

NATION: HIGH-INCOME HOPES **P.20**

NATION: PREPARING THE MILITARY **P.24**

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A TOAST TO THE FUTURE

China-Russia relations bear fruit

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North America Bureau
Chief: Huang Wei
Deputy Chief: Xu Tao
Tel/Fax: 1-201-792-0334
E-mail: wei298@hotmail.com

Africa Bureau
Chief: Li Jianguo
Africa Managing Editor: Francisco Little
Tel: 27-71-6132053
E-mail: casa201208@hotmail.com

General Editorial Office
Tel: 86-10-68996252
Fax: 86-10-68326628
English Edition
Tel: 86-10-68996259
Advertising Department
Tel: 86-10-68995813
E-mail: ad@bjreview.com.cn
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↓ EDITOR

Future-Oriented Ties

New Chinese President Xi Jinping's visit to Moscow, his maiden overseas trip since he was elected earlier in March during the country's once-a-decade leadership transition, was widely seen as a testament to the robust strategic partnership of coordination between China and Russia. It also provided an opportunity for the two neighbors to ponder the future and raise their bilateral relationship to a new high.

Both Xi and Russian President Vladimir Putin reaffirmed their commitment to a strong political bond. After experiencing ups and downs over the past six decades, the Sino-Russian relationship has moved into an unprecedented stage in which the two countries share common aspirations for development as well as for a fairer and more equitable international order, concepts that feature prominently in their respective foreign policies. Given these essential strategic agreements, bilateral relations have enjoyed uninterrupted growth in recent years. The fact that Russia was the first country Xi visited after taking office once again underscores the special significance of the two countries' partnership.

This partnership, however, should not be interpreted from a Cold War perspective. It is special precisely because the two countries have done away with a Cold War mentality in a bid to forge a forward-looking relationship aimed at delivering benefits to their peoples and promoting global justice.

As they translate political will into concrete actions, their cooperation has flourished across the board. On a bilateral level, China and Russia have set about upgrading their collaboration with a focus on burgeoning areas such as cutting-edge aviation and space technology, building upon accomplishments in a wide range of sectors, most notably energy. Likewise, in the international arena, their coordination on hotspot issues, including the Syrian crisis and nuclear issues in Iran and North Korea, has helped boost efforts to seek more balanced solutions.

The future of this dynamic partnership lies in the hands of their peoples. One of the highlights of Xi's visit was the inauguration of the Year of Chinese Tourism in Russia, an event designed to familiarize everyday Russians with China. As the Chinese and Russians recognize the importance of becoming lasting friends, Sino-Russian ties are bound to scale new heights. ■

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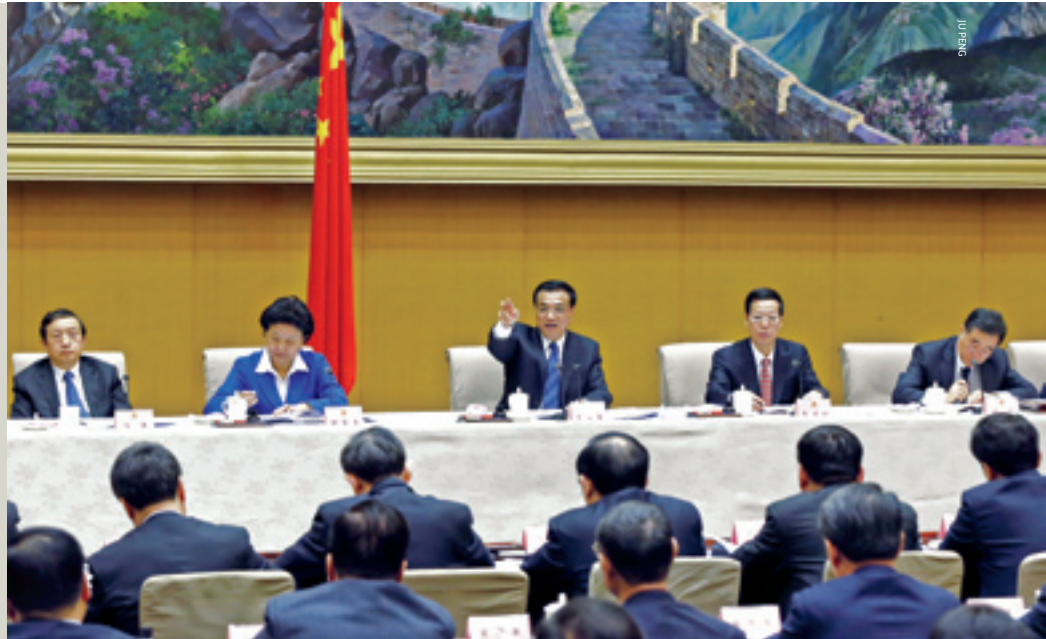
British footballer David Beckham engages students from Beijing No. 2 High School on March 20 during his six-day tour in China to promote the development of football. The star was invited by the Chinese Football Association to serve as ambassador for the local youth football program and the Chinese Super League.

