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BEIJING REVIEW

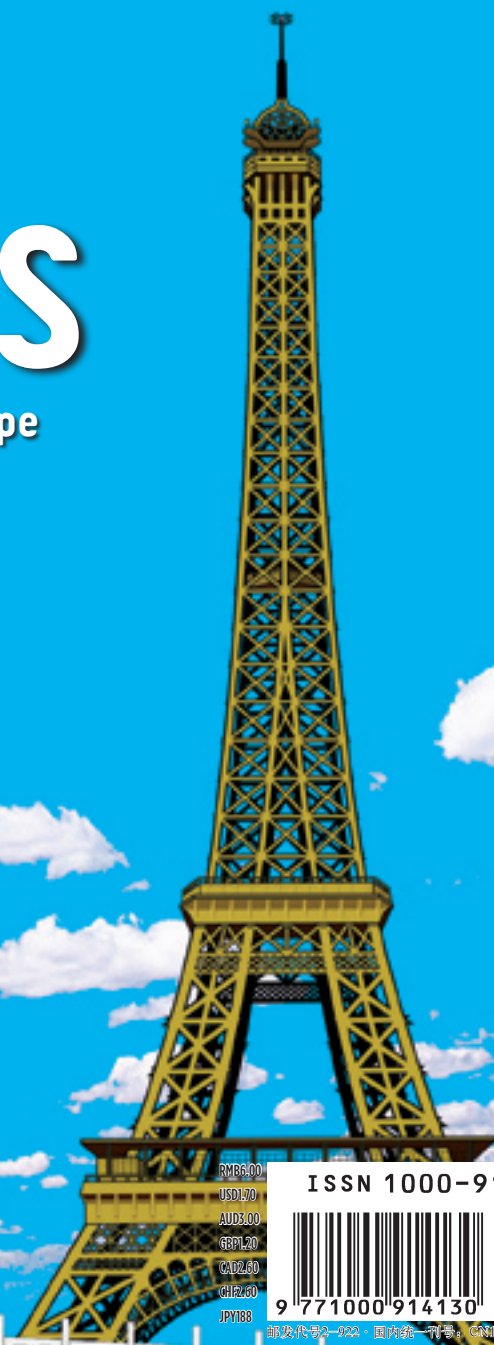
VOL.56 NO.19 MAY 9, 2013

北京周报 WWW.BJREVIEW.COM



BUILDING EXCHANGES

French president facilitates China-Europe cooperation



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

ISSN 1000-9140



9 771000 914130

邮发代号: 922 · 国内统一刊号: CN11-1376/53


CHINAFRICA

中国与非洲



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, ChinAfrica is the only one in China featuring news, views and analysis for an African audience.



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Beijing Review (ISSN 1000-9140) is published weekly for US\$64.00 per year by Cypress Books, 360 Swift Avenue, Suite 48, South San Francisco, CA 94080, Periodical 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



A News Weekly Magazine
Published Since 1958

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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

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

General Distributor for Hong Kong, Macao and Taiwan:

Peace Book Co. Ltd.

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

Tel: 852-28046687 **Fax:** 852-28046409

Beijing Review (ISSN 1000-9140 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

EDITOR

Aiming for Lasting Ties

France is well known to many Chinese as a country with a rich and unique cultural heritage, strong romantic appeal, as well as a solid industrial base. As a traditional Western power, most would agree the country plays a major role in the political and economic arenas of Europe and the world at large.

China and France are two vastly different nations in terms of political and social systems, as well as cultural and ideological values. Nevertheless, they both attach great importance to developing bilateral ties. France was the first among Western powers to establish diplomatic relations with China almost half a century ago. Over the years, at least 17 heads of state and government from both sides have exchanged official visits. As China gains more prominence on the world stage, momentum has built for the two nations to further their relationship. On the one hand, both share the same views and interests on some global or regional issues, while on the other, fast changing multilateral scenarios around the world have necessitated the address of mutual concerns in a cooperative and concerted manner.

With French President Francois Hollande's visit to China in late April, the two countries have consolidated ties in areas such as economy and culture to mutual benefit. It is also hoped this visit will further strengthen China's cooperation with other EU member countries.

Bilateral ties between China and France have not always been a matter of plain sailing, however. The French Government's decisions to sell military equipment to Taiwan in the late 1990s and its support for Tibetan separatist activities in 2008, for instance, were seen as interventions into China's internal affairs, escalating relations to a chilly point. Such unpleasant episodes apart, Sino-French relations have always developed on a sound footing whenever core interests have been considered by either side.

In a nutshell, leaders concerned are expected to take a strategic and long-term perspective in developing lasting state-to-state relations. As China and France prepare to celebrate the 50th anniversary of diplomatic ties in January 2014, the two countries ought to adopt the same approach as former French President Charles de Gaulle who, based on his own broad vision and foresight, afforded diplomatic recognition to China, at a time when the latter found itself antagonized and isolated by the Western world. Time has subsequently proven the wisdom and strategic nature of de Gaulle's decision. ■

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TURKEY.....YTL5.00 HK.....HKD9.30 NEPAL.....RS40

北京周报 英文版 2013年 第19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



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COMMON CULTURE

Traditional Han ethnic culture promoters show off traditional dresses at a Confucius temple in Fuzhou, southeast China's Fujian Province, on April 30 during the first Cross-Straits Han Clothing Festival.

