

CHINA'S STAND IN DOHA P.14 | PV INDUSTRY UNDAUNTED P.32

# BEIJING REVIEW

VOL.55 NO.49 DECEMBER 6, 2012 北京周報

WWW.BJREVIEW.COM



## CYBER SUNDAY

China's 11/11 E-sales eclipse U.S. Cyber Monday

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

ISSN 1000-9140



4 9>

9 771000 914123  
邮发代号2-922 · 国内统一刊号: CN11-1576/G2

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12 issues a year at a subscription rate of 180 RMB

**SUBSCRIPTION HOTLINES**  
(8610) 6831 0644, 6899 6223, 6899 5808

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

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Ready, set, queue!

Cover photo: Workers of an express delivery company in Wuhan, Hubei Province, are busy loading parcels on November 12 (CFP)

## New Consumption Impetus

On November 11, popularly referred to as Singles Day by Chinese Internet users, the daily sales of online retailers in China reached a new high of \$4.8 billion. Similarly, online shopping on Cyber Monday in the United States topped \$1.98 billion on November 26. The traditional model of in-store retailing has taken a huge hit by its online counterpart.

In recent years, China's e-commerce has embraced improving conditions. E-commerce enterprises have emerged in great numbers. Various payment technologies, including online and mobile payment, are rapidly developing. Along with the speedy rise of express delivery services, these trends are converging to create a strong infrastructure for booming of e-commerce in the country.

There are 100 million Internet users in China who are actual or potential online shopping consumers. Young people, especially white-collar workers, comprise the majority. From a toothbrush to a TV set, they increasingly turn to the Internet for their consumption needs.

According to the *Bluebook of China E-business: Forecast 2013*, published by the Data Center of China Internet (DCCI) on November 26, China's online sales are expected to reach \$160 billion this year, accounting for over 3 percent of total consumer sales. The bluebook also predicted that online sales will exceed \$223 billion in China in 2013 and its proportion of total consumer sales will reach 5 percent.

The e-commerce market is so enormous that no enterprise can afford to ignore its potential. For this reason, many in-store retailers and producers have launched online sales services.

However, many problems stand in the way of China's e-commerce sector. For instance, a credit management system has not been fully established. Intellectual property rights violations and counterfeit and fake goods remain unsolved problems. Laws and regulations are conspicuously lacking in e-commerce. Other supporting services, including warehousing, logistics and delivery, lag behind booming e-commerce.

E-commerce is an effective way for consumer goods producers to reduce costs, increase efficiency, expand markets and innovate business modes. Moreover, it will increase consumption demand and improve efficiency of resources utilization.

E-commerce is important to the transformation of China's economic growth mode, and it will play an increasingly vital role in optimizing industrial structure, fostering emerging industries and driving economic growth.

In the aftermath of every new online shopping bonanza, enterprises and concerned government departments should settle down and think carefully about how to turn soaring sales into continuous growth for the Chinese economy. ■

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北京周报 英文版 2012年 第49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

北京周报

## BEIJING REVIEW

A News Weekly Magazine  
Published Since 1958

 iPad APP

<http://www.bjreview.com>

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Published every Thursday by

BEIJING REVIEW, 24 Baiwanzhuang Lu,

Beijing 100037, China.

Overseas Distributor: China International Book Trading

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

Beijing 100044, China

Tel: 86-10-68413849, 1-416-497-8096 (Canada)

Fax: 86-10-68412166

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

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

General Distributor for Hong Kong, Macao and Taiwan:

Peace Book Co. Ltd.

17/F1, 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



## Celebrating China's Road Toward Renewal

Xi Jinping (center), General Secretary of the Communist Party of China (CPC) Central Committee, visits the Road Toward Renewal exhibition at the National Museum of China in Beijing on November 29, along with other members of the Standing Committee of the CPC Central Committee Political Bureau, including Li Keqiang (third right), Zhang Dejiang (third left), Yu Zhengsheng (second right), Liu Yunshan (second left), Wang Qishan (first right) and Zhang Gaoli (first left).