New Start

Premier Li Keqiang presides over the first plenary meeting of the newly elected State Council, China's cabinet, in Beijing on March 20.

The transformation of government functions will be its first task, Li said. While enhancing macro-level administration, government departments should let go of micro-administrative matters and let the market or society decide, he added.

The event marked the official start of the Central Government's new term in office, following election at China's annual parliamentary session earlier this month.



Low-Carbon Certification

China will build a unified certification system for low-carbon products as part of efforts to boost consumption of environmentally friendly goods, said the country's top economic planner.

An independent third-party agency will assess the carbon footprint of products and services and grant low-carbon certificates to those that have met certain requirements, according to a document issued on March 21 by the National

Development and Reform Commission.

The commission will then issue a catalogue of certified products and an identification mark will be printed on the products' packaging, the document said.

The certification scheme is being piloted in the provincial regions of Guangdong, Chongqing and Hubei.

By the end of 2015, China aims to lower its energy consumption per 10,000 yuan (\$1,608) of GDP by 16 percent from 2010 and lower its carbon dioxide emissions per 10,000 yuan of GDP by 17 percent.



OD Regulation

To better protect workers' rights, China has revised a regulation on occupational diseases that ensures more efficient diagnostic procedures.

The revised Regulation on Diagnosing and Authenticating Occupational Diseases, released on March 18 by the National Health and Family Planning Commission, allows employees to choose from more health institutions for identifying occupational diseases and simplifies the procedures for official confirmation of diagnoses.

Meanwhile, the regulation stipulates that employers are responsible for presenting evidence on occupational disease-related conflicts with their employees, and local industrial safety watchdogs should assist employees in urging

employers to do so.

Some 779,849 cases of occupational diseases had been reported in China by the end of 2011. Last year, the country officially recognized 562 institutions to diagnose such diseases.

The revised regulation will take effect on April 10.

Ethnic Publishing

A book collection on the study of languages of Chinese ethnic minorities has been published to boost the country's linguistic diversity, the Chinese Academy of Social Sciences (CASS) said on March 18.

The three-volume book, the first of its kind, covers research findings introduced since the founding of the People's Republic of China in 1949, the academy said.

The work took more than a decade to complete through joint efforts by three generations of linguists, according to the academy.

"The publication has promoted the study of ethnic languages, and also played a good role in protecting endangered languages and boosting the country's linguistic diversity," said Chao Ke, Deputy Director of the Bureau of Scientific



FRESH AND GREEN

A tea farmer presents a handful of freshly picked tea leaves at the Lushan Yunwu Tea Base in Jiujiang, Jiangxi Province, on March 18. Tea leaves picked during spring are reputed to have the best flavor



CAPPED WHITE

A man takes photos of snow-blanketed trees at the Temple of Heaven in Beijing on March 20

Research Management of CASS.

China's 55 ethnic minorities use about 100 spoken languages and dozens of written forms belonging to the Sino-Tibetan, Altaic, Indo-European and Austro-Asiatic language families.

Quake Warning System

The Chengdu Hi-Tech Disaster Mitigation Institute in southwest China's Sichuan Province is now home to the world's largest earthquake warning system, according to head of the institute on March 18.

The system was developed with both domestic and foreign technologies, said Wang Tun, director of the institute.

The system covers an area of 400,000 square km, bigger than the 377,000-square-km warning system in Japan. It is made up of 1,213 monitoring instruments and warning centers in eight provinces including Gansu, Shaanxi, Sichuan and Yunnan.