Over 70 Han clothing clubs from both sides of the Taiwan Straits attended the festival to boost the cross-Straits exchanges on traditional Chinese culture.

Moment of Silence

People mourn deceased quake victims on April 27 in Baoxing County, Ya'an City in southwest China's Sichuan Province. A 7.0-magnitude earthquake hit Ya'an on April 20.

Public mourning took place on April 27 in Sichuan. Transportation vehicles sounded their sirens at 8:02 a.m., the time of April 20's devastating first tremor, followed by a silent tribute of three minutes.

The quake claimed at least 196 lives.



LUO XIAOQUANG

Mental Health Law

A mental health law that requires consent from mentally ill patients before they receive inpatient treatment took effect in China on May 1.

The law was adopted by the Standing Committee of the 11th National People's Congress last October after three readings.

The law says mentally ill people, with the exception of those with a severe mental illness or who have the potential to harm themselves or others, should only receive inpatient treatment on a purely voluntary basis.

It also requires medical institutions to respect patient rights to demand discharges.

The law has attracted a great deal of attention since its draft was first submitted for discussion, as reports of people being wrongly institutionalized have increased.

According to the law, there should be no infringement upon the dignity, personal safety or property of mentally ill people.

Institutions and individuals must protect the privacy of mentally ill people by preventing leaks of private information, such as their

names, addresses and employment status, unless the sharing of such data is necessary for institutions and individuals in order to exercise their lawful duties.

Terrorists Captured

Eleven suspected terrorist fugitives linked to a deadly attack on April 23 in northwest China's Xinjiang Uygur Autonomous Region have been captured, local police sources said on April 29.

A violent clash occurred between the terrorists and authorities in a town at Kashgar's Bachu County, some 1,200 km southwest of Urumqi, leaving 21 people dead.

Eight suspects were captured on the day of the clash.

According to the Xinjiang police, the terrorist group, headed by Qasim Muhammad, was founded in September 2012.

They had planned to "do something big" in densely populated public areas in Kashgar in the summer, the police said.

The group members were spotted making explosives on April 23 by local police and community workers, which led to the deadly clash.

Vice Minister of Public Security

Meng Hongwei said on April 29 that the police have tracked down a batch of homemade explosives, lethal weapons, and flags of "East Turkistan" terrorists after the April 23 clash.

H7N9 Update

From April 24 to May 1, a total of 19 new cases of H7N9 bird flu were confirmed on the Chinese mainland, bringing the total number of human infections to 127, according to the National Health and Family Planning Commission.

Among the 19 cases, 16 were founded in eastern provinces of Jiangsu (3 cases), Zhejiang (4), Jiangxi (5), Fujian (3) and Shandong (1), while three were found in central provinces of Hunan (2) and Henan (1), according to the commission.

The virus had killed 26 people in the mainland, while 26 infected people had recovered as of May 1, the commission said.

Consumer Rights

A draft amendment to China's consumer rights law was published by the top legislature on April 28 in order to solicit public opinion.

The draft provides clarification regarding the protection of personal information and suggests heavier punishments for commercial fraud.

The draft also includes regulations pertaining to online shopping, as China's booming e-commerce market is not sufficiently covered by the current version of the consumer rights law.

The Standing Committee of the National People's Congress deliberated the draft amendment during a bimonthly session last month, marking the first time changes have been considered since the law was implemented in 1994.

Anti-Piracy Efforts

Since October 2012, governments at different levels in China have legally purchased 3.06 billion sets of software worth 1.94 billion yuan (\$313 million), according to a report published by the National Copyright Administration of China on April 26.

The Chinese Government began paying due attention to the issue in 2001, when an inter-ministerial meeting mechanism was set up, since adopting a series of efforts to correct wrongdoing at central and local levels, the report says.



BABY TIGERS

A trio of tiger cubs cuddle at a zoo in Shenyang, northeast China's Liaoning Province, on May 1. The 1-month-old triplets met the public for the first time since their birth



ZHANG WENKUI

So far, 17,782 large companies in China have been confirmed to be using genuine software in their offices.

To help increase awareness of copyright protection, 1,494 training courses have been held across the country, covering a total of 84,100 office workers.

Historical Findings

Archaeologists have unearthed more than 30 pits believed to have been used by Neolithic humans as trash dumps 5,000 to 6,000 years ago in north China's Hebei Province.

The pits, various in size, shape and depth, were unearthed nearby an ancient village relic site within the Jialu Village territory in Hebei's Zhaoxian County, according to Han Jinqui, Director of the

Prehistory Archaeological Research Department of the Hebei Provincial Cultural Relics Institute.

Archaeologists found that the pits were not located at the center of the New Stone Age ancient village but nearby, said Han.