Xi made a keynote speech during his visit, in which he described the exhibition as a retrospective on the Chinese nation's past, a celebration of its present and a declaration of its future.

The exhibition displays an array of historical pictures, charts, material artifacts and videos on Chinese history since the mid-19th century.



ZHAO CHENNING

**GREAT SUCCESS** A carrier-borne J-15 fighter jet lands on China's first aircraft carrier, the *Liaoning*. Designed by and made in China, the J-15 has comprehensive capabilities comparable to those of the Russian Su-33 and the U.S. F/A-18

**NOVEL PROMOTION** A shopper walks past a robot-shaped stand in a supermarket in Hangzhou of east China's Zhejiang Province, on November 28. The store's staff launched a competition for creative market displays



SHI JIANXUE

## Poverty Rate

The poverty rate in regions populated by ethnic minorities is 13.8 percentage points higher than China's national average, according to official statistics.

A survey released on November 28 by the State Ethnic Affairs Commission revealed that in 2011, there were 39.17 million impoverished people living in rural areas in eight provinces and autonomous regions predominantly inhabited by ethnic minorities—Inner Mongolia, Guangxi, Tibet, Ningxia, Xinjiang, Yunnan, Guizhou and Qinghai.

They accounted for 26.5 percent of the total rural population in those regions, and made up 32 percent of the poor people living in the countryside in the 31 provincial-level regions on the Chinese mainland, according

to the commission.

China in 2011 raised the national poverty threshold for farmers to 2,300 yuan (\$369) in annual net income from the previous 1,274 yuan (\$205) set in 2010, including more people in the government's poverty alleviation programs.

Under the new threshold standard, 122 million Chinese people, or 12.7 percent of the rural population, were eligible for government anti-poverty subsidies last year.

Ethnic minority regions are still the most challenging and crucial parts of the country's poverty alleviation efforts, the commission said.

## More Affordable Housing

China should increase affordable housing and expand property tax reforms, says to the

Chinese Academy of Social Sciences (CASS).

As more rural migrants move to cities, the government should increase the supply of low-income housing to guarantee "affordable, reasonable and suitable living space" for all city residents, the CASS said in a report released on November 28.

The think tank suggested the government speed up public housing construction, introduce differentiated property tax policies and expand pilot programs for property tax reform.

The government should levy property taxes on all homes featuring more than 40 square meters per person, the report said.

In October, half of 70 major Chinese cities recorded higher new home prices than a month earlier, according to the National Bureau of Statistics.

## Fighter Jet Executive Dies



**Luo Yang**, Chairman and General Manager of the Shenyang Aircraft Corp., which develops and manufactures the J-15 fighter jet, died of a heart attack on November 25 in Dalian, northeast China's Liaoning Province. Luo, who worked under severe stress, died at 51 years old on the day the J-15 completed its first successful landing and take-off tests on the *Liaoning*, China's first aircraft carrier that entered the service in September.

Chinese people nationwide, including Luo's colleagues, acquaintances and netizens, have mourned his death. The *Liaoning* sounded its siren shortly after 10 a.m. on the morning of November 27 in a show of respect for Luo.

Luo studied high-altitude equipment at Beihang University and graduated with a bachelor's degree in 1982. After graduation, he joined the Shenyang Aircraft Design Institute and was gradually promoted to deputy director of the institute. In 2002, Luo was appointed vice chairman of the Shenyang Aircraft Corp. and later became general manager and chairman. Both the design institute and corporation belong to Aviation Industry Corp. of China, the country's top aircraft manufacturer.



**EXPERT EMBROIDERER**  
A girl shows her crafts at the Fifth China Embroidery Culture and Arts Festival, which kicked off in Suzhou, east China's Jiangsu Province, on November 28

November 28.

The subsidies benefited more than 26 million rural students, according to a ministry statement.

The Central Government has also set aside 19.42 billion yuan (\$3.12 billion) to support renovation of school cafeterias.

A report, based on physical examinations of 1,458 rural students aged between 10 and 13, was released in 2011 by the China Development Research Foundation, a major organization campaigning for the government-led nutrition program. According to the report, 12 percent of students in central and west China's rural regions suffered from growth retardation due to lack of nutrition.