The system's reaction time once a quake occurs is an average of 7 seconds, while Japan's is an average of 9 seconds, Wang said, adding that it integrates television, computers, mobile phones and microblogs for alerts.

Air Monitoring

A national air-quality monitoring network with nearly 950 monitoring stations is expected to be operational in 190 Chinese cities by the end of the year, a senior environmental official said on March 15.

There are plans to build about 440 air-quality observation points in 116 cities this year after 496 such points were built in 74 cities in 2012, said Wu Xiaoqing, Vice Minister of Environmental Protection.

Wu also underlined the serious

pollution in south China's Pearl River Delta, in east China's Yangtze River Delta and north China's Beijing and Tianjin municipalities.

The three areas cover about 8 percent of China's total landmass but discharge five times more air pollutants per square km than other areas, Wu said.

By 2015, the ministry aims to reduce the intensity of PM2.5, air-borne particles measuring 2.5 microns or less in diameter, in those three regions by 6 percent from the 2010 level, he said.

Desalination Trials

The first batch of regions and companies has been selected to carry out seawater desalination pilot programs in China.

It is the latest move to boost development in the sector. The list, released by the National Development and Reform Commission earlier this month, includes Shenzhen in Guangdong Province, Binhai New Area in Tianjin, Bohai New Area in Hebei Province, and several industrial parks and companies.

China announced a five-year development plan for the seawater desalination sector last year to ease the country's water shortages.

The country aims to convert 2.2 million cubic meters of seawater into freshwater per day by 2015, compared with 660,000 cubic meters in

2011, according to the 2011-15 plan. It is expected more than half of freshwater channeled to isles and more than 15 percent of water delivered to coastal factories will come from the sea by 2015.

Industrial analysts estimated the development plan will require investment of around 21 billion yuan (\$3.38 billion).

Transport Investment

Southwest China's Tibet Autonomous Region will invest 22 billion yuan (\$3.54 billion) in transport construction this year, a senior regional official said.

A highway from regional capital Lhasa to Nyingchi and four airport highways will be constructed, according to Tashi Gyatso, head of the Tibet Transport Department.

The region will also carry out 194 construction projects to make highways available to 258 villages to reach the region's goal of linking 99.14 percent of villages to highways.

A total of more than 5,000 km of highways will be completed this year, in addition to the construction of four county-level passenger bus stations and two cargo stations.

The region spent 10.1 billion yuan (\$1.62 billion) last year in improving its transport infrastructure, up 18.8 percent year on year.

Sleep Tight

A doctor demonstrates a proper sleeping position in Yuying Kindergarten in Kaifeng, on March 21, World Sleep Day. Henan Province.

According to a report released by the Horizon Research Consultancy Group on March 19, Chinese people sleep an average

of eight hours and 50 minutes every day.

Some 55 percent of the respondents admitted that occupational pressure has affected their sleep patterns and they have resorted to various methods to improve sleep quality.



Petro Expo

Domestic and foreign visitors observe a drilling model at the 13th China International Petroleum and Petrochemical Technology and Equipment Exhibition in Beijing.

The petroleum exhibition, the largest of its kind in the world, kicked off on March 19 and has attracted more than 1,500 companies from 62 countries and regions.



Housing Price Surge

New home prices rose steeply in more Chinese cities in February, putting the government in an increasingly complex situation of regulating the bubble-ridden market.

Of a statistical pool of 70 major Chinese cities monitored by the National Bureau of Statistics, 66 saw home prices increase within 3.1 percent in February from a month earlier, while three saw prices remain unchanged and only one reported price falls.

Newly built commercial housing prices in Beijing and Guangzhou, capital of south China's Guangdong Province, saw the largest increase of 3.1 percent on a month-on-month basis, followed by Shanghai and Shenzhen with price hikes of 2.3 percent and 2.2 percent, respectively.

Zhang Dawei, director of Centaline Property's research center, attributed the growth to panicky homebuyers driven into hurried purchases by worries that prices may rise further following the recent gaining streak.

FDI Rebound

China's foreign direct investment (FDI) stood at \$8.21 billion in February, expanding by 6.32 percent year on year. This put an end to a streak of declines for eight consecutive months since June 2012.