A well, a shallow gutter and large quantities of pottery and stone fragments with distinct Neolithic features were also unearthed at the site.

The New Stone Age, or Neolithic Era, was the last period of the Stone Age. Marked by carefully polished stone artifacts, ancient China's

Neolithic Era started about 12,000 years ago.

Waste Treatment

Beijing is speeding up the construction of garbage treatment facilities, hoping to bring the city's daily household waste handling capacity to 24,000 tons by the end of 2015.

In the meantime, the city will increase the proportion of waste treated through incineration or biochemical means to more than 70 percent, in a bid to leave less than 30 percent of such waste in landfills,

according to a three-year plan recently released by the municipal government.

It is estimated that Beijing's more than 20 million residents produce about 17,700 tons of household garbage every day, 50 percent of which ends up in landfills.

By 2015, Beijing will have overhauled 253 informal landfills, according to the plan.

Also, Beijing will further strengthen waste control regulations in rural-urban fringe zones and build up a specialized team of garbage collectors in rural areas.

Services for Seniors

Senior citizens exit a community service center in Jin'an District of Fuzhou, capital of Fujian Province on April 27.

Home and neighborhood-based elder-care services will be available in all of China's urban communities and half of its rural areas by the end of 2015, the Ministry of Civil Affairs said on May 1.



ZHANG GUOJUN

Busy Buying A Home

A local resident visits a housing project during the Fifth West China House-Auto Expo on May 1 in Yinchuan, capital of Ningxia Hui Autonomous Region. Over 50 housing projects were showcased by 30 attending property developers.



Expansion Slows

China's Purchasing Managers' Index (PMI) for the manufacturing sector fell to 50.6 percent in April from 50.9 percent in March, the China Federation of Logistics and Purchasing (CFLP) said on May 1.

It was the seventh consecutive month that the PMI figure stayed above 50 percent, which demarcates expansion from contraction, according to a statement of the CFLP.

Although the PMI remains generally stable, the slight retreat indicates slower growth in the manufacturing sector and the need for a stronger momentum in China's economic growth, according to the statement.

The April PMI showed the foundation for China's economic recovery is not solid enough, said

Zhang Liqun, an analyst from the Development Research Center of the State Council, China's cabinet.

The decline in orders caused a fall in the inventory level, and a sharp drop in the sub-index for purchasing prices of raw materials suggests the corporate confidence was undermined, Zhang said, stressing that efforts should be made to stabilize domestic demand.

The HSBC Flash China Manufacturing PMI also slowed to a two-month low of 50.5 in April, according to figures released by HSBC on April 23.

Joining Hands

Alibaba Group, China's largest e-commerce company, has spent \$586 million for an 18-percent share of Sina Weibo, the Chinese equivalent

of Twitter, in an attempt to monetize the hugely influential social media platform.

The deal was expected to combine Alibaba's e-commerce strength with Sina Weibo's user base to explore social commerce and develop marketing solutions to merchants.

The two companies said in a statement on April 29 that Alibaba has an option to boost its stake in Sina Weibo to 30 percent.

The transaction put the value of Sina Weibo at \$3.26 billion. The market capitalization of Nasdaq-listed Sina Corp. was \$3.67 billion on April 29. Sina's American depository shares rose by 9 percent to \$55.03 on that day.

Hangzhou-based Alibaba Group, which Yahoo holds about a 23-percent stake, is the largest e-commerce empire in China.

Beijing-based Sina Weibo started as an imitator of Twitter, but it developed features tailored to Chinese users. By November 2012, the number of registered users had exceeded 400 million.

The two companies said the deal

is expected to generate approximately \$380 million in advertising and revenues from social commerce services for Sina Weibo over the next three years.

Job Market Stable

The population of China's employed increased by 3.42 million in the first quarter, while the registered urban unemployment rate stood at 4.1 percent.

The employment situation has been favorable in the first three months, said Yin Chengji, spokesman for the Ministry of Human Resources and Social Security.

The urban unemployment rate from January to March remained unchanged from 4.1 percent in 2012, and it may contribute to realizing this year's target of keeping the unemployment rate at or below 4.6 percent.

However, employment pressure is increasing as the number of job seekers has continued to rise, especially among college graduates, Yin said.

The employment of college graduates will continue to be a focus of government efforts in the coming years, he said.

China will see a record-high 6.99 million people graduate from college this year, up 2.8 percent from a year ago.

Tax Scraped

China's taxation authorities announced on April 26 that they will scrap two taxes on interest paid on local government bonds, hoping to make the bonds more attractive to domestic investors.

The Ministry of Finance (MOF) and the State Administration of Taxation said in a joint document that companies and individuals will be exempt from corporate and individual income taxes on the interest they collect upon purchasing local government bonds issued in 2012 and later.