To address the issue, China started a nutrition improvement program in 680 less developed counties in 2011. Under the program, each rural student in the nine-year compulsory education period in the counties is entitled to a 3-yuan (\$0.48) daily meal subsidy.

## Sansha Map

China has published the first official map of the newly established city of Sansha, located in the South China Sea.

The map displays geological locations, oceanic terrain, natural resources, marine and land transportation, airports and harbors as well as administrative boundaries of the city and South China Sea islands.

The map has been verified and finalized by a unit in charge of surveying, mapping and navigation under the General Staff Headquarters of the People's Liberation Army, according to a statement issued by its publisher on November 23.

The State Council, China's cabinet, in June approved the establishment of Sansha, a prefectural-level city in south China's Hainan Province, to administer the Xisha, Zhongsha and Nansha islands and the surrounding waters in the South China Sea.

## Aid to Africa

China and the UN Educational, Scientific and Cultural Organization (UNESCO) on November 22 jointly launched an \$8-million program to support educational development in Africa.

The four-year program, named Enhancing Teacher Education for Bridging the Education Quality Gap in Africa, aims to accelerate progress toward the achievement of Education for All (EFA) and the Millennium Development Goals. It focuses on providing a sufficient number of qualified teachers in Africa through training programs.

Cote d'Ivoire, Ethiopia and Namibia have been chosen as the first-year beneficiaries of the program.

The program will also benefit five other African countries. They will be selected according to priority status in UNESCO programs in

sub-Saharan Africa, including those countries whose efforts in the EFA initiative are seriously hampered by a shortage of teachers.

## Grassland Keepers

As many as 9,400 herders have been hired in northwest China's Qinghai Province as part-time guards to protect grasslands from exploitative activities including overgrazing, officials said.

The herders will oversee 316,000 square km of grasslands before the end of the year, said Gong Aiqi from the Qinghai Provincial Department of Agriculture and Animal Husbandry.

The herders will be paid 1,400 yuan (\$225) a month. Their roles include checking livestock numbers, enforcement of cattle-reduction policies, patrols and reporting illegal grassland use.

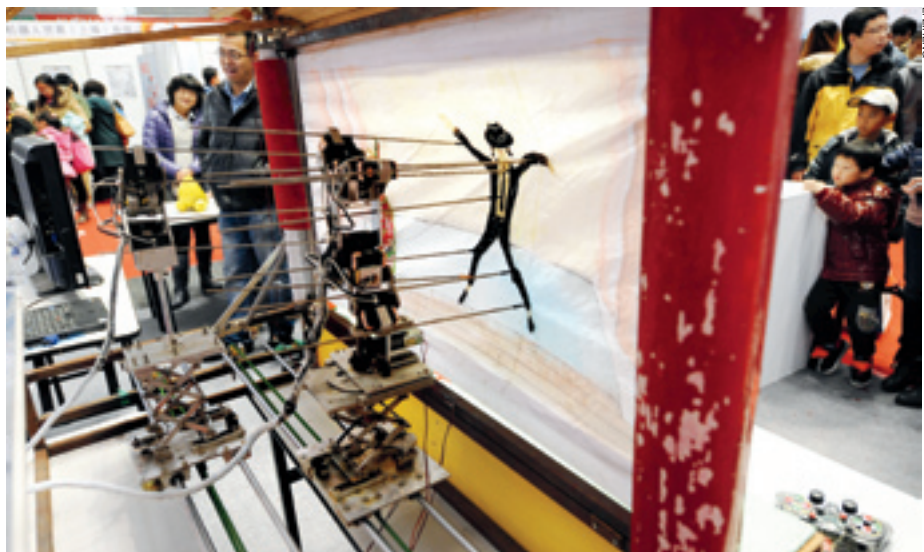
"The policy is not just about motivating herders to protect the grasslands but also a way to increase their income," Gong said.

