, Ma Xin

Distribution Director: Pan Changqing

Human Resources: Zhang Xiaoli

International Cooperation: Pan Shuangqin

Legal Counsel: Yue Cheng

North America Bureau

Chief Reporter: Chen Wen

Tel/Fax: 1-201-792-0334

E-mail: [chenwenwendy@gmail.com](mailto:chenwenwendy@gmail.com)

General Editorial Office

Tel: 86-10-68996252

Fax: 86-10-68326628

English Edition

Tel: 86-10-68996259

Advertising Department

Tel: 86-10-68995813

Fax: 86-10-68329398

E-mail: [ad@bjreview.com.cn](mailto:ad@bjreview.com.cn)

Distribution Department

Tel: 86-10-68310644

Fax: 86-10-68328738

E-mail: [circulation@bjreview.com.cn](mailto:circulation@bjreview.com.cn)

Published every Thursday by

BEIJING REVIEW, 24 Baiwanzhuang Lu,

Beijing 100037, China.

Overseas Distributor: China International Book Trading

Corporation (Guoji Shudian), P. O. BOX 399,

Beijing 100044, China

Tel: 86-10-68413849 Fax: 86-10-68412166

E-mail: [fp@mail.cibtc.com.cn](mailto:fp@mail.cibtc.com.cn)

Website: <http://www.cibtc.com>

General Distributor for Hong Kong, Macao and Taiwan:

Peace Book Co. Ltd.

17/F, Paramount Bldg, 12 Ka Yip St, Chai Wan, HK

Tel: 852-28046687 Fax: 852-28046409

Beijing Review (USPS 2812) is published weekly in the United States

for US\$64.00 per year by Cypress Books,

360 Swift Avenue, Suite 48, South San Francisco, CA 94080

News Postage Paid at South San Francisco, CA 94080

POSTMASTER: Send address changes to *Beijing Review*,

Cypress Books, 360 Swift Avenue, Suite 48,

South San Francisco, CA 94080



## Exquisite Porcelain Art

A visitor appreciates a work of Zhengshangci Porcelain at a gallery in Zhengzhou, Henan Province, on February 15.

Zhengshangci Porcelain is a modern type of Jun Porcelain, one of the four main styles of traditional Chinese porcelain best known for its colorful glaze. Based on the fusion of traditional Jun Porcelain art with hi-tech three-dimensional and micro scene glazing, this kind of porcelain reflects both deep cultural roots and modern characteristics. It will be the only representative of Chinese ceramic art to be exhibited in the 2012 Yeosu World Expo in South Korea.

## China Condemns Violence in Syria

China does not approve of armed intervention or forcing a so-called “regime change” in Syria, Vice Foreign Minister Zhai Jun said in an interview in Beijing before his trip to Syria on February 17-18.

“We condemn all acts of violence against innocent civilians and urge the government and all political factions of Syria to immediately and fully end all violence, and quickly restore stability and the normal social order,” Zhai said.

Zhai, as a special envoy of the Chinese Government, visited Syria to exchange views with the Syrian Government and relevant parties on the current Syrian situation and push for a peaceful and proper solution to the crisis.

China urges all parties concerned in Syria to immediately launch inclusive political dialogue with no preconditions and jointly discuss a comprehensive political reform plan, Zhai said.

China understands the concern of Arab countries and the Arab League on seeking a quick solution to the Syrian issue, and values the important role as well as the efforts of Arab countries and the Arab League in seeking a political solution to the issue, the official said.

“We hope the Syrian issue will be resolved within the framework of the Arab League through political and peaceful means,” Zhai said.

“We don’t believe that sanctions or the threat of sanctions is helpful to achieving an appropriate solution,” Zhai said, adding that actions of the international community and the UN on the issue of Syria should be helpful to easing tensions, facilitating political dialogue and resolving differences instead of complicating the issue.

Zhai said China takes an objective, just and responsible stance on the issue of Syria and is willing to maintain communication with the government and various political factions in Syria, as well as with Arab countries and the Arab League.

“China will work together with the international community and play a positive and constructive role to appropriately resolve the issue of Syria,” Zhai said.





**SAFE BUS** A girl paints her dream school bus when visiting an international school bus exhibition in Beijing on February 15, 2012

## Labor Disputes

The Ministry of Human Resources and Social Security said on February 15 that the country will set up institutionalized arbitration offices for handling labor disputes and make them generally available in county-level regions by 2015.

According to government data, institutionalized arbitration facilities cover only 60 percent of the nation's municipal-level regions and only 40 percent of the nation's counties.

Disputes arising from wage delays are growing in China, especially for migrant workers without labor contracts. According to preliminary figures from the ministry, at least 14,000 companies had been delaying payment to migrant workers as of January 13.

The State Council, or China's cabinet, issued a plan to boost employment during the 2011-15 period, which says the percentage of those employed who sign proper labor contracts should be raised to 90 percent.

## Cleaner Villages

The Chinese Government will invest 5.5 billion yuan (\$873 million) this year to clean up pollution in the country's rural areas, the Ministry of Finance (MOF) said on February 13.

The Central and local governments will

invest further to complete the environmental clean-up of 60,000 villages across the country by 2015, according to the MOF.

Since 2008, the Chinese Government has allocated 8 billion yuan (\$1.27 billion) in funds while local governments have invested another 9.7 billion yuan (\$1.54 billion) in environmental rehabilitation projects in 16,300 villages. These projects have benefited 42.34 million people.

## Heritage Status Bid

Northwest China's Tianshan Mountains, with their spectacular glaciers and diverse wildlife, have been nominated for inclusion on the UNESCO World Heritage list, local officials said February 13.