"The rebound is a heartening fact," said Shen Danyang, spokesman of the Ministry of Commerce, adding that it showed the competitiveness of China's economy and foreign investors' confidence in its business environment and growth prospects.

In the first two months, total FDI inflow dropped 1.35 percent to \$17.48 billion from the same period last year.

"Our general estimate is that FDI will remain steady for the whole year, which means significant rises and drops are not likely," Shen said.

Overseas direct investment by Chinese companies, excluding investment in the financial sector, surged by a robust 147.3 percent year on year to \$18.39 billion in the first two months.

Confidence Boost

Amid growing public concern about inflation, Chinese entrepreneurs and bankers are more confident about the country's economic outlook.

The entrepreneurs' confidence index rose 7.6 percentage points to 68 percent in the first quarter this year from the fourth quarter in 2012, the People's Bank of China (PBC) said in a report, citing results from a survey of over 5,700 local entrepreneurs.

In a separate report based on a survey of 3,100 bankers, the PBC said their confidence index was up 17.2 percentage points to 72.2 percent from the previous quarter.

Though the country's economy is improving, the PBC survey found that more people are concerned about price rises.



RECYCLING OIL AND GAS

A staff member introduces a gas station's recycling system in Shenyang, capital of northeast China's Liaoning Province. On March 19, all the gas stations in the city started renovation projects on petroleum and gas recycling



WORLD'S LIGHTEST

A professor from Zhejiang University demonstrates the all carbon aerogel developed by the university. The density of the material is only 0.16 milligrams per cubic centimeter, making it world's lightest material to date



JU HUANGZONG

Of the 20,000 savers the bank surveyed, around 62.1 percent considered prices high, while 68 percent described housing prices as "high and hard to accept."

Resource Shortage

A research report released on March 19 warns of growing pressure on essential resources in a densely populated area in north China.

With a population of 104 million, the Beijing-Tianjin-Hebei Province region is currently facing grave tensions in water supplies and garbage processing, according to a blue book issued by the Chinese Academy of Social Sciences.

In Beijing, per-capita water resources stood at 119 cubic meters in 2011, much lower than the internationally recognized water shortage warning line of 1,000 cubic meters. Tianjin and Hebei also face a similar situation.

The report also forecasts that Beijing will have to allocate another

213 hectares of land to bury additional garbage by 2020.

Meanwhile, the size of the population in the region, which is already contributing to these issues, will further expand. The report estimates that the region would be home to 112 million people by 2015, although the ideal population should not exceed 98 million.

Beijing New Airport

Beijing plans to build a new airport in its southern suburbs in Daxing District, which borders Hebei Province.

Construction on the new airport is expected to start in 2014, and preparation work is already underway, said Shao Heng, deputy chief of the government office of Daxing

District, on March 19.

The new airport will serve as an engine for Beijing's economic development and a new landmark for the capital, according to the Beijing Municipal Commission of Development and Reform.

Meanwhile, an air transport-related economic zone is also planned, with an investment of 84 billion yuan (\$13.39 billion), Shao said.

Upon completion, the new airport is expected to alleviate traffic pressure on the Beijing Capital International Airport, which remained the world's second busiest airport in 2012 in terms of passenger throughput.

Numbers

\$1.18 tln

The value of China's exports of mechanical and electronic products in 2012, taking up a greater share of the global market

4,400

The number of FJ Cruiser vehicles that Japanese automaker Toyota will recall in China over seat belt flaws

22 bln yuan

Money that Tibet Autonomous Region will invest in transport construction this year

\$1.59 bln

The amount of trade between south China's Guangxi Zhuang Autonomous Region and ASEAN in January and February

Highest-Volt Transformer

A 397-ton transformer was carried to a dock in Huzhou, east China's Zhejiang Province.

The 3,000-megavolt transformer, the largest in capacity in China, will be transported to the Zhejiang North Transformer Substation and will become an important link in the power transmission project from Huainan, Anhui Province to Shanghai.



