

A LOOK BACK AT 2012 P.14.22.30

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## A ROADMAP FOR CHANGE

China takes a more prudent approach to economic growth

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## Pushing Quality Growth

As usual, China's annual Central Economic Work Conference, which was held on December 15-16, reviewed developments in the past year and outlined goals for the next. But this year's conference grabbed special attention because it was the first of its kind since the new leadership of the ruling Communist Party of China came to power in November.

A shift of focus from speed to quality in economic growth and a call for reform were the messages emitted from the conference.

The new leaders pledged to stick to the guideline of transforming the country's growth model while maintaining economic stability. They also emphasized that next year's focus should be enhancing the quality and efficiency of economic growth.

It's the first time that the quality of economic growth as opposed to its speed became a policy focus. In fact, the idea of quality growth was already on the minds of policymakers in the past, but stable and relatively fast growth had to be prioritized amid a global economic downturn.

The shift suggests the country is prepared for slower growth as it lays the foundation for sustainable development. Although the lackluster world economy continues to dampen China's exports, the new leaders see this as an opportunity for the country to expand domestic demand, encourage innovation and transform its growth model.

While maintaining steady growth and transforming the growth model is to enhance the quality and efficiency of future development, leaders at the conference emphasized that the key is to deepen economic reforms.

The stress on reform echoed the message by the Party's top leader Xi Jinping while on a tour to the southern province of Guangdong, the frontier of China's reform and opening up.

But in order to pursue reform, the new leaders have to tackle problems from the past. Implementing one measure may affect the interests of many parties. Solving one problem may involve many others. Therefore, greater political courage and wisdom are needed, which the new leaders understand.

Leaders at the conference also pledged to put forward an overall scheme, a roadmap and a timetable to illustrate their determination in taking concrete action.

The conference only proposed outlines. Specific policies are to be discussed and adopted at the annual session of the National People's Congress in March 2013.

However, signals sent from the conference have already raised expectations of substantial changes ahead for the economy. ■

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## Merry Christmas!

A huge fir tree goes up at the north end of Qianmen Street, south of Tiananmen Square in Beijing, on December 18.

Many shopping malls and restaurants across the country are decorated with Christmas trees, with Santa Clause greeting customers at the entrance and songs such as *Jingle Bells* gracing their ears. Even a few Chinese are buying Christmas decorations to adorn their homes for the Western holiday.

**“December 21 marks the winter solstice and a change of seasons. The day is short and the night is long, but it’s a normal, natural event.”**

Yang Guang, an astronomer at the National Astronomical Observatories satellite station in Changchun, northeast China’s Jilin Province, responding on December 16 to the doomsday rumor which has spread across China, causing social unrest and panic buying

**“With more young people turning to American television, Chinese-made rivals are losing out on the market and may face a bleak future if no measures are taken.”**

Li Shengli, a professor at the Communication University of China, on December 18 urging the government to broadcast live programming to better interact with the audience, in response to increasing predilections for Western TV dramas over homemade programs among Chinese youth

**“In 25 years, the country’s average housing price will rise to around \$14,285 per square meter while the figure for Beijing will surge to \$126,984.”**

Dong Fan, a professor at the School of Management and Director of the Real Estate Research Institute of Beijing Normal University, in a microblog post on December 16

**“Only one third of those who die of cancer do so due to ineffective treatment, with one third scared to death and one third dying of over-medication. Since people can live with high blood pressure and diabetes, why can’t they live with a tumor?”**

Zhi Xiuyi, a professor with the lung cancer treatment center of Xuanwu Hospital of Capital Medical University, at a medical forum in Guangzhou, south China’s Guangdong Province, on December 18

### Correction

*Beijing Review* regrets an error on page 3 of the issue No.51 of 2012. The first paragraph of the photo caption should read: “Chinese writer Mo Yan (center), the winner of the 2012 Nobel Prize for Literature, discusses literature at a seminar in Stockholm, Sweden, on December 12.” The woman on the left is not Anna Gustafsson Chen.