The government of Xinjiang Uygur Autonomous Region recently submitted an application to the UNESCO World Heritage Center for review and evaluation, said officials from the Tianchi Administration Committee, a body that oversees preservation efforts for the Tianshan Mountains.

The Tianshan Mountains stretch for 2,500 km in Xinjiang, bordering Kazakhstan, Uzbekistan and Kyrgyzstan. The range is home to 15,953 glaciers, the most of any range in the country, as well as the endangered snow leopard. About 66 percent of the world's 2,500 remaining snow leopards live in Xinjiang.

## Top Scientists Awarded

Two Chinese scientists, physicist **Xie Jialin** and architect **Wu Liangyong**, received the State Top Scientific and Technological Award, China's top science award, on February 14, 2012, for their outstanding contributions to scientific and technological innovation. The two scientists, both members of the Chinese Academy of Sciences (CAS), each received 5 million yuan (\$794,900) for the prize. China has given this award annually to elite scientists and researchers since 2000.

Xie, 92, is one of the founders and pioneers of China's accelerator physics. He once studied at the California Institute of Technology in the United States, and then obtained a PhD from Stanford University. He returned to China in 1955. In 1964, Xie and his colleagues accomplished the building of a 30 MeV electron linac, which was the first one ever built in China. He led the construction of China's first infrared free electron laser in the early 1990s, which was also the first of its kind in Asia. Xie was selected a member of the CAS in 1980.

Wu, 90, is one of the founders of the Department of Architecture of Tsinghua University. He gained a master's degree in architecture and urban design from Cranbrook Academy of Art in the United States in 1949. He returned to China in 1950. Since 1987, he has been engaged in the Beijing Ju'er Hutong New Courtyard House research project and has won several awards at the national level, a gold medal by Asian Architects of Regional Council Award for Architecture and UN World Habitat Award. Wu is widely known as an expert in teaching, researching and practicing in the fields of architecture, urban planning and design.



Xie Jialin



Wu Liangyong

**FRESH AFFECTION** Changmao, a male sheep, and Chunzi, a female spotted deer, in the Yunnan Wild Animal Zoo in Kunming, Yunnan Province on February 11. They were found to have fallen in love with each other after living together for a long time



## Linguistic Cooperation

The Chinese mainland and Taiwan have jointly launched an online multimedia database offering free access to Chinese linguistic literature.

On the website [www.zhonghuayuwen.org](http://www.zhonghuayuwen.org) people can search information in two latest Chinese dictionaries jointly developed by the two sides across the Taiwan Straits, as well as a large number of ancient Chinese literature, said operators of the website.

The database also includes audio versions of important poems and classics, audio material of various dialects in China, and a video program teaching how to write Chinese characters.

It highlights a dictionary elaborating the difference of Chinese language between the mainland and Taiwan.

The database has two versions, one in simplified Chinese commonly used on the mainland, and the other in traditional Chinese mainly used in Taiwan, Hong Kong and Macao.

## Maricultural Research

Researchers on February 15 began work on a scientific research project in Qingdao, east China's Shandong Province, to boost the sustainable development of the country's mariculture industry.

The project focuses on the causes and prevention of epidemic diseases in artificially bred prawns and fish. Scientists from 12 universities and institutes will work on the five-year project with an estimated investment of 36 million yuan (\$5.71 million).

Researchers hope to create a complete theoretical system based on the outbreak and



**LIFELONG LOVE** Yang Zhichang, 104 years old, gives a rose to his wife, 101-year-old Yang Shuzhi, in Datang Village, Renshou County in Sichuan Province on February 14

prevention of epidemic diseases in marine animals by the time the project is completed.

## Outbound Students

Statistics released by the Ministry of Education on February 10 show 339,700 Chinese left to study abroad in 2011, up 19.3 percent from the previous year.

According to the ministry, 314,800, or about 93 percent of them, were self-supported, while the rest were sponsored by the government or their employers.

The number of returned students increased 38.08 percent year on year to 186,200 last year. More than 90 percent, or 169,200 of them, studied abroad at their own expenses.

## Scientific Cooperation

China is trying to attract more foreign experts to promote scientific cooperation with the country, said State Councilor Liu Yandong on February 14 when meeting with receivers of the International Cooperation Award in Science and Technology.

Among the eight recipients, three are from Japan, and the rest from Germany, France, Britain, the United States and Australia.

Foreign experts working in China are "close friends of China and friendly ambassadors for exchanges between China and foreign countries," Liu said.

They have made outstanding contributions to promoting China's scientific progress and economic and social development while deepening friendship between Chinese people and people from all over the world, she added.

Since 1995, China has given the International Cooperation Award in Science and Technology to a total of 74 foreign experts and one international organization.



**EARLY EXAM** Candidates in Nanjing, Jiangsu Province, wait in long lines to sit for the independent recruitment exam held by a university league which represents some of China's top universities on February 11



# THIS WEEK ECONOMY

## Lackluster Trade

China's exports declined 0.5 percent year on year to reach \$149.94 billion in January, while imports dropped 15.3 percent to \$122.66 billion, according to data from the General Administration of Customs (GAC). The trade surplus stood at \$27.28 billion (see page 36).

The drop was significantly caused by the earlier-than-usual Chinese Lunar New Year holiday (January 22-28), which cut four workdays off the month compared with January 2011.

## FDI Down

China attracted \$9.997 billion of foreign direct investment (FDI) in January, down 0.3 percent year on year, said the Ministry of Commerce (MOFCOM).

In January, China approved the establishment of 1,402 foreign-funded companies, a decrease of 37.5 percent from the previous year.

"China has maintained its appeal to for-

ign investors, despite many negative factors, such as labor costs inflation and financing shortages," said Shen Danyang, spokesman of the MOFCOM.