DAI JIN

THIS WEEK WORLD



UNITED ARAB EMIRATES

Sheikh Khalifa Bin Zayed Al-Nahyan (center), President of the United Arab Emirates, inaugurates Shams 1, the largest concentrated solar power plant in the Middle East, in the desert of Abu Dhabi on March 17



CYPRUS

Cypriot security guards stand outside the parliament building in Nicosia on March 18, the day before lawmakers rejected an EU bailout deal that slaps a levy on bank savings



JAPAN

Pedestrians admire cherry blossoms along a bridge in Tokyo on March 20. Viewing cherry blossoms is a national pastime and popular cultural activity in Japan





IRAQ

Smoke billows from the site of a blast in Baghdad on March 19. A wave of car bombings and shootings struck the Iraqi capital on the eve of the 10th anniversary of the U.S.-led invasion of Iraq



THAILAND

A visitor poses with a wax figure of Steve Jobs, the late co-founder of Apple Inc., at the Madame Tussauds Museum in Bangkok on March 19



UZBEKISTAN

Dancers perform at a ceremony celebrating Nowruz, or the Persian New Year, in Tashkent on March 19

“If the Central Government refuses to cover part of the debt, the corporation will have no choice but to raise ticket prices. Some fares for high-speed lines will probably cost more than airline flights.”

Wang Mengshu, deputy chief engineer of the China Railway Tunnel Group and a member of the Chinese Academy of Engineering, commenting on the huge debt of the just dissolved Ministry of Railways at the annual session of the National People's Congress in March



“People's craze for English learning has wasted education resources and threatened the study of Chinese.”

Zhang Shuhua, Dean of the Information and Intelligence Institute at the Chinese Academy of Social Sciences, speaking at a meeting during the annual session of the 12th National Committee of the Chinese People's Political Consultative Conference in March



“The cause of cancer is not entirely clear, but a large number of investigations and basic research have confirmed that it is closely related to the degree of pollution in the environment in which we live, the air we breathe, the water we drink, the food we eat and the lifestyles we lead.”

Hua Yawei, deputy head of the Henan Tumor Hospital, calling for the introduction of a pollution index directly related to human health



“School performance should be evaluated in a comprehensive manner, not solely on students' test scores.”

Liu Limin, Vice Minister of Education, commenting on a recently launched national campaign aimed at alleviating students' heavy workload



RETIRED PARTY CHIEF DIES



Wu Renbao, retired Communist Party of China chief of Huaxi Village in east China's Jiangsu Province, died of cancer at the age of 85 on March 18.

With annual sales revenue of more than 50 billion yuan (\$793 billion), the village is one of the richest in the country.

Wu worked hard over the past decades to turn the once poverty-stricken area into a well-off village featuring villas, cars and a high per-capita income.

He has been hailed as an outstanding example among the country's many rural Party leaders.



CENTRAL BANK GOVERNOR



Zhou Xiaochuan, China's central bank governor, was voted, although not unanimously, by the National People's Congress deputies to extend his tenure on March 16, making him the longest-serving official for that position.

Under his watch, China has successfully steered the four state-owned banks from the brink of bankruptcy into listed commercial lenders, loosened the reins on its currency and accelerated the opening up of its capital accounts.

At a press conference held on March 13, 65-year-old Zhou said the priority this year is to guard against inflation and the country should be on high alert for rising prices.



Trajectory of the New Premier

Oriental Outlook
March 21

Oriental Outlook reviewed the growing path of China's newly appointed premier Li Keqiang.

Before being admitted to study law at Peking University (PKU) in 1978, Li had been among millions of *zhiqing*—young people trekking from cities to the countryside to work alongside farmers in the fields during the "cultural revolution" (1966-76).

Although he majored in law in university, he had a strong interest in economics and paid close attention to economic developments during China's reform and opening-up in the late 1970s. He later studied economics at PKU and acquired a doctor's degree in economics there in 1994.

Li adores English. He translated *The Due Process of Law* by famed English jurist Lord Denning into Chinese. He is also one of few state-level officials in China who delivers speeches or communicates in the language.

Li said that 10 years' study at PKU has taught

him to pursue truth. "I was searching for not just knowledge, but was also learning how to mould a temperament, to cultivate a scholarly outlook."

Seen as pragmatic, Li has persisted in combining theoretical research with reality and trying to keep the balance between the two.

"The Chinese nation has suffered numerous hardships in the past century. Now, as we are only several steps away from reviving the nation, we should shoulder great responsibilities and stride forward," he said.

At a meeting that Li presided over one week after the 18th National Congress of the Communist Party of China, he clearly sent out a signal of deepening reform. He said reform is the biggest dividend, which is regarded as the new leadership's guideline in pushing forward change.