**SUCCESSFUL LAUNCH** A Long March carrier rocket carrying the Turkish Gokturk-2 Earth observation satellite blasts off at the Jiuquan Satellite Launch Center in Gansu Province on December 19. China sent 28 satellites or spacecraft into space this year

## Rumormongers Detained

More than 600 members of the Almighty God cult across China had been detained by the police for spreading rumors of an impending apocalypse on December 21, Xinhua News Agency reported.

Most of the cult members apprehended by the police were detained for five to 10 days for disturbing social order, in accordance with the Regulations on Administrative Penalties for Public Security.

“Most of the cult’s members are unemployed people in urban areas or low-income groups hit by illness or disaster. People in their 40s make up the majority,” said Ma Qiang, an officer with the Qinghai Provincial Public Security Department.

The sect, sometimes known as Eastern Lightning, claims to be an offshoot of Christianity, but would be barely recognizable to Western Christians. Founded in 1990 in central China’s Henan Province, it states that Jesus has been resurrected as a Chinese woman.

“There are no records and explanations of doomsday in Christian doctrines, which

differentiates Christianity from the cult,” said Tong Ping’an, head of the Qinghai Provincial Christianity Association.

Tales of a female Jesus and a Great Red Dragon, have been used to convert people to the cult, distort the Bible, cause panic and disrupt the normal religious order, according to Tong.

## Deep Space Probe

China’s space probe *Chang’e-2* has scanned the surface of an asteroid approximately 7 million km away from Earth, announced the State Administration of Science, Technology and Industry for National Defense of China on December 15.

*Chang’e-2* passed by Toutatis, named after a Celtic god, on December 13 at 4:30 p.m. Beijing time, according to a statement of the administration.

The probe came as close as 3.2 km from Toutatis and took pictures of the asteroid at a relative velocity of 10.73 km per second. It was the first time a spacecraft from Earth has come so close to the asteroid.

Before China, only the United States, the

EU and Japan were able to examine an asteroid using a spacecraft.

Sources with the administration said that *Chang’e-2* is continuing its deep space travel and will reach a distance of more than 10 million km away from Earth in January 2013.

*Chang’e-2* was launched on October 1, 2010 and later orbited the moon to finish a more extensive probe than its predecessor *Chang’e-1*.

## TCM Research Center

The China Academy of Chinese Medical Sciences on December 18 established a research center for traditional Chinese medicine (TCM) resources.

Research results are expected to help the government and TCM industry insiders have a better understanding of the country’s herbal resources.

Wang Guoqiang, Vice Minister of Health and Director of the State Administration of TCM, said at the center’s inauguration that herbal resources have become increasingly scarce in China due to profit-driven over-exploitation.

Wang identified a lack of overall planning in exploitation and protection, which should be based on scientific research and survey, as an outstanding problem for the development of TCM.

China conducted a nationwide survey of

**SHINING STAGE** Dancers perform at the opening ceremony of the Seventh China Beijing International Cultural & Creative Industry Expo, which kicked off on December 19



## Swimming Grand Slam

**Ye Shiwen**, a 16-year-old swimmer, won the women’s 200-meter individual medley on December 15 at the Istanbul 2012 Short Course World Championships, becoming the first Chinese to grab gold at the Asian Games, Olympics as well as short- and long-course world championships.

She won the 200-meter individual medley at the 2011 World Aquatic Championships in Shanghai alongside the 200-meter and 400-meter individual medleys at the 2010 Asian Games in Guangzhou, Guangdong Province. Ye also scooped the 200-meter individual medley title at the 2012 London Olympics, breaking the record.

Born in Hangzhou, east China’s Zhejiang Province, Ye began swimming at 6. She joined the Zhejiang provincial team in 2007 and China’s national team in 2010.





herbal resources in 2011, which covered their distribution, production and natural environment.