"Weakness of Western economies is also affecting U.S. and European investments in China," said Shen.

Analyzed by sectors, FDI inflows into the manufacturing and service industries dropped slightly while those into the cropping and livestock sectors rose significantly.

## Credit Slowdown

Yuan-denominated new loans totaled 738.1 billion yuan (\$117.3 billion) in January, representing a decrease of 288.2 billion yuan (\$45.7 billion) year on year, according to data from the People's Bank of China (PBC), the central bank.

The lending drop came as a surprise as many expected that policymakers would relatively loosen the monetary stance to shore up the weakening economy.

M2, a broad measure of money supply that covers cash in circulation and all deposits, grew by 12.4 percent from the previous year to reach 85.58 trillion yuan (\$13.58 trillion) at the end of January, down 1.2 percentage points from a month ago.

## New Data System

The National Bureau of Statistics (NBS) is sparing no effort to improve its data system.

As of February 18, 700,000 companies across the nation, which make up about 80 percent of the nation's GDP, should upload their production, income and spending statements and other information directly to the National Data Center or various provincial data centers.

Under the current system of data reporting, companies submit information about economic indicators to local statistical institutions.

Ma Jiantang, Commissioner of the NBS, said the new system is meant to make statisti-

**READY FOR USE** Construction of the terminal of Kunming Changshui International Airport is completed. The airport, which is designed to be an air hub in southwest China to link southeast Asia, south Asia and European countries, is ready for a trial run



SHINING

**CLEANER TIANJIN** Pictured is a water treatment plant in Tianjin. The city has in recent years enhanced investments to improve water pollution treatment



## Numbers

# \$59.4 billion

China reduced its holdings of the U.S. Treasury securities by \$59.4 billion in 2011, but the country remains the largest foreign holder with a portfolio of \$1.1007 trillion, according to the U.S. Treasury Department.

# \$3.1811 trillion

China's foreign exchange reserve stood at \$3.1811 trillion at the end of 2011, an increase of \$384.8 billion from a year ago, said the State Administration of Foreign Exchange.



cal reporting easier for companies and data collection more efficient.

This database is also meant to help prevent local authorities from inflating statistical information, Ma said.

## Tiding Over Downturn

Despite an ongoing economic slowdown, China's private entrepreneurs remain confident for business growth, according to a survey conducted by the accounting firm Earnst & Young over 100 leading private business leaders in China.

A majority of the enterprises polled have managed to maintain growth momentum in 2011 amid global economic turbulence. Of the respondents, 67 percent reported an increase in operating profit and 33 percent reported no change or a decrease in operating profit.

Meanwhile, 79 percent of the respondents are cautiously optimistic about an improve-

ment in business over the next year. Only 21 percent expected no improvement or even deterioration over the same period.

Although the fundamentals of the private economy remain healthy, challenges are on the rise. Around 23 percent of the surveyed entrepreneurs consider strong competition as a major challenge while 22 percent and 17 percent respectively believe labor costs and material costs are the key issues in running a business.

## Checking Banking Charges

China's banking regulator recently released new rules to regulate service charges by commercial banks to protect interests of consumers.

The banks must give a three-month advance notice to clients of an increase in service prices, according to the draft regulations jointly issued by the China Banking Regulatory Commission (CBRC), the PBC

and the National Development and Reform Commission.

Customers must also be informed one month in advance if the banks want to charge them for a new item.

The CBRC said that the government will set or guide charges on some basic services such as fund transfer and payment collection.

The public can submit views on the proposed rules until March 20.

## Smuggler Prosecuted



**Lai Changxing, the alleged smuggling kingpin, was prosecuted for smuggling and bribery by the People's Procuratorate of Xiamen on February 13.**

Lai, born in 1958, was the former head of the Yuanhua Group and a smuggling ring. An investigation found that from 1996 to 1999, through paying bribes and cultivating connections with local officials, Lai's gang managed to smuggle a range of goods valued at 53 billion yuan (\$8.42 billion), from oil and cars to cigarettes, evading taxes of 30 billion yuan (\$4.77 billion) through the Xiamen customs. He bribed dozens of government officials and ordered his subordinates to do so, too.

Lai fled to Canada via Hong Kong in August 1999 and tried to obtain refugee status there. He attempted to avoid deportation by claiming he could face death penalty if he was sent back. After being repatriated to China on July 23, 2011, he was arrested for smuggling and bribery.

**TRAVEL RUSH ENDS** Passengers arrive at the Nanjing Railway Station on January 16. It is estimated that China transported 3.158 billion passengers during the 40-day Spring Festival travel season ending on February 16



# 8.97 trillion yuan

China's tax revenues rose 22.6 percent year on year to reach 8.97 trillion yuan (\$1.42 trillion) in 2011, said the Ministry of Finance.

# 8.4 trillion yuan

China's logistics costs increased 18.5 percent from a year ago to 8.4 trillion yuan (\$1.33 trillion) in 2011, said the China Federation of Logistics and Purchasing.