Global warming and excessive herding have degraded Qinghai's grasslands, jeopardizing local agricultural development and the fragile ecosystem near the sources of the Yangtze, Yellow and Lancang rivers.

In 2005, local authorities embarked on a 7.5-billion-yuan (\$1.2 billion) program to restore grassland ecology, including the re-settlement of 50,000 Tibetan herders that was completed in 2011.

Over the past years, central and local governments have been adding funds to the project. This year, Qinghai earmarked 1.95 billion yuan (\$309.52 million) for subsidizing herders who have not grazed livestock on grasslands.

**STAGE ROBOTICS** A robot performs shadow puppetry during a robot show on November 25 at Qingdao University in east China's Shandong Province



## A High-Speed Era

China's high-speed rail network totaled 7,735 km at the end of October, ranking first in the world, said an official from the Ministry of Railways on November 27.

The country has made a series of breakthroughs in its high-speed rail development and in other major fields such as heavy-duty and high-altitude rail transport, the unidentified official said on the sidelines of Modern Railways 2012, an international railway exhibition hosted by the ministry in Beijing.

At the exhibition, the country's two biggest train manufacturers, China CSR Corp. Ltd. and China CNR, both displayed new models. China CSR showcased its test trains that can travel at over 500 km per hour, and China CNR exhibited its self-developed fast

intercity train, the CRH3A.

A total of 263 companies from 16 countries and regions including the United States, Germany and France participated in the exhibition.

China aims to create a high-speed railway backbone featuring four east-west lines and four north-south lines by the end of 2015, under a five-year plan on China's transport system approved by the State Council, China's cabinet.

The country's total length of high-speed railway is expected to reach about 18,000 km by 2015.

## Further Tax Cuts

China's new round of structural tax cuts is likely to benefit more than 900,000 enter-

prises nationwide, according to a working conference held in Nanjing on November 26 to discuss the country's pilot project of replacing the business tax with a value-added tax.

About 710,000 enterprises have been covered by the tax-cutting program, and another 200,000 will be included starting from December 1 this year, according to the meeting jointly held by the Ministry of Finance and the State Administration of Taxation.

Shanghai piloted the program on January 1 in an effort to decrease the overall tax burden for businesses and boost the transportation and service sectors. The program was then expanded to some provincial-level regions including Guangdong, Zhejiang and Beijing.

Tianjin and Hubei join the program in December.

The reform has effectively promoted the growth of the service sector and encouraged the development of small and micro-sized enterprises, said attendees at the meeting.

In Shanghai, the tax cut has helped reduce tax burdens by 22.5 billion yuan (\$3.57 billion) in the first 10 months, while in Beijing, the new measure has cut tax revenue by 2.5 billion yuan (\$402 million) in two months.

At the meeting, Vice Finance Minister Wang Jun said more work is needed to ensure full success of the pilot programs.

## Polysilicon Probe

The Ministry of Commerce announced on November 26 the beginning of anti-dumping and countervailing investigations into imports of solar-grade polysilicon, a material used in solar equipment manufacturing, from the United States, South Korea and the European Union (EU).

The ministry will deliver a final ruling after the probes, said the ministry on its website.

The investigation into imports from the EU will be finished before November 1, 2013, but may be extended for another six months, according to an earlier statement from the ministry.

The probe was made in response to



**NEW PLANTATION** Farmers from Jimo of east China's Shandong Province harness vertical farming technology to grow vegetable in a photovoltaic greenhouse on November 27

## Numbers

# 3.08 billion

The number of debit cards that Chinese banks had issued by the end of September, said the People's Bank of China on its website on November 26.

# 15 trillion yuan

The amount of China's total social financing in 2012, representing 26 percent of the gross domestic product in 2012, detailed a report by Barclays on November 25.



#### GREEN DEVELOPMENT

Visitors look around in the display area of solar-powered cars at the Eighth High-level Forum on Pan-PRD Regional Cooperation and Development in Haikou, Hainan Province, on November 29

requests filed by Chinese polysilicon manufacturers, including LDK Solar Co. Ltd. and the China Silicon Corp. in September, the statement said.