Blood Supply Shortage

Guangzhou Daily
March 18

Sun Jun, Director of Jiangsu Province Blood Center, said the provincial blood supply shortage cannot be eased in the short term.

The blood supply shortage has become a problem across the country, caused by the public's unwillingness to donate blood. Adequate information has not been publicized about the safety of donating blood, creating reluctance and even fear. On the other hand, the voluntary donation system itself has shortcomings and lacks an incentive mechanism.

According to law, donors and their direct relatives can obtain free blood when needed. However, the procedure remains complicated.

The lack of material compensation for donors is another concern while, at present, no law or regulation stipulates that accidental injury caused by donating blood will be compensated.

In a word, to address the blood supply shortage, the country should establish and improve incentives to donate and give donors due compensation.

A Market-Oriented Railway

Beijing Times
March 19

After the restructuring plan of the Ministry of Railways (MOR) was settled, rumors ran that train

ticket prices would rise. However, the Lanzhou Railway Bureau said it would sell tickets of some often empty sleeping berths at discounted prices from March 15 to the end of the year.

On hearing the news, netizens remarked that the discount could be a direct benefit from MOR restructuring. However, such practice had been followed since 2009 already. Nevertheless, with the establishment of China Railway Corp., ticket discounts will become commonplace in the future.

Since the railway will become market-oriented, the

public should prepare for fluctuating ticket prices.

The corporation should also make enough preparations. In a market environment, the price should not only be determined by supply and demand, but also by service quality. It should first of all guarantee demand for tickets by transforming the current ticket selling method.

If the corporation continues to view itself as a monopoly company and fails to improve service quality, the goal of restructuring the sector will be frustrated and public expectations for other reforms dimmed.

SARS Changed China

Lifeweek
March 11

Ten years ago, when SARS broke out across China, the Central Government mobilized various resources to counteract the disease. The epidemic highlighted the importance of public health and lead to increased investment within the sector and a new disease control system. It also focused attention on the ability to combat crisis as one of a country's core capabilities.

Human history is wrought with the constant struggle against disease. Today, public health problems, such as poisoned capsules, water pollution and smog, pose fresh challenges.

On the heels of progress, *Lifeweek* sent journalists to interview people in Guangdong Province and Hong Kong and conducted individual case investigations at several medical institutions in Beijing, hoping to record the public health event of a decade ago and find out its impact on people today.



COVER STORY

REALIZING RUSSIAN

China and Russia are determined to promote bilateral relationship to make both countries safe, strong and prosperous
By Ding Ying



Everyone's dream is different. But most countries' are similar: to make themselves strong and prosperous. For two neighboring powers like China and Russia, promoting bilateral cooperation is helpful in turning such dreams into reality, due to a common interest in development and responsibility in maintaining peace and stability in the neighborhood, as well as the world.

China's newly elected President Xi Jinping conducted his first state visit to Russia from March 22-24 to further relations. This visit,

which happened at a pivotal moment in bilateral ties, will definitely be of historical significance.

A profound visit

A newly elected state leader's first state visit is always eye-grabbing. Xi's first appearance as Chinese leader in Russia reflects the two countries' high-level relationship. Currently, both sides enjoy a solid, comprehensive, strategic and cooperative partnership, continually deepening practical cooperation based on mutual trust.

President Xi told Russian media in Beijing on March 19, "The fact that I will visit Russia, our friendly neighbor, shortly after assuming presidency is a testimony to the great importance China places on its relations with the country and to the high level and special nature of the comprehensive strategic part-

nership of coordination between both sides."

According to Chinese Assistant Foreign Minister Cheng Guoping, Xi's visit to Russia was aimed at sustaining the traditional relationship. Every newly elected state leader of each country routinely chooses the other as his first state visit destination. For example, Russian President Vladimir Putin also paid his first state visit to China last June after he was reelected.

During Xi's visit, he exchanged opinions with Russian leaders like President Putin and Prime Minister Dmitry Medvedev. The two countries jointly issued a statement and an action plan on implementing the Treaty of Good Neighborliness and Friendly Cooperation from 2013-16. The two sides also signed 20 cooperative documents concerning fields like trade, economy, energy, investment, local cooperation, cultural exchange and environmental protection.