The preferential tax measures will only apply to those bonds issued by the MOF on behalf of the



FAIR CONTINUES

An apparel purchaser examines clothes at the 113th Canton Fair in Guangzhou, capital of south China's Guangdong Province, on May 1, the opening day of the fair's third phase featuring apparel, bags, shoes and other goods



POWER CHECK

Workers from the National Grid check major powerlines in Chuzhou of east China's Anhui Province on May 1, in preparation for the coming summer, a peak time for local electricity consumption



SONG WEIXING

Local governments of provinces, autonomous regions, municipalities and cities with independent budgetary status, according to the document.

Local governments are not allowed to float bonds directly in China, but they can ask the MOF to issue such bonds after obtaining approval from the State Council, China's cabinet.

About 350 billion yuan (\$56.3 billion) in local government bond sales have been planned by the MOF for 2013, according to the government budget report. Local government bonds issued in 2012 totaled 250 billion yuan (\$40.63 billion).

Explosive growth in local debt has raised concerns over the financial health of the Chinese economy, making the Chinese Government vigilant against financial risks this year. The most recent data available from the National Audit Office show that local debt had totaled 10.7 trillion yuan (\$1.74 trillion) by the end of 2010.

Increasing Presence

China's direct investment in the United States showed strong momentum in the first three months despite a weak fourth quarter of 2012 and the negative impact of alleged "national security" concerns on some deals.

During the first quarter, Chinese companies concluded eight mergers or acquisitions (M&As) and nine green field investments—those involving construction of factories or offices—worth a total of \$2.2 billion, according to a report released on April 30 by Rhodium Group, a New York firm that tracks Chinese investment in the United States.

Chinese acquisitions in the United States now under discussion or awaiting regulatory approval

have a total value of over \$10 billion, the highest ever for the category, according to the report.

The report also found that privately held Chinese companies have increased their investments. Over the past 15 months, they spent more on U.S. deals than in the previous 11 years combined.

National security remains a dominant topic in the U.S.-China investment relationship, the report said.

Cui Tiankai, China's new ambassador in Washington, expressed concern over barriers to Chinese investment in the United States. Cui said the United States has historically been a strong advocate of liberalized trade and investment and pressured China to be the same, but "what has been preached to us is not always practiced."

Travel Time

Tourists flock to the Taishan Mountain, east China's Shandong Province, on May 1. Over 180,000 tourists visited the famous tourist resort from April 29 to May 1, during the three-day International Labor Day holiday.



THHIS IX

Numbers

1.17 tln yuan

Combined profits of industrial enterprises with annual sales of more than 20 million yuan (\$3.15 million) in the first quarter

51.2 mln tons

China's crude oil production in the first quarter, up 2.3 percent year on year

18 percent

Pork price decline in China as of April 30, compared to prices on February 11, the first day after the Spring Festival, China's Lunar New Year day

9.56 bln yuan

Loss at China COSCO Holdings Co., the country's largest shipping firm, in 2012, topping the list of losses made by the country's state-owned enterprises for a second consecutive year



THE NETHERLANDS

Princess Beatrix stands in front of her son, King Willem-Alexander, waving from the balcony of the Royal Palace in Amsterdam on April 30, following her official abdication



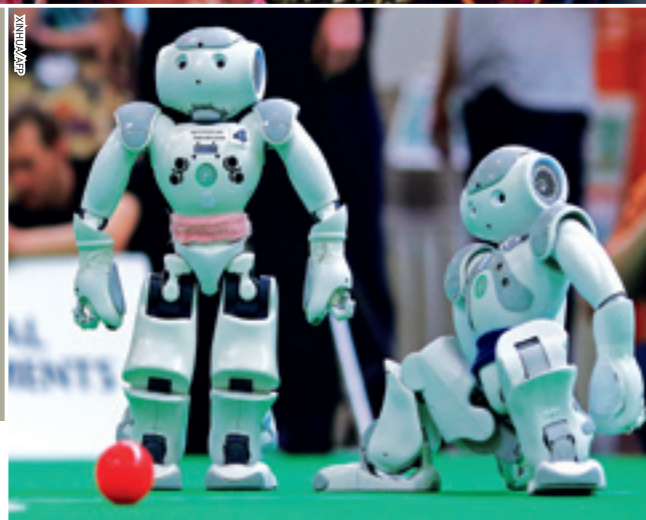
BANGLADESH

Relatives of missing and dead workers hold photographs of the victims three days after an eight-story building collapsed on the outskirts of Dhaka on April 27. More than 400 people were killed in the factory disaster



GERMANY

Robots play a ball game at the RoboCup German Open 2013 in Magdeburg, eastern Germany, on April 26. The annual event demonstrated state-of-the-art technology in soccer, rescue and service robots





AP/WIDEWORLD



THE CZECH REPUBLIC

Runners hold a glass of water while competing in a "high-heel race" in Prague on April 29



RUSSIA

People march in Moscow on May 1 during the International Labor Day trade unions' rally



AP/WIDEWORLD



SYRIA

Firefighters on scene following a blast in Damascus on April 29. Syrian Prime Minister Wael al-Halqi escaped an assassination attempt that day, surviving a blast that targeted his convoy

“More people are seeking psychological support this time than during the Wenchuan earthquake in 2008, thanks to an awareness and better understanding of their psychological needs.”