## AIDS Fund

The Warm China 12.1 fund has benefited some 15,749 AIDS-affected children, according to a statement released on December 16 by the All-China Women's Federation, a joint supervisor of the fund.

The fund started in 2008 and is providing an annual allowance of 1,000 yuan (\$160) for each eligible child. "It is available to orphans with AIDS and children in extreme poverty caused by the disease in more than 300 counties in 15 provincial-level regions across China," said the statement.

The charter of the fund provides that the money should be used to guarantee the orphans' access to normal living and learning conditions during nine years of compulsory education.

The focus of the fund also includes pairing orphans with volunteer families and other community-based activities.

In the latest National Human Rights Action Plan, the Chinese Government pledged to guarantee the rights to life, education, health care and other rights of AIDS-affected children.

According to the Ministry of Health, 17,740 AIDS-related deaths were reported in China from January to October, a year-on-year increase of 8.6 percent.

## New Lab

China established a state-level lab in Beijing on December 18 to develop technologies to minimize the damage of nuclear and biochemical disasters on human health and the environment.

The lab will focus on technologies that can evaluate and monitor damage, protect people, facilities and the environment in the event of nuclear and biochemical disasters, and repair the damage, said Pei Chengxin, the lab's director.

The lab is attached to an institute under the People's Liberation Army (PLA) General Armament Department, which has developed several key technologies for civilian use in monitoring poisonous gas and biochemical threats.

With the support of military research, the lab is expected to develop related technologies for civilian use and train more scientists in this field, Pei said.

The new lab also merges a state-level laboratory of analytic chemistry, a PLA institute on environmental science and a lab on chemical warfare protection.

**HAPPY SAMA** People of the Dong ethnic group dress as bulls to celebrate the Sama Festival, a traditional event commemorating their ancestral matriarchs in southwest China's Guizhou Province on December 18



**SETTING OFF**  
The 25 Braves Antarctic exploration team toasts with Chinese spirits before leaving an Antarctic base for China's Kunlun Station on December 16

## Pollution Control

Out of concern for its air quality, Beijing has stepped up efforts to phase out old and highly polluting motor vehicles, the local environmental watchdog said on December 18.

A total of 515,000 obsolete motor vehicles have been taken off the city's roads over the past two years, exceeding the goal of removing 400,000 such vehicles that was set in a municipal five-year plan (2011-15), according to the Beijing Municipal Environmental Protection Bureau.

Motor vehicles contribute to about 22.2 percent of a city's PM2.5 data, a gauge monitoring fine airborne particles 2.5 microns or less in diameter, and old vehicles release more

pollutants, said Fang Li, a spokesman for the bureau, citing an analysis of the city's pollution sources.

Beijing suffers from poor air quality, with this year's average PM2.5 data reaching 70-80 micrograms per cubic meter, twice the regulated standard of 35 micrograms per cubic meter.

Fang said that motor vehicles that have been in use for more than eight years account for about 20 percent of the city's car population, but they create more than 60 percent of the air pollution.

According to a municipal plan on air pollution control, Beijing hopes to implement the stricter State VI emissions standard, which is equivalent to the Euro VI standard, by 2016.

## An Alarming Trend

More Chinese will emigrate overseas in the coming years, leaving behind potential risks to the country's economy, according to a report.

According to the Annual Report on Chinese International Migration 2012, jointly released by the Center for China and Globalization and the Beijing Institute of Technology on December 17, the main factors driving such emigration include a pursuit of better education, safer investment environments and improved quality of life.

According to the report, there were more than 45 million overseas Chinese in 2010, the world's greatest population of emigrants.

In 2011, a total of 150,000-plus Chinese gained permanent residency in major emigration destinations, with the United States, Canada and Australia as the top three countries of choice, said the report.

It noted that the trend is likely to bring losses to the country in terms of assets and talent, pose obstacles to China's supervision over non-performing assets and complicate the development of its economy.

The United States was the top destination for Chinese emigrants and some 87,000 permanent residence permits were granted in 2011. Of these, 3,340 were approved through investment.