The case follows an anti-dumping probe into imports of solar-grade polysilicon from the United States and South Korea launched on July 20.

The statement said the ministry would combine the two cases and make a cumulative evaluation.

Customs data showed that China imported 9,300 tonnes of polysilicon from the EU in the first half of 2012, an increase of 30.8 percent from a year earlier.

However, the average price for polysilicon imports during the period dropped 47.5 percent compared to the previous year, the data showed.

### Fostering Agriculture

China wants 100 agricultural companies with annual sales exceeding 10 billion yuan (\$1.59 billion) in the next three to five years, a senior agricultural official said on November 27.

The country is also aiming to build 500

high-level agricultural demonstration bases and raise the incomes of rural households engaged in industrial agriculture by more than 4,000 yuan (\$645) annually, Minister of Agriculture Han Changfu said at a meeting.

By the end of 2011, China had had 111,000 major agricultural enterprises with sales reaching 5.7 trillion yuan (\$915.47 billion). Products made by the enterprises accounted for one third of the country's total supply, Han said.

However, he noted that the companies are not strong enough as nearly two thirds of them reported annual sales of less than 20 million yuan (\$3.21 million).

Acquisitions and mergers will be encouraged in an effort to modernize the country's agricultural sector, Han said, while calling for more favorable fiscal and tax policies to support the development of big farming firms.

### Steel Industry Recovery

China's steel industry will see a better fourth quarter and in 2013 after posting whopping losses in the first three quarters, an industry insider said.

### Boxing Champ

Chinese boxer **Xiong Chaozhong** defeated Mexico's Javier Martinez Resendiz to capture the World Boxing Council Minimumweight World Title in Kunming, southwest China's Yunnan Province, on November 24, becoming the first Chinese professional boxing world champion in history.

Xiong, 30, nicknamed "Little Tyson," grew up in Wenshan of Yunnan and had worked in a coal mine before he took up boxing at the age of 24.

Xiong is going to be apprenticed to the world-renowned boxing champion Muhammad Ali to learn more about boxing.

"As Ali is at an advanced age, he can't teach Xiong boxing skills but he can pass his boxing experiences to him," said Xiong's coach Liu Gang.



Liu Zhenjiang, Vice President of the China Iron and Steel Association (CISA), said on November 24 at a steel industry forum that most large and medium-sized steel companies have shaken off losses since October, but their main steel businesses are still suffering.

"Since the turn of this century, 2012 has been the most difficult year for China's steel industry," Liu said.

Data from the CISA showed Chinese steel companies posted a total loss of 5.5 billion yuan (\$874.32 million) from January to September, compared with a profit of 38.7 billion yuan (\$6.22 billion) during the same period last year.

Liu urged the country's steel enterprises to step up restructuring and upgrading to enhance their market competitiveness.

# 1,991.16

The level that the benchmark Shanghai Composite Index closed at on November 27, the lowest since February 2009, according to the Shanghai Stock Exchange.

# 3.4 percent

The wholesale cost growth of 18 types of vegetables monitored across 36 major cities from the previous week, said the Ministry of Commerce on November 27.



## EGYPT

Protesters gather at Tahrir Square in Cairo on November 27 in a rally against the new constitutional declaration granting the president absolute power

Police officers use shields to guard against milk being sprayed by dairy farmers during a protest in Brussels on November 26. Farmers called on political leaders to act on falling milk prices caused by overproduction in Europe



## BELGIUM



On November 25— the International Day for the Elimination of Violence Against Women—a woman walks past a wall in Rome displaying 107 figures with the names of women who were killed by men in Italy during the year

## ITALY



Workers bury a body from a garment factory fire at a graveyard in Dhaka on November 27. More than 100 people were killed in the accident

## BANGLADESH



A model presents a creation by Chinese designer Guo Pei during the Asian Couture 2012 fashion show in Singapore on November 27

## SINGAPORE

<http://www.bjreview.com>



British traveler Graham Hughes, who claims to be the first person to have visited every sovereign nation on the globe without flying, poses for a photograph in Juba on November 26. South Sudan was the last country on his list because it was not an independent country when he started his trip four years ago

## SOUTH SUDAN

COVER STORY

# ONLINE CARNIVAL

China's online sales hit a record high on November 11, offering new hope in efforts to spur domestic consumption By Zhou Xiaoyan

**W**ang Kang, a clerk at the Industrial and Commercial Bank of China (ICBC) in Beijing, spent the whole day sitting in front of her desk on November 11, trawling the Internet to buy stuff online sold at half-price. In the end, she spent over 800 yuan

(\$128.56) on clothes and shoes, and over 200 yuan (\$32.14) on household goods.