CHINESE AND DREAMS

"The China-Russia relationship now is at its highest level in history. The two sides believe there will be an even bigger breakthrough in future," said Cheng.

Both sides are very optimistic about their future relationship, and gave high credibility to Xi's state visit to Russia. "President Xi's visit served as a link between the past and the future," said Wang Lijiu, a researcher in Russian studies with the China Institutes of Contemporary International Relations (CICIR). He pointed out that during the past decades, the China-Russia friendship has been maintained at a high level. "Both sides show a strong and common willingness to further the current relationship. And they have the potential and ability to fulfill this," Wang stressed to *Beijing Review*.

The countries have similar ambitions for a prosperous future. "In spite of their respective indexes, China and Russia have similar schedules and goals," said Wang. China plans to fully establish a moderately prosperous society by 2020. By then, its GDP and per-capita income will double that of 2010. According to Russia's

development strategy, it would like to squeeze into the list of the world's top five economies by 2020.

Sergey Luzyanin, Deputy Director of the Institute of Far Eastern Studies at the Russian Academy of Sciences, believed Xi's visit was an iconic event in the Sino-Russian relationship. The visit not only showed the extremely significant status of this relationship in China's foreign policy, but also mirrored its decision in sustaining its usual tradition of pushing forward the Sino-Russian comprehensive strategic cooperative partnership. He spotlighted the special importance of the visit in a complicated international situation. "The trip is going to promote the bilateral relationship to a new level," he said at a press conference on March 18.

Practical cooperation

China and Russia have become each other's major and most important strategic partners, and both accord priority to their relationship in their overall diplomatic agenda and foreign



policy. Before Xi's visit, China and Russia already felt comfortable and confident in the current status of their relationship. And they are very sure that there's still great potential to develop and deepen cooperation in the future.

China and Russia are important neighbors and partners to each other, said Chen Yurong, a researcher in Russian studies with the China Institute of International Studies (CIIS). And both are permanent members of the UN Security Council.

After 20 years, the China-Russia relationship has grown into a comprehensive strategic ►►

ENVIRONMENTAL COOPERATION:
Environmental experts from China and Russia carry out water-quality monitoring along their border in the Heilongjiang River on February 28

“President Xi’s visit served as a link between the past and the future.”

— Wang Lijiu, a researcher in Russian studies with the China Institutes of Contemporary International Relations

partnership of coordination. The two sides have completely settled their long-stranding boundary dispute, placed their political ties on a solid foundation and supported each other in issues concerning their respective core interests, Xi concluded on March 19.

During the past two decades, China and Russia have formed a highly scaled mutual trust. Newly appointed Chinese Premier Li Keqiang concluded on March 17 that no political obstacles remain, and there is nothing that cannot be discussed between the two sides.

Both parties issued a joint statement during

Xi’s visit, aimed at pushing forward their bilateral relationship alongside the newly signed 2013-16 Sino-Russian Treaty of Good Neighborliness and Friendly Cooperation. The plan will serve as a guideline for bilateral cooperation in the coming years.

While maintaining close political trust, the two sides have deepened trade and economic cooperation. China has remained Russia’s top trading partner during the past three years, while Russia is China’s seventh biggest trading partner. Their bilateral trade volume hit \$88.16 billion in 2012. According to plan, the volume

should reach \$100 billion in 2015 and \$200 billion in 2020. Both China and Russia should work on making bilateral trade double, or even quadruple in the coming years, Premier Li said. Luzyanin predicted that the current bilateral trade volume will double in the coming five to eight years.

Energy cooperation is also important. In February, China and Russia made a breakthrough in energy negotiations and signed related cooperative papers during Xi’s visit. Russia is expected to boost its crude oil supply to China, with a natural gas pipeline connecting China and Russia also on the horizon.

But China-Russia economic cooperation involves more than just energy. Their practical cooperation is further deepened in areas like processing aviation, hi-tech and the joint development of Russia’s Far East region.

“Admit it or not, economic cooperation between China and Russia is complementary,” said Wang from the CICIR. This complementary nature also evolves with time and economic development. He pointed out that China and Russia are both in a period of economic transition when opportunities and challenges coexist. “Their cooperative conditions will get better with more potential to develop,” Wang said.