China is one of the major sources of investment immigration for Canada, and Chinese applicants accounted for 75 percent of the North American country's investment immigration in the past three years, according to the report.

## Home Prices Rise

More Chinese cities saw home prices rise month on month in November amid government measures to cool the sector, the National Bureau of Statistics said on December 18.

In November, 53 out of a statistical pool of 70 major cities recorded higher new home prices month on month.

Prices in 10 cities declined in November, and those in the other seven were unchanged.

On a year-on-year basis, 25 cities saw rises in new home prices in November, up from 12 in October. Prices in 41 cities dropped year

on year, down from 56 in October.

The property market has shown signs of warming up in recent months, after the central bank cut both interest rates and reserve requirement ratios twice earlier this year to buoy the economy.

The government will continue its property market controls next year, according to a statement released after the Central Economic Work Conference, held on December 15-16.

## Credit Rating Maintained

China's domestic rating agency Dagong Global Credit Rating Co. Ltd. announced on December 18 that it would maintain the local currency credit rating for the country at AA+.

It also decided to maintain China's foreign currency credit rating at AAA with a stable outlook, according to its report.

China's economy has turned toward comprehensive structural adjustments, with "clear growth prospects" in the mid- and long-term, Dagong said.

The agency said the financial risks following the country's large-scale credit expansion in 2009 have been gradually resolved.

In the short-term, China's macro-policies will focus on enhancing the quality of growth and digesting potential risks in the economy, the agency said.

It foresees the GDP growth this year at 7.8 percent and 8.5 percent in 2013 and annual growth rate for the 2011-20 period will average 8 percent.

## Agricultural Exports Slows

Despite a rebound in farm exports over the past three months, China's top agricultural export province expects to register flat or negative growth for the whole year due to sluggish global demand and surging costs.

Exports of agricultural products from Shandong Province, which account for a quarter of the country's total exports, reached



**ON THE WAY** A bullet train leaves a railway station of Zhenzhou, capital of central China's Henan Province. The Beijing-Zhengzhou section will open on December 26, completing the high-speed railway linking Beijing and Guangzhou, capital of southern Guangdong Province

## Numbers

# 411,000

The number of overseas tourists that have stayed in Beijing for at least one night in November, according to the Beijing Municipal Tourism Committee.

# 4

The number of patents that China CNR Corp., the country's second largest train maker, has been granted by the United States Patent and Trademark Office.





**CONTROLLING FROM AFAR** A worker conducts a final check on December 19 before the first 100-kw unmanned transformer substation in Shunchang County, Fujian Province, is put into use

\$13.6 billion in the first 11 months, down 2 percent year on year, according to the provincial department of agriculture on December 18.

Dwindling demand in major markets, soaring prices, market competition from Southeast Asian nations and mounting trade frictions have all weighed upon Shandong's agricultural exports, said Zhang Li, an official with the department.

"If the growth rate in December is flat from November, our total exports in 2012 will exceed \$15 billion, roughly the same as last year," Zhang said. The fourth quarter is traditionally the hot season for agricultural exports, as market demand usually picks up between Christmas and the Spring Festival.

Meanwhile, national data indicate slow growth in China's farm exports this year. Such exports rose 4.5 percent year on year to \$50.6 billion in the first 10 months, while imports surged 23.7 percent to \$92.3 billion, said the Ministry of Agriculture.

## Job Targets Fulfilled

In the first 11 months of this year, 12.02 million new jobs were created in China, surpassing the goal of 9 million, the Ministry of Human Resources and Social Security said on December 18.

The urban unemployment rate stood at 4.1 percent at the end of September, below the annual target of 4.6 percent, said Minister Yin Weimin.

The employment situation has been better than expected this year amid the backdrop of a slowing global economic recovery and downward pressures weighing on the domestic market, Yin said while addressing a national human resources and social security work conference.