XINHUA/AFIP

## GREECE

A fire engulfs a store during clashes between protesters and riot police near the Greek parliament in Athens on February 12. Despite massive protests, lawmakers passed radical budget cuts vital to secure a rescue package



ZHANG QIYUAN

## NORTH KOREA

Bronze statues of late North Korean leaders Kim Il Sung (left) and Kim Jong Il are unveiled in Pyongyang on February 14





QIN HANSHI

A security force camp in Aleppo, northern Syria, after an explosion on February 10. Deadly blasts caused by car bombs hit two government force bases in the city, leaving at least 28 people killed



QIN HANSHI

People rally in Damascus on February 12 to express support for Syrian President Bashar al-Assad and condemn the blasts in Aleppo

**SYRIA**



XINHUA/AFIP

A woman carves an elephant-shaped sculpture during a snow and ice sculpture contest in Minsk on February 11

**BELARUS**

**THE UNITED STATES**

Michelle Paulin and Storm, a Dogue de Bordeaux, in the judging ring during the 136th Westminster Kennel Club Annual Dog Show in New York City on February 14



XINHUA/AFIP

## COVER STORY

# BEING FRIENDS, THE CORRECT CHOICE

Chinese Vice President Xi Jinping stresses mutual trust and common understanding during his U.S. tour

By Ding Ying

The world is curious about the future of the Sino-U.S. relations as the two countries engage in increasing interactions in the Asia Pacific. Washington declared in 2011 that it would switch its strategic focus to the burgeoning region. There have been worries that the world could be dragged down if the two giants decide to confront each other. Chinese Vice President Xi Jinping's recent American visit, which was his first one as a state leader, was the right moment to erase this suspicion, said observers.

During his visit both sides agreed a healthy bilateral relationship is not only crucial to each other's interests, but also will benefit the region and even the world. The two countries must find a unique way to establish a win-win bilateral relationship based on mutual trust, mutual respect, cooperation, and common understanding. Another convincing reason is their trade and economic links are

so close that a rift in the relationship will definitely hurt both.

### Visit of significance

Xi's visit can be considered as a tour of exploration, said Jia Xiudong, a researcher with the

**“China welcomes the United States to play a constructive role in the Asia-Pacific region, and U.S. influence in the region shouldn't be exclusive.”**

—Jia Xiudong, a researcher with the China Institute of International Studies



China Institute of International Studies (CIIS). He pointed out that this tour was significant for the two sides to find a way to implement the important consensus reached by the presidents of the two countries on the promotion of bilateral ties, and to push the bilateral relationship forward along the track of healthy development.

Xi announced right after he arrived in Washington, D.C. that the purpose of his visit was to increase consensus, deepen friendship and communicate with people from various walks of life in the United States. In addition to stops in Washington, D.C. and California, Xi also visited the Midwestern state of Iowa, returning to a town he visited 27 years ago as a local official from north China's Hebei Province heading an agricultural delegation.

This year serves as a link between the past and the future for the two countries. In the second half of this year, China will hold the 18th National Congress of the Communist





GETTING ACQUAINTED: Chinese Vice President Xi Jinping (left) meets U.S. President Barack Obama at the White House on February 14

LAN HONGQUAN

Party of China, while the United States will have a presidential election. Xi's visit will cement a good basis for future personal relations between leaders of the two countries, said Jia.

Bonnie Glaser, a senior fellow with the Washington, D.C.-based Center for Strategic and International Studies, said she hoped there was some "chemistry" between Xi and U.S. President Barack Obama.

"I hope they recognize that the U.S.-China relationship is among the most important in the world and as leaders they have to be good stewards of this relationship. Managing bilateral differences is critically important," she said.

Xi's visit was important in terms of shaping both elite and popular U.S. perception of China at a time when people in the United States are getting ready to choose their president, said David J. Firestein, Vice President for the Strategic Trust-Building Initiative and Track 2 Diplomacy of the EastWest Institute, a global think tank based in New York City.

During Xi's visit, China and the United

States agreed that they would continue to build the Sino-U.S. cooperative partnership, which is significant for the healthy and stable development of relations. They also reached consensus on maintaining close touch between leaders of the two countries. They decided that the fourth round of the Strategic and Economic Dialogue and the second round of Strategic Security Dialogue will be held in China in May. They also will have the third Asia-Pacific affairs consultation in March.

Xi said when meeting Obama that China and the United States should increase strategic trust and respect each other's core interests and major concerns. Obama promised the United States will adhere to the three Sino-U.S. Joint Communiqués and the one-China policy.

The United States "does not support any calls for 'Taiwan independence'," the Xinhua News Agency quoted Obama as saying.

In addition to meeting current U.S. leaders, Xi also talked with former officials.

This was a good way to promote political relations, said Jia.

The vice president's visit also pushed bilateral trade and economic cooperation forward, said Jia.

China and the United States released a fact sheet on strengthening economic relations during Xi's visit. The two countries vowed to promote the healthy and steady development of their bilateral cooperative partnership based on mutual respect and mutual benefit. They pledged to promote strong, sustainable and balanced growth of the two countries, cross-border trade and investment and financial sector development and to strengthen international cooperation. According to the sheet, the United States will export more hi-tech products to China and encourage more Chinese enterprises to invest in the United States.

Xi headed a delegation of several hundred Chinese entrepreneurs, who planned to import over \$27 billion products from the United States during this tour. Jia pointed out that this

reflected China's active attitude to realize a trade balance between the world's two largest economies. Xi also called on the United States to adjust its economic policies and structure to address Sino-U.S. trade imbalances when speaking at a welcoming luncheon hosted by the National Committee on U.S.-China Relations and the U.S.-China Business Council on February 15.

The visit also was a tour to enhance social communication between the two sides, Jia said.

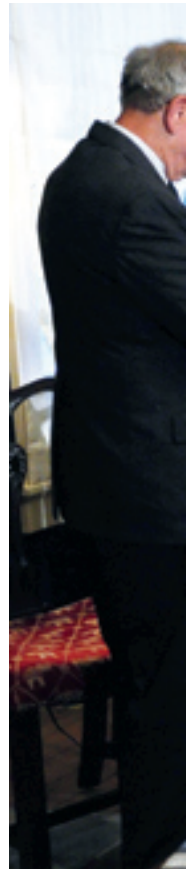
Firestein echoed this view. "A lot of Americans know the name Hu Jintao, but the name Xi Jinping is not well known yet in the United States, and his face is not yet well known," he said. "And I think the public diplomacy aspect of this visit is creating a shaping of perception, helping the American people put a personal face on the Chinese leadership."