Liu Zhengkui, an associate professor with the Institute of Psychology of the Chinese Academy of Sciences, commenting on psychological relief after the Ya'an earthquake on April 26



“After slowing down for a while, you may find better ways to tackle problems in work and life.”

Gao Guoxi, a professor with Fudan University in Shanghai, on April 28. Many Chinese people have become tired of the fast-paced life after years of pursuing speed and efficiency



“We're open to any channel for the return of cultural relics.”

Song Xinchao, Deputy Director of the State Administration of Cultural Heritage, on April 26 in response to two imperial bronze sculptures to be returned by the French Pinault family later this year



“Chinese people's sleeping time is not short. However, their sleep quality is quite low.”

Mu Yue, President of Horizon Studies and Consulting Company, on April 29. According to the nation's first sleep index, published by the Chinese Medical Doctor Association on March 19, the national average sleep score is 64.3 on a scale of 100



VETERAN COACH



Former volleyball star **Jenny Lang Ping** was appointed to coach the Chinese women's team on April 25. Lang was a key member of China's most successful volleyball squad. After retiring in the late 1980s, she moved to the United States, studied and worked as an assistant volleyball coach at the University of New Mexico. She took charge of the Chinese women's team in 1995 and guided them to a silver medal at the 1996 Atlanta Olympics and to second place at the 1998 World Championships in Japan. She resigned from the Chinese team in 1998 for health reasons and then spent six years coaching in Italy. She coached the U.S. national team and led them to silver in the 2008 Olympics in Beijing. After she returned to China in 2009, Lang was invited to coach the Evergrande club and she is credited with molding an unknown team to a dominant force in the Chinese league.



TOP CROSS-STRAITS NEGOTIATOR



Former Commerce Minister **Chen Deming** was elected president of the mainland-based Association for Relations across the Taiwan Straits, on April 26. Chen, 64, served as minister of commerce from December 2007 to March 2013. He worked to cushion the economic impact of decreasing exports and found ways to increase domestic demand after the eruption of the world financial crisis.



The Function of the Chamber of Commerce *Oriental Outlook* April 25

The cover story traces the history of China's chambers of commerce and illustrates the important roles they are playing, citing chambers of commerce in Zhejiang and Guangdong provinces as examples.

Businesspeople from Wenzhou, east China's Zhejiang Province, have always been dubbed oriental Jews. At present, 600,000 Wenzhou businesspeople dispersed around 131 countries and regions in the world are starting up or building their business and 1.75 million are running business in different places of China. In order to facilitate their business, Wenzhou businesspeople have established chambers of commerce in 211 cities in China.

These chambers of commerce are important platforms for businesspeople to settle disputes. When Wenzhou businesspeople

have disputes away from home, they resort to the chamber of commerce to solve the problem rather than appeal to the court.

Chambers of commerce also have the function of protecting businesspeople's rights. When disputes occur between Wenzhou businesspeople and those from the place they are doing business in, the chamber of commerce can urge the local government to fairly solve the problem.

In recent years, enterprises also raise capital with the help of the chamber of commerce. For example, in April 2012, immediately after the Zhejiang Chamber of Commerce in Xiamen, southeast China's Fujian Province, was founded, it signed cooperative contracts with local banks to facilitate loans for Zhejiang businesspeople in Xiamen.

Official Appointment

Legal Daily
April 26

On April 21, Han Han, a 25-year-old town mayor in Shandong Province, resigned from her newly appointed position due to her controversial and non-transparent promotion. On the same day, her father also quit office as a Party official of Shandong.

Han was recruited as a public servant by the local government in 2010. In a mere three years, she was promoted from staff member to town mayor. It is suspected that her promotion came at the hands of her father.

It is reasonable to give a promotion to excellent young people. But Han's promotion reveals a problem of nepotism. It would result in unfairness that some young officials with no accredited achievements are promoted and awarded while most other talented young people who work hard have no opportunity to develop.

The government should address these unequal promotions. More importantly, only under strict public supervision can the appointment and promotion of government officials be more transparent and fair, which also relates to necessary reforms of the current civil servant system.

Consumer Rights

People.com.cn
April 27

The Standing Committee of the National People's Congress is deliberating the draft amendment of the Law on Protection of the Rights and Interests of Consumers, which has become a hot topic recently.

The draft includes a number of changes, for instance, personal information will be protected, product warranty be extended and the punishment of fraud be enhanced. Law experts say the draft amendment is likely to improve the consumption environment in China significantly.

It is the biggest revision in the last two decades. Over past years, China's economy has undergone high-speed growth, but the consumer law issued in 1993 appears more and more incompetent to deal with new problems. Consumers urge a comprehensive and effective law to safeguard their rights and interests.

The revised clauses focus on emerging consumption patterns as well as long-existing habits. For example, online shopping is underlined. Chinese consumers conduct tremendous transactions online everyday. But it is usually difficult for consumers to make complaints and claim compensation when they encounter quality defects and malicious fraud due to loopholes in current laws. The draft endows

consumers the revocation rights of online business.