In the first half of 2012, employment in cities located in the country's central and western regions expanded 9 percent and 14 percent, respectively, according to the ministry.

Yin also said that in 2013 China would

## Famed Female Conductor

**Zheng Xiaoying**, China's first female opera and symphony orchestra conductor, received the 2012 Chinese Culture Figure title alongside nine other contenders on December 12. She won the title for her contribution to conducting and music education.

Zheng attended the Central Conservatory of Music (CCM) where she followed courses in composition and conducting in 1952. She subsequently studied at the Moscow Conservatory from 1960 to 1963. After returning to China, she first taught at the Conducting Department of the CCM, then went on to become the chief conductor of China National Opera House.

She has led world famous works such as *Carmen*, *Madama Butterfly* and *Le Nozze di Figaro* with great success. Invited to conduct and lecture in over 20 countries, Zheng has won numerous awards at home and abroad, including the Honorary

Medal of French Literature and Arts in 1985.



Although she is currently 83 years old, Zheng is still active on stage and keen to promote operas among the Chinese public.

not abandon its goal to create at least 9 million new urban jobs and keep unemployment below 4.6 percent.

The focus of next year's work, according to Yin, will still be employment for college graduates, a growing population that has hit 6.8 million this year.

# 44

The number of additional tariff items for 2013, which include hydrogen selenide, biological insecticides, refuse incinerators and concrete pump trucks, according to the Ministry of Finance.

# 2 million

The number of iPhone 5 sold in the mainland market in the three days following the product's launch on December 14.



North Koreans stand in silent tribute in Pyongyang on December 17 in memory of late leader Kim Jong II, who died a year earlier

## NORTH KOREA



A woman casts her vote in a referendum on a new Constitution supported by ruling Islamists but bitterly contested by liberals at a polling station in Cairo on December 15

## EGYPT







## THE UNITED STATES

People pay their respects at a makeshift shrine to the victims of the Sandy Hook Elementary School shooting in Newtown, Connecticut, on December 16. Two days earlier, a young man shot and killed 20 children and six teachers after opening fire at the school

XINHUA/AF

## UKRAINE

Homeless people warm themselves by an iron stove in a tent set up by the government in the industrial city of Donetsk on December 18. Many people died from extreme cold as the temperature dropped below minus 20 degrees Celsius



XINHUA/AF

## MALAYSIA

A diver clad in a Santa Claus outfit feeds fish inside a tank at Aquaria KLCC in Kuala Lumpur on December 14



XINHUA/AF



XINHUA/AF

## COLOMBIA

Police officers stand guard after seizing 1,500 kg of cocaine packages in north Colombia's Cartagena on December 17

COVER STORY

# ADVANCING ECONOMIC

China's leaders set the tone for 2013 By Lan Xinzhen



A HEARTY CHAT: Xi Jinping, General Secretary of the CPC Central Committee, listens to a report on the research and development of a new type of aircraft at the Zhuhai base of China Aviation Industry General Aircraft Co. Ltd. He paid his first inspection tour as the new Party leader to south China's Guangdong Province on December 7-11



# C REFORMS



IAN HONGSIANG

**W**hat kind of economic policies will China adopt in 2013? Will any significant economic reforms be realized? These are among the questions on the minds of China-watchers following the country's once-in-a-decade leadership transition. The Central Economic Work Conference (CEWC) held in Beijing on December 15-16 provided the answers: China will further expand reform and opening up and continue its macroeconomic policies, but in a prudent manner described as "active and steady."

The CEWC is held at the end of each year to discuss issues in the domestic and international economies and map out plans for the following year. The meeting this year attracted more attention than usual because of the presence of the country's new top leaders and a rebound in economic growth.

The CEWC concluded that the global economic situation would continue to be turbulent. The global economy is expected to maintain low growth, various forms of protectionism will resume and the pressure of potential inflation and asset bubbles will expand. The global economy has entered a period of profound transition from a period of fast growth in the pre-crisis years.