## Path of cooperation

The United States is the top power in the world. China, with its growing economic strength, is becoming more influential as the biggest developing country in the world. Today's Sino-U.S. relationship is extremely important.

However, their relationship is under a big test, which is brought by their changing power balance. "U.S. influence is decreasing and China's influence is on the rise. This is the root of current disputes between them," said Jia of the CIIS.

Since 2001, Washington has been focusing on counterterrorism while China has stressed economic development. During the past decade, they have been in a state of "complicated interdependence," said Wang Jisi, Dean of the School of International Studies at Peking University. The international situation has been changing since 2008, when the global financial crisis started. Developed countries, including European nations and the United States, are caught in economic recession. The debt crisis spreading in Europe makes their recovery even slower. While developed countries have stagnated, China has maintained stable



development, becoming the second biggest economy in the world.

"The smaller economic gap makes conflicts between China and the United States pop out," said Wang, adding that their conflicts on economic, political and international security issues are getting sharper. China's development makes Washington uneasy, so it decided to "return" to the Asia Pacific and adjusted its military deployment in the region, he said.

Recent events in the Asia-Pacific region reminded the two sides of the need to find a way to resume strategic mutual trust between them. Analysts suggested that the two countries should seize the current opportunity and adjust their policies toward each other in accordance with circumstances based on the principles of mutual benefit and win-win progress.

"American politicians accuse China of trying to challenge U.S. leadership on the planet. Some Chinese elites believe Washington's intention is to prevent China's development and China should react with a tough attitude," said Wang.

Both countries regard the Asia-Pacific region as being critically important to them. "Obviously, it's China's home region and China is a critical player in the region. But the

United States regards the Asia Pacific as kind of a home region as well, partly because we have a long Pacific coast and we also have alliances throughout Asia. And there are also very profound security interests in the region that we have to be active," said Firestein. China and the United States share fundamental objectives in the Asia Pacific because both countries want to see peaceful relations, stability and prosperity in the region, he added.

He said in terms of those broad objectives, there is commonality between the two countries. "I think we see some tactical differences in the region. But on the whole, the United States and China have either commonality or complementarity of interests," he said.

The changed situation in Asia Pacific and growing mutual interests between China and the United States provide unprecedented opportunities for them to enhance strategic trust, said Wang of Peking University.

Wang said differences between the two sides will never be big enough to prevent China and the United States from trade and economic cooperation. Plus, the world needs them to work together on global finance, trade, energy, climate change, public health and regional issues. "As long as they proceed with expanding common interests in





SHENSHENG

(Left) CHINESE CHIC: A Chinese flag is displayed on the NASDAQ building video screen in New York City's Times Square on January 20, three days before the traditional Chinese lunar New Year

GOOD OLD DAYS: Chinese Vice President Xi Jinping talks with Tom Dvorchak (left), who was his host during his 1985 visit to the U.S. state of Iowa, at a tea reception in Muscatine, Iowa on February 15. Most of the participants were Xi's old acquaintances from his 1985 visit

different aspects on different levels, China and the United States will be able to establish a global partnership based on strategic mutual trust," Wang said.

Trade and economic ties have been the driver of the Sino-U.S. relationship. Statistics from China's Ministry of Commerce show that the bilateral trade volume reached a record high of \$446.7 billion in 2011. The United States exported \$122.2 billion to China last year, increasing 20 percent from 2010. Now, China and the United States are the second biggest trade partners to each other.

China and the United States should admit that each has undeniable advantages in its development model, and they must rely on each other when dealing with global issues, Wang said.

Jia of the CIIS said the two countries should be more tolerant of the other country's influence. "China welcomes the United States to play a constructive role in the region, and U.S. influence in the Asia-Pacific region shouldn't be exclusive," he stressed. The United States should make efforts to promote a regional multilateral cooperative dialogue mechanism.

"The United States must realize that it also will benefit from regional integration," Jia said. "This is not a zero-sum game, nor a

hostile competition. We can make the pie bigger together."

Firestein said the United States welcomes the rise of a strong, confident and prosperous China that plays a greater role in international affairs. And China has welcomed the United States as an Asia-Pacific nation that contributes to the peace and prosperity of the region.

"I think those basic statements articulated in the joint statement between presidents Obama and Hu a year ago accurately capture the ways the two countries have viewed each other and the possibilities for cooperation," Firestein said.

Vice President Xi said in an interview with *The Washington Post* shortly before traveling to the United States that the Pacific Ocean is big enough to hold both China and the United States.

As long as the two powers can forge consensus and mutual trust, they will eventually find a unique way to cooperate, because they understand that being friends is the only correct choice. ■

(With reporting by Chen Wen in New York City)

dingying@bjreview.com

## A Brief Profile of Xi Jinping

Xi Jinping, born in June 1953, is a native of Fuping, Shaanxi Province. He graduated from the School of Humanities and Social Sciences of Tsinghua University. He holds a doctor of law degree through an on-the-job postgraduate education program.

Xi is now a member of the Standing Committee of the Political Bureau of the Communist Party of China (CPC) Central Committee, member of the Secretariat of the CPC Central Committee, vice president of the People's Republic of China, vice chairman of the CPC Central Military Commission and president of Party School of the CPC Central Committee.

(Source: [www.gov.cn](http://www.gov.cn))

# WISDOM OF THE OLD GENERATION

Forty years ago this month, U.S. President Richard Nixon's visit to China ended more than two decades of estrangement between the two countries. At the conclusion of this icebreaking trip, the Sino-U.S. Joint Communiqué was issued in Shanghai on February 28, 1972. The Shanghai Communiqué, which opened the door to the establishment of diplomatic relations between China and the United States, remains one of the cornerstones of Sino-U.S. ties.