"I love shopping online. It's faster, more convenient and more economical. As long as I can find what I want through online retail sites, I won't go to real shops," said Wang.

It was no coincidence Wang spent more than usual shopping online. November 11 is dubbed Singles Day, and it means massive discounts for online shoppers in the country. The name originated with a group of university students, who drew inspiration from the date: November 11 or 11/11.

The day was adopted by China's e-commerce giant Alibaba Group in 2009 as a promotional opportunity for their Web sales, analogous to Cyber Monday in the United States. Other e-commerce players such as 360buy, suning.com, dangdang.com, and Amazon China, soon followed suit.

On this year's Singles Day, over 213 million Internet users swarmed to Taobao and Tmall, two websites operated by the Alibaba Group, headquartered in Hangzhou of east China's Zhejiang Province, for its 24-hour 50-percent-off carnival. Together the sites raked in a record 19.1 billion yuan (\$3.07 billion), up 260 percent year on year, according to a statement by Alibaba Group.

This massive online spending spree could be the biggest e-commerce sales day on record in China.

In comparison, online retail sales hit \$1.98 billion in the United States on Cyber Monday, according to Adobe Digital Index. Cyber Monday is the day after Thanksgiving

weekend and the busiest day for online retailers as U.S. shoppers prepare for Christmas.

As China's e-commerce players braced for a spending binge on Singles Day, more attention is being paid to this growing trend and its potential to facilitate domestic consumption at a time when China is working toward shifting its economy away from a reliance on manufacturing exports. Furthermore, critics contend that online shopping raises a host of problems and call for more government oversight.

## Online purchase bonanza

With online shopping popular among the younger generation, Chinese retailers are quickly moving to cash in.

"E-commerce will utterly change China's business structure," said Jack Ma, Chairman and CEO of Alibaba Group, in an interview with China Central Television. "Online shopping figures are a signal that China's economy is making a transition."

"E-commerce is one of few bright spots in China's economy now," Alibaba Group CSO Zeng Ming said at a media briefing on the sidelines of the company's annual Alifest customer convention in Hangzhou.

Alibaba Group's main shopping websites will see sales triple to 3 trillion yuan (\$481.8 billion) over the next five to seven years, as the country's online retail market continues to expand despite slower growth overall in the Chinese economy, said Zeng.

"People shopped online only occasionally in the past, but now online shopping is a lifestyle embraced by many," said Zhang Yong, President of Tmall.

Wang Lizhe, a teacher at Renmin University of China (RUC), just purchased an apartment in Beijing and plans to decorate it through purchases made online.

"Shopping online has become a habit of mine. Buying stuff for our home online will save me tons of money and take less time and energy," he said.

"When I want to buy something, I usu-



LI SHICONG



GOOD HARVEST: Staff members of Seven Princesses, a Hangzhou-based e-commerce company, celebrate surging online transactions on November 11

ally go to the store first to see the product first hand before heading online to find it at a more reasonable price. It's how I do things," said Wang Linzhe.

This dramatic lifestyle shift from offline to online shopping has been a boon for online retailers.

Total e-commerce sales revenue in 2011 stood at \$55.37 billion, up 103.7 percent year on year. The year-on-year growth rate in 2012 is estimated to be 94.1 percent, said eMarketer, a market research firm.

In the third quarter of 2012, the total transaction value of China's e-commerce market amounted to 1.99 trillion yuan (\$319.8 billion), up 21.9 percent year on year, and up 6 percent compared with the second quarter, according to a report from the Shanghai-based iResearch Consulting Group, which specializes in China's Internet industry.