Expanding domestic demand, improving innovation and continuing the transformation of the country's economic growth pattern will present new opportunities for China's economy.

Zhang Liqun, a macroeconomic researcher at the State Council's Development Research Center, said the new leaders are very confident about economic development in 2013 and believe the Chinese economy is likely to maintain steady growth.

## Breakthroughs for reform

"Reform" was the main buzz word at this year's CEWC. Xi Jinping, General Secretary

of the Central Committee of the Communist Party of China (CPC), said at the conference that China should maintain a market economy and said that further reform needs "greater political courage and wisdom."

Vice Premier Li Keqiang said that reforms are a major plus for China. Reforms, he said, would not only bring in fresh ideas but would ensure that vested interests would not dominate the economy.

"This shows the resolution of the Central Committee of the Party," said Lian Ping, chief economist of Bank of Communications. "The terms used throughout the conference, such as 'overall scheme,' 'roadmap' and 'timetable' for the reform, are inspiring and indicate that future reforms will not be confined to small matters, but are focused on major issues."

The Chinese economy is facing immense difficulties in pursuing its economic reforms and readjusting its growth structure, Lian said. Reforms can only be implemented if there are changes to the country's wealth distribution and financial system, if monopolies are broken up and if the household registration system, or *hukou*, is overhauled.

Such grand changes must come from the top, and leaders have already signaled their openness to expand reforms.

Upon his election as general secretary of the CPC Central Committee, Xi paid his first inspection tour to south China's Guangdong Province, the bellwether of China's reform and opening up over three decades ago. From December 7-11, he visited cities of Shenzhen, Zhuhai, Shunde and Guangzhou, where he dropped in on families, held seminars and deliberated upon a new round of economic reform needed for today's China.

In Shenzhen, Xi also laid a basket of flowers at the statue of Deng Xiaoping, who ushered in a new wave of economic reforms and opening up that transformed China into an economic powerhouse. ►►

Wang Yukai, a professor at the Chinese Academy of Governance, thought Xi's tour in south China could also signal a new wave of reform as significant as that of Deng's in 1992.

"Xi's tour illustrates to the world that the country's new leaders will follow down a path of reform and opening up initially put forward by Deng," Wang said. Without Deng's reforms, he added, China would not be where it is today.

Chen Yao, a researcher with the Institute of Industrial Economics at the Chinese Academy of Social Sciences (CASS), said previous reforms were analogous to "crossing the river by touching the stones." This time around, Chen said, the CPC Central Committee is stressing foresighted reform planning.

A roadmap and timetable for a new round of reforms are expected to be released in March next year during the session of the National People's Congress.

## Steady advancement

The CEWC stressed the need to "actively and steadily" press ahead.

Zhang said that the Chinese economy is experiencing two significant changes: a move from high-speed growth to stable growth; and from an expansion of scale to development based on quality and efficiency, adding that the government is taking an "active and steady" approach to ensure the changes continue.

"Steady" refers to stabilizing economic growth and price levels, while "active" refers to pushing forward economic restructuring and the pursuit of high-quality economic growth, said Zhang.

Since the fourth quarter of 2010, economic growth was in steady decline for seven consecutive quarters. Although growth appears to be rebounding, Zhang said the foundation for stronger growth remains weak.

The biggest problem in the Chinese economy is not the speed of growth but its quality and efficiency. If the problem of quality and efficiency cannot be fundamentally solved,

the Chinese economy will be in a state of instability, says Yao Jingyuan, a researcher with the Counselors' Office of the State Council, in an interview with Xinhua News Agency.

To ensure stable economic growth, the CEWC decided to maintain a proactive fiscal



MAPPING OUT ECONOMIC POLICY: Xi Jinping addresses the Central Economic Work Conference held in Beijing on December 15-16

policy and prudent monetary policy in 2013 to make counter-cyclical regulations and advance economic restructuring.

The policies will carry on from 2012 but with new conditions. Tax reform and structural tax reductions will be included in the country's fiscal policy. Regarding monetary policy, the government will now focus on controlling the rate at which it prints money.