However, the draft has not yet displayed enough operability on newly added clauses. It doesn't clarify the range and condition of application as well as claim procedure of revocation rights. Thus, consumers fear that the ambiguousness of new clauses would affect the implementation of the new clause. On other aspects, the draft amendment does not add more severe punitive compensation on fraudulent behavior.

The revamp of the consumer protection law should aim at better protecting the justified rights of consumers as well as strengthen responsibility and liability of merchants and enterprises.

Fill in the Class Gap

South Reviews
April 10

Ever since the mid-1990s, social mobility has been stagnant, as a result of which lower class have lost the chance to climb up the social ladder and realize their dreams. Compared with the wealth divide, social mobility is a better yardstick for social equality. Limited social mobility will render certain groups of people with plenty of despair in the future, which is disturbing.

Education, which used to be the traditional channel to upward social movement, is becoming increasingly unfair. High quality educational resources and opportunities have almost all been occupied by middle and upper class children. Lower class children have lost the game at the starting line. The unfair job market in which those from higher class backgrounds are favored has increased such inequality. Lower class people can do nothing about such reality but adapt to it.

Social equality is the first step toward the Chinese dream, and social mobility is the soul of an equal society. In the future, whether the hidden social conflicts can be dissolved will be determined by whether a powerful reform can be carried out to break the power of certain privileged groups and build an equal political system. The Chinese dream will start with the determination and courage of decision makers.



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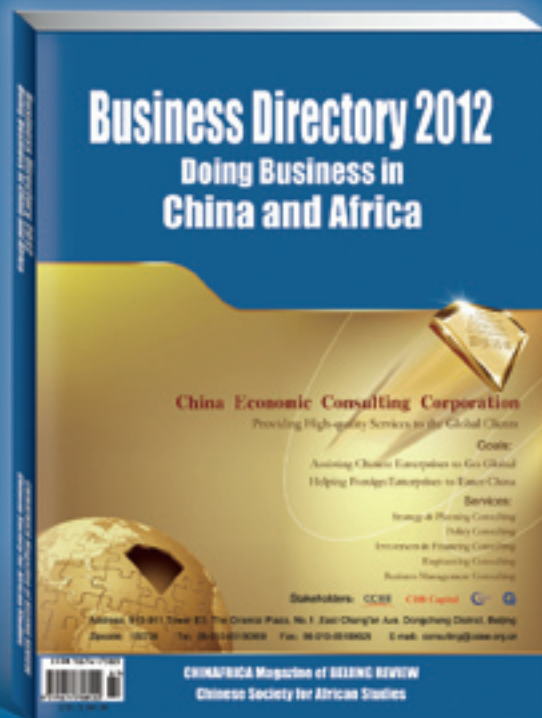
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Jointly published by:
CHINA/AFRICA Magazine of BEIJING REVIEW
Chinese Society for African Studies