In 2011, the total number of online shoppers in China stood at 187 million, representing an increase of 39 million from the previous year, according to an iResearch report.

Direct employment in China's e-commerce had topped 1.90 million people as of June 2012, and the number is expected to

reach 2.65 million by the end of this year, the report said.

### A new way for growth

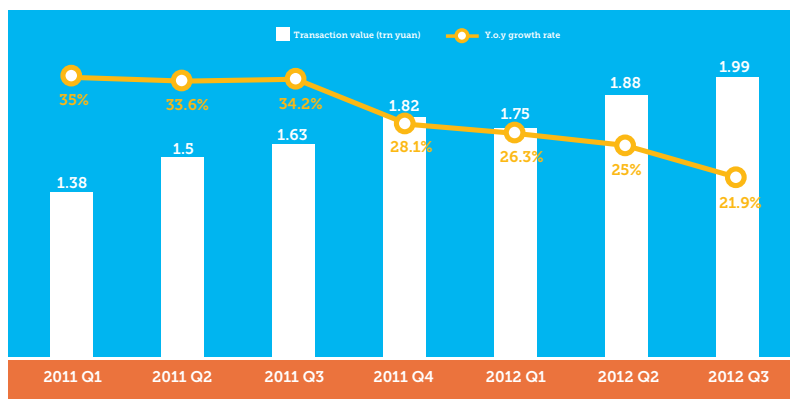
China has been trying to stimulate domestic consumption to boost growth and shift away from a substantial dependence on exports at a time when the global economy remains uncertain. The country's economy grew at a rate of 7.4 percent in the third quarter, its lowest quarterly rate in

more than three years. Amid dwindling foreign demand and shrinking foreign direct investment, domestic consumption is increasingly seen as a way to facilitate growth.

Online retail sales accounted for 4.32 percent of total sales in China last year, up from 1.16 percent in 2008, according to the Ministry of Commerce.

"The online shopping spree in Tmall proves that Chinese consumers have a huge

### Transaction Value and Growth of China's E-commerce Market



(Source: iResearch Consulting Group)

ON THE WAY: Wang Yonggang, a delivery man, eats a steamed bun on November 9, before leaving for his next destination



consumption potential,” said Tmall President Zhang. “E-commerce can better tap this immense potential and a huge revolution in consumption could be the result.”

Alibaba’s Chairman Ma said online and offline retail in China has each taken a different path of development compared to that of the traditional retailer in the United States.

“China’s retail infrastructure is not as advanced as compared to the United States, which gives e-commerce a chance to become mainstream and stimulate domestic demand, while logistics and other supporting facilities can improve and catch up,” Ma said.

One factor explaining the Singles Day’s spending binge, which generated in one day about as much revenue as three weeks worth of retail sales in Hong Kong, was an explosion in shopping among those who are usually reluctant to buy relatively higher-priced goods, Ding Ningning, a researcher at the State Council’s Development Research Center, told *China Daily*.

“It’s not that consumers can’t afford to buy things,” he said. “It’s that prices are sometimes too high, which affects people’s willingness to buy.”

Ding said that the half-off deals encourages shoppers—especially young Internet users who are often less inclined to splurge on relatively expensive items—to make purchases online.

The number of Internet users in China reached 538 million in June, and the online shoppers account for 39.3 percent of the country’s total population, said the China Internet Network Information Center.

“The rate is 70 percent in Western countries, which indicates China’s large potential for online purchasing,” said Jing Linbo, a researcher with Chinese Academy of Social Sciences.

Although exports once again rose in



HURRY UP: Parcels pile up at a station of a delivery company in east China’s Jiangsu Province, after the massive promotion on Singles Day, which falls on November 11 each year

October, China cannot be sure whether its export growth will fully recover.

“China’s economy cannot just count on hard-to-predict exports, while investment is influenced by policies and the macroeconomic environment. Thus, domestic demand carries more expectations to stimulate China’s economy,” Jing said.