In a recent interview with *Beijing Review* reporters Ding Zhitao and Yu Lintao, former Chinese diplomats **Ding Yuanhong** and **Zhao Jihua** recalled the negotiation process of the Shanghai Communiqué and elaborated on the document's enduring significance. Excerpts follow:

**Beijing Review:** You witnessed the historic visit of Nixon and the hard negotiation process of the Shanghai Communiqué. Could you recall the international background before the release of the communiqué?

**Ding:** The Shanghai Communiqué was issued during Nixon's visit to China. It was an important achievement after bilateral relations were frozen for more than 20 years. After the founding of the People's Republic of China (PRC) in 1949, the United States went on to support the Kuomintang authorities in Taiwan and regarded the PRC as a foe. It also placed an embargo on trade and denied the PRC's sovereignty over Taiwan, which caused long-time separation between China's mainland and Taiwan.

In the late 1960s, the international situation underwent great changes. On the one

hand, competition for world hegemony became more and more intense between the Soviet Union and the United States. In the meantime, the Viet Nam War caused headaches for Washington policymakers. On the other hand, Sino-Soviet relations took a turn for the worse, from ideological divergence to border clashes. Against this backdrop, both Beijing and Washington had the will to improve bilateral ties.

**What were the main barricades and disputes during the negotiations of the Shanghai Communiqué? And how was the ice broken?**

**Zhao:** Henry Kissinger visited China in July 1971 as Nixon's special envoy and announced the U.S. president would visit China the next year. The U.S. side insisted that the

visit should come with certain achievements. Otherwise, the allies of the United States as well as Nixon's political rivals would criticize the visit as Nixon's pilgrimage to the Middle Kingdom. At that time, without diplomatic relations between the two countries, Nixon's trip to Beijing as U.S. president was itself a kind of political success of China. But China didn't get a draft of what kind of achievements the two countries might get during Nixon's visit. During Kissinger's second visit to Beijing in October 1971, the U.S. side was fully prepared. Kissinger brought a draft for a joint communiqué. However, China could not agree on the articles of the draft and claimed that it could not be used as the basis for negotiations.

**Ding:** The U.S. draft was just a pile of rhetoric that described the agreements of the two sides. It aimed to show Nixon's visit to China was successful. The draft didn't mention the divergence of the two sides at all. Premier Zhou Enlai thought the draft was not acceptable. Zhou said China and the United States had been isolated from each other for more than 20 years and they held many conflicting positions. If they covered up their differences, the two countries would sow seeds of future trouble, he said.

**Zhao:** Therefore, we drafted a new solution, which proposed an unconventional format for the communiqué. It was impossible that the two could totally agree with each other. The solution therefore required the two sides to basically agree to disagree, each stating its views in separate paragraphs. At



the beginning, Kissinger was astonished at the proposal and thought it unacceptable. To break the deadlock, Premier Zhou explained to Kissinger patiently that it was good for both sides to adopt this format. Listing our differences shows both China and the United States hadn't changed on certain positions. It was helpful for Washington to soothe the feelings of its allies and political rivals. It also showed the world that China would not abandon its principles to improve relations with the United States. What's more, the common points sought from huge differences are more valuable and reliable. Kissinger agreed at last.

During the negotiations, much time had been spent on wording. At that time, phrases such as "anti-imperialism," "countries want independence," "nations want liberation" and "the people want revolution" were commonly used as slogans in China. Kissinger said if the phrases were used in the communiqué, it would be like the U.S. president coming to China for legal judgment. He especially disliked the word "revolution" in the phrase "people want revolution" and suggested using "justice" instead. Later, the two sides agreed to use "progress" after hot debating.

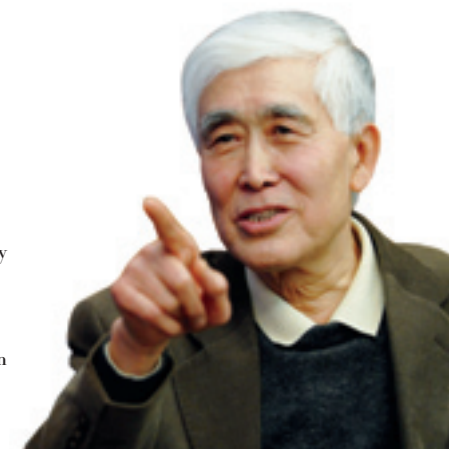
Considering the domestic situation at the time, a little change of the widely used slogan might cause a sensation in China. The Chinese side later proposed to reuse the phrase "the people want revolution." In order to persuade Kissinger, Vice Foreign Minister Qiao Guanhua even quoted U.S. history. Qiao said American people should not be afraid of revolution, because they call the American War of Independence a revolution. Then the

U.S. side accepted the saying.

Another controversial word was "acknowledge." In the English version of the communiqué an article says: "The United States acknowledges that all Chinese on either side of the Taiwan Strait maintain there is but one China and that Taiwan is a part of China. The United States Government does not challenge that position." At first, we thought the word "acknowledge" was not suitable here and insisted replacing it with "recognize." But the U.S. side stood fast. After consulting the dictionary dozens of times, we accepted the word.

The official negotiation process of the Shanghai Communiqué was pretty hard during Nixon's visit. The two sides, headed respectively by Qiao and Kissinger, had in all 11 rounds of talks during seven days.