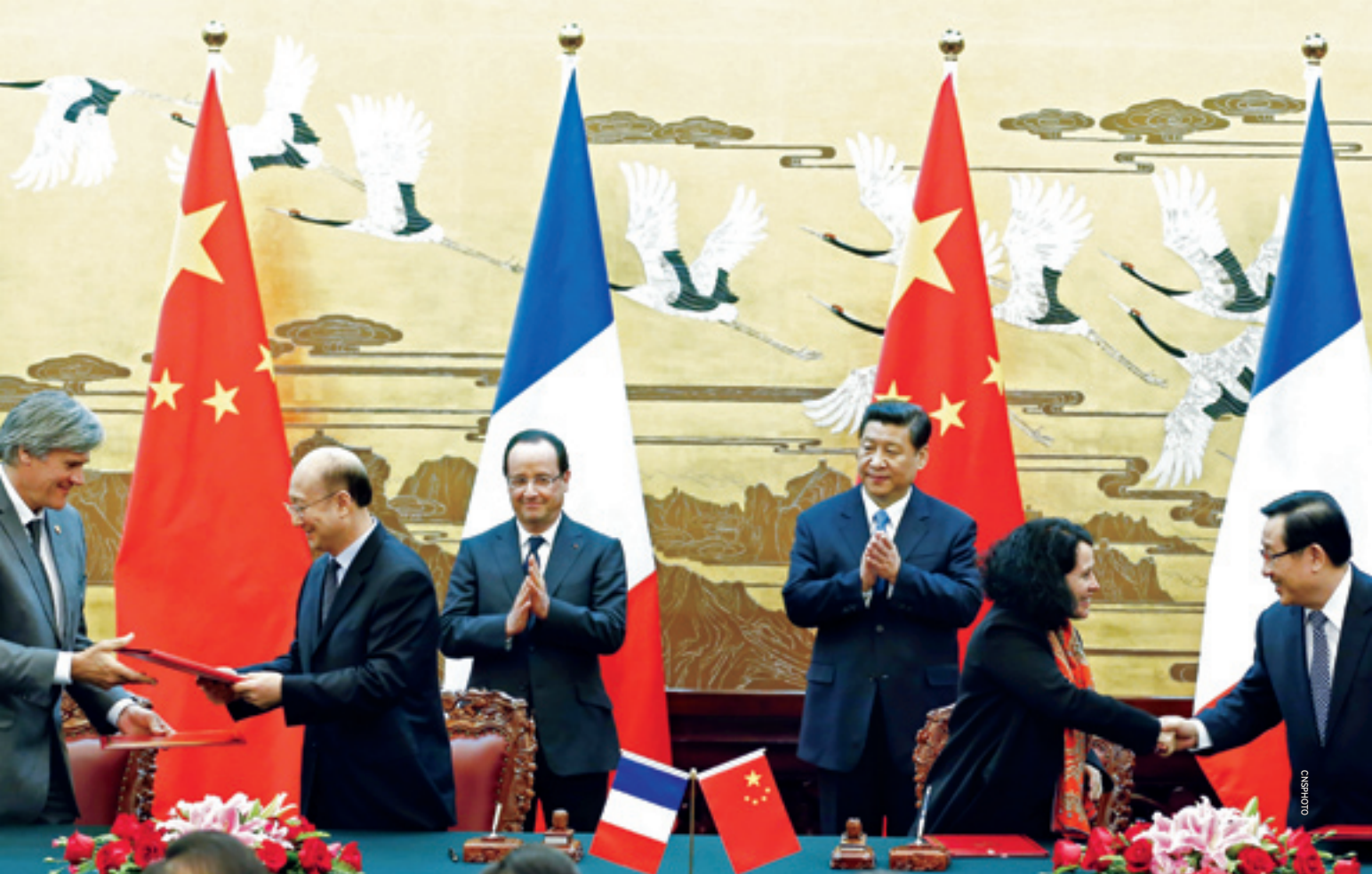
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FRUITFUL VISIT: Chinese President Xi Jinping and visiting French President Francois Hollande attend an agreement-signing ceremony involving nuclear power, environmental protection, tourism and other sectors in Beijing on April 25

COVER STORY

FORGING PARTNERSHIPS

French president's China visit has lasting political and economic significance

By Ding Ying

French President Francois Hollande's short visit to China in late April is bound to exert a long-lasting influence on bilateral relations.

By issuing a joint communiqué and signing a range of agreements, the two sides worked to promote their cooperation in political, economic and cultural aspects. Analysts believe mutual needs are the foundation upon which shared benefits are built.

Strategic significance

During a meeting with Chinese President Xi Jinping on April 25, Hollande said that France is willing to use the opportunity of the 50th anniversary of diplomatic ties in 2014 to map out future cooperation between the two countries.

Xi replied by noting that China and France should continue to prioritize their strategic partnership, work to support each other and expand cooperation in a bid to forge win-win cooperation between the two countries with different political systems, cultures and traditions. He added that the two sides should strengthen coordination when dealing with world affairs, saying, "We are looking forward to seeing the development of a new type of China-France comprehensive and strategic partnership in the future."

To promote the partnership to a higher level, the two leaders agreed to continue annual meetings between the heads of state, enhance strategic communication, and establish a high-level economic and financial dialogue mechanism.

Hollande, who was elected in 2012, is the first leader of a major Western power to visit Beijing

since China's new leadership took office in March. His visit served as a link between the past and the future, holding strategic significance for bilateral relations in the coming years.

The two sides share a solid tradition of friendship and partnership. France was the first Western country to establish diplomatic ties with the People's Republic of China in 1964, and Paris has long considered relations with Beijing as a priority of its diplomatic policy.

Zhang Jian, a researcher on European studies with the China Institutes of Contemporary International Relations, said the China-France relationship—both politically and strategically—has always had a special place among relations between China and European countries. France was the first European country to build a new type of comprehensive strategic partnership with China.

Chinese observers believed that the primary goal of Hollande's visit to China was to enhance mutual political trust and build friendship between the new leaders of the two countries. The French president has shown his determination to boost bilateral relations. When China's new leadership took office in March, Hollande immediately had a phone conversation with Xi and congratulated him on his election as Chinese president. Additionally, Hollande appointed as his diplomatic advisor Paul Jean-Ortiz, a career diplomat with extensive knowledge of China who headed the French Foreign Ministry's Directorate for Asia and Oceania and speaks Mandarin.

Qu Xing, President of the China Institute of International Studies (CIIS), pointed out that the China-France relationship has been developing steadily since Hollande assumed the presidency. The French president's recent visit will set the tone for future bilateral relations, he said.

Hollande will theoretically be qualified to run for reelection. Thus, Hollande will play a crucial role in France's China policy for the next four to nine years. If bilateral relations go smoothly for two presidential terms, China-France relations will continue down the track that the two presidents have set, said Qu. He added that Hollande's visit had the special purpose of helping the two sides develop a new type of comprehensive strategic partnership.