## Problems remain

The recent sales carnival is a test for the country’s online payment systems and its ability to deliver products.

While the promotion helped increase the

number of online shoppers in China, many complained of glitches and other flaws while trying to pay for their transactions.

Wu Liying, a bank employee in Hangzhou, worked overnight to avoid any collapse of the banking system.

“It was too hustle and bustle,” Wu told Xinhua News Agency. “The scale exceeded the daily volume, which brought great challenges to our system.”

Payment channels at some banks appeared to falter, just as they did last year on the same day.

Although Alipay.com—Alibaba’s payment platform connecting the website to



Day this year,” Wang Linzhe told *Beijing Review*. “All websites were way too busy.”

The event has also triggered a busy day for the logistics industry.

“I only slept two hours at night. Some online shops needed to start deliveries at 3 a.m.,” said Wang Yunda, a courier at Shentong Express in Hangzhou.

Last year, 20 million packages were delivered with some customers having to wait three months for their goods.

Delivery companies were naturally busier this year.

Shentong Express had 8 million packages, Yuantong Express had 7 million, and ZTO Express had 4.7 million orders to deliver. Parcels piled up at their delivery stations after Singles Day, and the workload for delivery staff was 30 percent higher than usual.

A lack of consumer rights poses another problem for the future development of online shopping. Shoppers’ rights are often infringed upon due to counterfeit products, a lack of after-sales service and minimal laws and regulations in place to guide the field.

In late November 2012, *China Youth Daily* conducted a survey with sohu.com, which found that 96.5 percent of the 1,343 respondents had their consumer rights violated while shopping online.

“I once bought an OPPO bathroom heat lamp on Taobao.com and then called OPPO’s after-sales department for installation. As soon as they learned I bought the lamp from an online store, they refused to offer me any help,” said Wang Linzhe.

“Online shopping is not suitable for all. For people who don’t know how to maintain online security, you could lose your money. My parents would never shop online because they are so afraid of the risks,” said Wang Kang.

The government needs to expeditiously regulate the e-commerce, Professor Mei Shaozu, Deputy Director of the E-Commerce Panel under the Chinese Institute of Electronics, told the *China Youth Daily*. “Most countries in the world have laws on e-commerce, and so China should accelerate its pace in formulating stringent laws and regulations for this field.” ■

## Top Players on Singles Day

- Half-off online sales on **Taobao** and **Tmall** drew in 213 million netizens, bringing about a record of 19.1 billion yuan (\$3.07 billion) in turnover. Among the total, 13.2 billion yuan (\$2.12 billion) was pocketed by Tmall, the Business-to-Consumer (B2C) platform and 5.9 billion (\$948.1 million) went to Taobao, the Consumer-to-Consumer (C2C) sales website.
- **360buy.com** saw 4.5 million transactions worth of over 2.5 billion yuan (\$402.3 million).

● **E-Commerce China Dangdang Inc.**, a U.S.-listed online retailer, had over 100 million yuan in sales (\$16.09 million).

● **Suning.com** of Suning Appliance took in 1.7 million orders, 20 times more compared to last year.

● Tencent Holdings Ltd.’s **51buy.com** said its sales exceeded 120 million yuan (\$19.3 million), more than 10 times its sales last year.

● **Coo8.com** received 260,000 orders worth of a record high of 240 million yuan (\$38.62 million), almost 11 times more than its daily turnover.

(Data compiled by *Beijing Review*)

banks—has had a project team in place since August, it nonetheless experienced problems when trying to process payments from the China Construction Bank because of a high volume of customers.

The Bank of China and the ICBC experienced a similar fate.

Transactions through the China Construction Bank were so high during the overnight period that its system completely failed from 1:15 a.m. to 2:00 a.m. in branches in Beijing and southwest China’s Sichuan Province.

“I wasn’t able to buy anything on Singles

(With Corrie Dosh reporting from New York City)

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China Accreditation Test for Translators and Interpreters (CATTI)



China International Publishing Group is responsible for organizing, implementing and administering the test under the guidance of the Ministry of Human Resources and Social Security



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