At that time, the common goal of the two



Zhao Jihua was a translator with China's Foreign Ministry at the time of Nixon's visit. He was chief representative of China in the Sino-British Joint Liaison Group during talks over Hong Kong's return to China in 1997

sides was to open the door to the normalization of bilateral relations. No topics about establishing diplomatic relations were referred to in the negotiations. However, to improve bilateral relations, the two sides needed to make progress on the Taiwan question. The Chinese Government insisted that the United States should withdraw its forces from Taiwan because its military presence on the island was a breach of China's sovereignty. But the U.S. side claimed that the withdrawal of U.S. forces must be linked with the peaceful settlement of the Taiwan question. China regarded the precondition as interference in our internal affairs. After fierce debates, the two sides agreed on the following statement, "It (the United States) reaffirms its interest in a peaceful settlement of the Taiwan question by the Chinese themselves. With this prospect in mind, it affirms the ultimate objective of the withdrawal of all U.S. forces and military installations from Taiwan."

### What's the significance of the Shanghai Communiqué for the later Sino-U.S. relations and the development of the whole international pattern?

**Ding:** After the issuance of the Shanghai Communiqué, the Sino-U.S. relationship entered a new stage. Though bilateral ties went through ups and downs, the United States has not given up the principles included in the communiqué, especially the one-China principle. If the United States had given up the principle, the basis of the Sino-U.S. relationship would have been gone. From the global perspective, Nixon's visit changed the triangle



Ding Yuanhong served in a number of posts with the Chinese Foreign Ministry, including China's ambassador to the EU. He was head of the Foreign Ministry's U.S. affairs office when U.S. President Richard Nixon visited China in 1972.



TOP MEETING: Chairman Mao Zedong (center) and Premier Zhou Enlai meet U.S. President Richard Nixon in Beijing

**February 21, 1972**



BREAKING THE ICE: Chinese Premier Zhou Enlai welcomes U.S. President Richard Nixon to Beijing

**February 21, 1972**



relations between China, the United States and the Soviet Union, which is of great significance to international relations. After that, many Western countries began to improve relations and established diplomatic relationships with China.

**What experience has China's diplomacy accumulated from the negotiations of the Shanghai Communiqué?**

**Ding:** Nixon's visit to China and the issue of the Shanghai Communiqué set a good example for Chinese diplomacy. We try to seek consensus, but we should never give up our fundamental principles. Seeking common ground while reserving differences is an ef-

fective way to deal with international affairs.

The principle of non-interference in internal affairs of other nations is also a fundamental part of Chinese diplomacy as well as the UN Charter. We do not interfere in the internal affairs of other countries, nor do we allow other countries to interfere in our internal affairs. We should never abandon the principle. If we gave it up, we might make temporary progress on some issues, for example on the Syrian issue. But the solutions would be likely to backfire in the future.

The reason why we made great efforts to demonstrate our stance on many international issues is that there are essential differences the diplomatic policies of China and Western

countries. While the United States pursues world leadership, China calls for the equality of nations, big or small, and non-interference in internal affairs. I believe our policy will be welcomed by other nations in the long run.

**Recently, the United States has been shifting its strategic focus to the Asia-Pacific region. Some claim it is out of economic concern for the huge Asia-Pacific market, while others believe it is a kind of containment of China. What's your opinion?**

**Ding:** The rise of China is one of the factors of the United States' return to the Asia-Pacific region. What's more, the focus of the entire international pattern is shifting from the West





**February 21, 1972**

**HOSPITALITY:** Premier Zhou Enlai (front right) hosts a banquet in honor of U.S. President Richard Nixon in Beijing



**SCALING NEW HEIGHTS:** U.S. President Richard Nixon visits the Great Wall in Beijing

**February 24, 1972**



**EXCHANGE:** Premier Zhou Enlai (second right) talks with U.S. President Richard Nixon about the Sino-U.S. Joint Communiqué in Shanghai

**February 28, 1972**

to the East. In the following decades, besides the United States, many of the great powers will be in the region, including China, Japan, and India. The economic power of Asia now has surpassed that of Europe. The development trend of the world inclines to newly emerging countries. At present, the trade volume of Japan, South Korea and ASEAN with China are much larger than their trade with the United States. To keep its superpower position, Washington certainly will shift its strategic focus to the East and hope to benefit from the development of the region.

**Vice President Xi Jinping recently visited the United States. How do you think**

**the visit will affect the future Sino-U.S. relations?**

**Ding:** During his visit, Vice President Xi emphasized the importance of maintaining the smooth development of Sino-U.S. relations. However, a good bilateral relationship needs efforts from both sides. For example, the U.S. side always mentions its trade deficit with China, but it strictly restricts its hi-tech exports. We want to buy, but the Americans won't sell to us. How can the trade be balanced? As Premier Wen Jiabao said, we have bought many Boeing airplanes, and most of the soybeans Chinese people consume are imported from the United States. We cannot take Boeing airplanes and eat soybeans every day.

Besides these, we want to buy other products from the United States.

**Zhao:** In the last century, differences between China and the United States were almost all rooted in ideological divergence. Now, clashes between the two countries are more specific, including the U.S. trade deficit and the exchange rate of the yuan. With the rise of China's international status and its expansion to the world market, conflicts between the two are increasing and becoming more and more complicated. Thus, higher wisdom is needed for the leaders of the two countries for better relations. ■

 yulintao@bjreview.com

# Read **BEIJING REVIEW** on the go!

The iPad app puts the entire contents of the print edition at your fingertips, in addition to exclusive Web articles, photos and videos. Purchase individual issues and store them in a virtual library for convenient reading during your daily commute.

## FEATURES

- Browse by cover and buy single issues at the **Store**.
- Download purchased issues to a virtual **Library**.
- Find articles with an interactive table of **Contents** or use scrolling navigation to read page-by-page.
- Connect to BJReview.com with **Web View**.