MILITARY EXERCISE: China and Russia conduct a joint military exercise in the Yellow Sea off Qingdao, east China’s Shandong Province, on April 26, 2012





"China and Russia are each other's development opportunity," said Chen from the CIIS. She points out that Putin accelerated the pace of Russia's economic modernization. Since the two countries share a mutual need, China's emergence is not a threat to Russia, she added.

The two sides support each other's core interests concerning sovereignty and territorial integrity. They firmly uphold the purposes of the UN Charter and the basic norms governing international relations and safeguard the

post-World War II international order. Their stances are very similar on many regional and international issues. They both believe in solving conflicts under UN solutions while opposing military intervention.

"Feeling common pressure in the Asia-Pacific region, the two countries will increase cooperation in security," said Wang. He added that they have common interests in maintaining regional and international peace and stability. The two sides are also committed to

strengthening cooperation under international and regional frameworks like the BRICS group of emerging economies and the Shanghai Cooperation Organization.

Along with political and economic cooperation, China and Russia have been carrying out cultural and people-to-people exchanges. The peoples of both countries enjoy a long-standing traditional friendship. President Xi mentioned that, he read many books by Russian writers such as Alexander Pushkin (1799-1837), Fyodor ►►

ENERGY LINE: Two Chinese workers patrol the China-Russia oil pipeline in Daqing, northeast China's Heilongjiang Province



Dostoyevsky (1821-81) and Leo Tolstoy (1828-1910) when he was young. Chinese tourists visiting Russia increased by 40 percent in 2012, the Year of Russian Tourism in China, according to Russia's Ambassador to China Sergey Razov. The year 2013 is the Year of Chinese Tourism in Russia, which will hopefully enhance bilateral exchanges.

There are also differences between the two sides, mostly concerning economic disputes, Wang said, adding that there are barely any

political differences between China and Russia. He believes that as economic cooperation deepens, enterprises from both sides will find more integrating points. "Nothing can be done overnight," he stressed.

A model of international relations

Entering the era of globalization, today's world is no longer the one of the old. Cooperation

has replaced confrontation. The development of China-Russia relations conforms to this new trend. Now the two sides are setting a model of friendship between big powers.

Current ties between the countries, which are mature, stable, healthy and vigorous, based on practical cooperation, are quite different from the relations between big powers in the past, riddled with conflict, confrontation, hegemony and suspicion. Such a relationship based on cooperation and harmony is more suitable

TRADE PROMOTION: The then Chinese Vice Premier Li Keqiang (right) and Russian First Deputy Prime Minister Igor Shuvalov attend a meeting on China-Russia trade and investment in Moscow on April 28, 2012



to today's world.

Both China and Russia realize that deepening the bilateral cooperation will benefit both. And this is the reason why their relationship has continued to develop during the past years, said Wang from the CICIR, "The two sides not only truly accept this concept, but also take practical steps to realize it. And the result is: People in the two countries are enjoying the profits of this relationship based on high mutual trust."

"Their relationship is based on common interests, not alliance," said Chen from the CIIS. "This is a type of relationship that is helpful to global peace and stability."

China would like to conduct a similar relationship mode with every other country in the world. Just like Chinese Assistant Foreign Minister Cheng said, China's commitment to strengthening ties with other developing countries doesn't mean it will stop improving relations with the developed world. China always stresses a cooperative and win-win approach to affairs, which it believes is the only way every country can reach its full potential. ■

Landmark Events of the China-Russia Relationship

- December 27, 1991, China recognizes the Russian Federation and the two commence diplomatic relations
- September 1994, China and Russia declare the establishment of a "constructive partnership featuring good neighborliness and mutually beneficial cooperation"
- April 25, 1996, China and Russia announce the establishment of a "partnership of strategic coordination based on equality and mutual benefit and oriented toward the 21st century"
- July 24, 2001, the Treaty of Good Neighborliness and Friendly Cooperation

Between the People's Republic of China and the Russian Federation is signed

- October 14, 2004, China and Russia issue a joint statement, declaring that the boundary dispute between the two countries has been completely determined
- October 14, 2008, China and Russia unveil markers for the eastern portion of their border
- June 6, 2012, China and Russia agree to enhance their "comprehensive strategic partnership of coordination" in a joint statement

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