Liu Shangxi, Deputy Director of the Fiscal Science Research Center at the Ministry of Finance, said that although uncertainties

in the global economy could hinder China's growth, any impact wouldn't be so great as in 2008-09. Therefore, in terms of fiscal policy, there is no need for China to formulate such expansionary measures.

A structural tax reduction will become a major component of China's fiscal policy in 2013, said Liu. Currently, China is carrying out an experiment transforming the business tax to a value-added tax, which could have a marked effect on reducing the tax burdens on companies. This is a significant step forward in improving the country's tax system, said Liu.

Yuan Gangming, a researcher with the Institute of Economics at the CASS, predicted that in 2013 China will expand its financing scale and maintain its credit growth.

Since 2011, the Chinese Government lowered the rate at which it issues its currency from 16 percent in 2010 to 14 percent in order to control inflation. In 2012, China's growth of consumer price index was much lower than in the previous year, reaching 1.9 percent in October, the lowest in the past decade. Yuan said that as long as inflation remains under control, the government may raise its rate of currency issuance back to 16 percent in 2013. "This is a reasonable level," he said.

The Central Government is likely to adopt measures such as lowering the reserve requirement ratio, Yuan added, but the key point of a prudent monetary

policy is to control the speed of currency growth and enhance the flexibility of monetary policy.

Since the United States, the EU and Japan are experiencing slow growth, China's foreign trade has been encumbered. When fixed assets investments start to grow rapidly, the Chinese Government has pushed domestic demand as the major stimulus for economic growth.

The CEWC emphasized expanding domestic demand and promoting consumption so as to stimulate economic growth.





PICKING UP GROWTH: A worker at Taiyuan Iron and Steel (Group) Co. Ltd. hoists stainless steel rolls. The group sees growth despite the industry being hit hard

This conference also emphasized urbanization as a means to stimulate consumption growth. The country will gradually advance urbanization while ensuring that a population shift from rural to urban is done in an orderly fashion.

In 2011, China's urban population accounted for 51.27 of the total. According

to a report released by the CASS, China's urbanization rate will surpass 60 percent by 2020. Every percentage point of urbanization growth equates to roughly 10 million rural residents moving from the countryside to the city and involves trillions of yuan in investment to stimulate domestic demand and increase consumption.

"By pressing urbanization ahead, the country can drive up both investment and consumption. Urbanization is key in promoting sustainable and steady economic growth in China," Lian said. ■

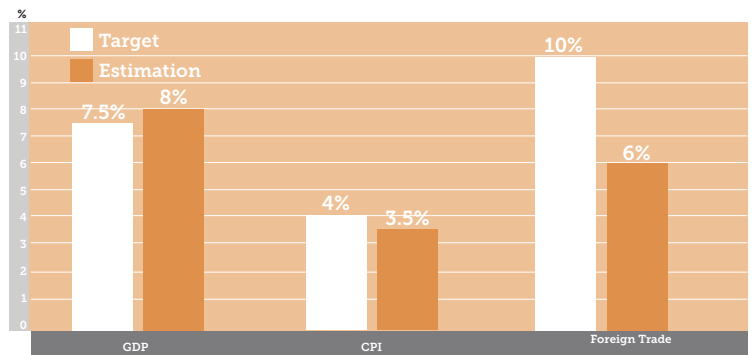
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## Major Tasks for 2013

- Improving macro-control and promoting sustainable and sound economic development
- Ensuring a steady supply of farm produce
- Accelerating the adjustment of the country's industrial structure and improving its overall industrial quality
- Pressing urbanization forward and focusing on improving its quality
- Strengthening the social security system and improving people's livelihood
- Comprehensively deepening economic reforms and expanding opening up

(Source: Statement of the Central Economic Work Conference)

## Goals vs. Results 2012



(Note: Estimations are based on January-November figures released by the National Bureau of Statistics.)



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