# One City, One Book

## — Viewing China through Its Cities

### “Cities of China” Book Series

Subjecting a number of Chinese cities to multi-faceted scrutiny, the “Cities of China” series provides a detailed perspective on each city’s economy, culture and character, and shares stories of the lives of ordinary people there. These vivid first-hand accounts will help foreign readers acquaint themselves with China through the window of the subject cities.

To help make them more accessible to a foreign readership, and to present the true color and spirit of the chosen destinations, each book has been authored by a well-known international writer who have visited the subject city in person to experience life there.

The application of a Western lens to each Chinese city creates an exotic oriental sparkle. The authors, with an eye for both the broad city framework and for detailed images so familiar that they might be overlooked by a Chinese observer, record the face, the heart and the soul of their targets.

All the cities in the series are unique in character, as is the lifestyle of their residents. But a fresh Western perspective on their various paths to development can provide both insight and inspiration in search of understanding and a common approach to wider questions concerning human civilization.

For the convenience of readers unfamiliar with the featured cities, each book contains a map, an index and an appendix providing useful information for the reference of foreign investors, tourists and other visitors.



外文出版社

FOREIGN LANGUAGES PRESS

<http://www.flp.com.cn>



Sagar® 萨加

# 遠見

智者于動靜之間，  
把控現在，  
掌控未來。



三菱原裝杆身高反彈版 會員價：¥4800 標準版 會員價：1800

Loft: 9.5/10.5/13.5 Lie: 58° COR: 0.83/0.86 Volume: 460cc Swing weight: D2 Length: 46" Face angle: 0 square Flex: R/SR/S

定購熱線：400-676-0004

[www.sagargolf.com](http://www.sagargolf.com)

Most Authoritative Chinese language teaching and learning materials  
Published in 43 language versions, including  
*Arabic, French, English, Swahili, Hausa, Urdu...*

## Contemporary Chinese for Beginners Series



- A key project published by Sinolingua
- Published in 43 language versions, including various languages spoken in Africa
- Each version has been localized to better fulfill the needs of local students
- Each of the multi-language series includes Textbook, Exercise Book, Character Book, MP3 and CD-ROM



If you are interested in this series, please contact us at

**Add:** 24 Baiwanzhuang Street, Beijing 100037, China

**Website:** <http://www.sinolingua.com.cn>

**Tel:** 0086-10-68320585, 68997826

**Fax:** 0086-10-68997826

**Email:** [hyjx@sinolingua.com.cn](mailto:hyjx@sinolingua.com.cn)

Or you can request and get free samples from  
Hanban's Book Donation project.

Please find our products at:

<http://zengshu.hanban.org/zsIndex.ciic>







China.com.cn China.org.cn

China's National  
Online News Service  
in **10** Languages

# Presented by China International Publishing Group

上海的  
白天与夜晚

Published by New World Press  
Produced by BEIJING REVIEW  
Sales hotline: (8610) 68996289 68996288  
E-mail: chenwenwendy@gmail.com



Available at Shanghai Foreign Book Store, various audio and video stores, and CIPG's overseas branches

A cultural travelogue for foreigners  
A historical review through multilingual DVDs  
A 360-degree look at dynamic Shanghai  
A reflection of the host city during the 2010 World Expo

*Days and Nights in Shanghai*, released in four 60-minute versions in Chinese, English, French and Japanese, presents the city's glamour, history and culture, scenic spots and tourist attractions through narrations and eye-catching visuals.

#### Contents of the DVD

Welcome to Shanghai

07:00-08:00 Eternal Waibaidu Bridge

08:00-09:00 Fairview—The New Shillupu Dock

09:00-10:00 Multinational Architectures on the Bund

10:00-11:00 A Museum You Cannot Miss

11:00-13:00 Dining at City God Temple and  
Sightseeing in Yu Garden

13:00-14:00 Jinzhi Yuye Cheongsam Store

14:00-15:00 Memories Hidden in the Streets

15:00-16:00 Tianzifang—Shanghai's Greenwich Village

16:00-17:00 New Height of the City

—Shanghai World Financial Center

17:00-19:00 Sunset on Riverside Avenue

19:00-20:00 Hengshan Road in Moonlight

20:00-21:00 Nightlife in Xintiandi

21:00-22:00 Shopping at Nanjing Road

19:00-24:00 The Brilliant World Expo Site



# 健康主题 秀美湖景 独立会展



*Radeplast Hotel*

BEIJING LAKE VIEW

北京康源瑞廷酒店



将健康理念完美融入康源瑞廷酒店的每个细小环节之中，在时尚简约的氛围中感受贴心的服务，独享健康的产品和遵循中华传统养生理论的应季美食。307间舒适典雅的客房，总面积达8000平米的国际会展中心，6个餐饮设施及齐备的休闲娱乐设施，在风景如画的龙潭湖畔，体验完美、舒适的低碳之旅。

中国北京朝阳区潘家园南里19号 邮编:100021  
电话: (86-10) 5909 7777 传真: (86-10) 5909 7788  
[www.radeplasthotel.com](http://www.radeplasthotel.com)



Managed by Tianrun International Hotels  
天伦国际酒店集团管理

**A380**  
飞翔从此大不同



## Feel Great Differences with China Southern Airlines' A380

Starting October 18, China Southern Airlines officially launches the operation of China's first A380. We invite you to experience great differences in flying.

For more information about China Southern Airlines' new Airbus 380,  
please refer to: [WWW.CSAIR-A380.COM](http://WWW.CSAIR-A380.COM)

**95539** [www.csair.com](http://www.csair.com)



**中国南方航空**  
**CHINA SOUTHERN**