The two sides' political cooperation goes beyond the bilateral range. "They have a lot of common stances on pushing forward a multipolar world and building a fairer and more just international political and economic order," Zhang said. China and France, both permanent members of the UN Security Council, can better safeguard world peace and stability and promote mankind's progress and prosperity by strengthening coordination and cooperation. By combining their efforts, they also can promote progress in addressing global issues of common concern like climate change, food and energy security and international financial reform.

In their joint communiqué, the two countries called for early reform of the international financial and monetary system, saying that the 2010 quota and governance reform of the International Monetary Fund should be implemented as soon as possible.

Strengthened bilateral cooperation will bring benefits to both countries. "A good China-France relationship not only will benefit the two sides, but also is very important for deepening China's cooperation with the EU," said Qu.

Dragged down by a poor economy, France's

influence inside the EU is declining in comparison with neighboring Germany. France has been ambitious in maintaining its major influence in the world. In recent years, however, it has come to realize that without support from other big powers including China, its diplomatic ambitions will be difficult to materialize, said Zhang.

Economic ties

Currently, France is still suffering from the European debt crisis. It urgently needs to promote economic, trade and financial cooperation with China. At the same time, China is at a key phase of transforming its economic development mode and adjusting its economic structure, during which it requires a massive amount of technology and equipment from other countries. Common needs and mutual benefits provide a strong foundation for enhancing economic and financial ties.

During the French president's trip, the two sides agreed on a string of deals, including one for China to purchase 60 Airbus passenger planes. Moreover, enterprises from both sides signed agreements on energy saving, environmental protection, trade of agricultural and medical care products as well as traditional sectors including aviation, nuclear energy and the auto industry.

"China and France are highly complementary to each other economically and there is immense potential for cooperation between the two countries," Xi said in a speech in front of hundreds of Chinese and French businesspeople at a business forum alongside Hollande. He added that the two sides should boost economic cooperation "with a strategic view" and explore new fields to establish a close, permanent and sustainable economic partnership.

For his part, Hollande expressed his appreciation for China's support for Europe's efforts to resolve the debt crisis. He hopes to cooperate with China and expand two-way trade and investment in pursuit of common prosperity.

Zhang said France is facing a growing economic challenge due to the European debt crisis. According to Zhang, the French economy had a low increase of 0.1 percent in the first quarter of 2013, while the country's unemployment rate rocketed to over 10 percent. The country's national debt has exceeded 90 percent of its GDP, and is on the rise. Meanwhile, France's export volume, along with its competitiveness inside the EU, is sliding. Hollande's approval rating has fallen to 26 percent.

"France is in danger of a full economic recession, and the Hollande administration's top priority

now is the development of the economy," Zhang said.

Under these circumstances, developing closer economic ties with China is of utmost importance for France. China is France's top trade partner in Asia, and its second biggest exporter in the world. Bilateral trade reached \$51.02 billion in 2012, including \$24.12 billion worth of Chinese imports from France, an increase of 9.3 percent year on year.

In January this year, the two-way trade volume reached \$4.18 billion, up 5.3 percent from last year. China's imports from France stood at \$1.83 billion, up 25.5 percent year on year. Although China's trade surplus still exists, France's exports to China are growing rapidly, which is very encouraging to the French. The figures show trade between China and France is on the way to more balanced growth.

France hopes to proceed with bilateral cooperation in the areas of nuclear energy and aviation, while enlarging its agricultural product exports to China, Zhang said.

The need is mutual. France is China's fourth biggest trade partner, fourth biggest investor and second biggest technology exporter in the EU. Wider cooperation will diminish trade imbalances between the two countries, when France provides more advanced products and technologies to China, said Qu.

Qu added that China's ongoing urbanization drive and the emphasis on domestic consumption have offered France a market with great potential. He noted that China's urbanization rate of 51.3 percent is far short of the over 70 percent rate seen in developed economies, offering France's city management a chance to help China address the challenges that surface during the process, including air pollution and food safety, Qu said.

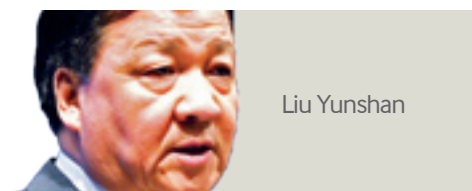
In the cultural field, exchanges of visits between China and France have become more frequent in recent years. More and more young people have started to learn each other's languages, with China and France holding "language years" from 2011-12.

While promoting mutual understanding, communication between the two countries also creates a practical economic achievement. For instance, more than 1 million Chinese tourists visit France annually, helping to boost the French economy. In 2012, Chinese tourists spent over 75 billion euros (\$98.75 billion) in France. ■

COVER STORY

SHARING THE CHINESE DREAM

In recent months, an inspiring vision of the “Chinese dream” put forward by newly elected President Xi Jinping has been enthusiastically discussed throughout China. But what does it mean to Europe and the world at large? In his keynote speech at the Fourth China-Europe High-Level Political Parties Forum held in Suzhou of east China’s Jiangsu Province on April 22-23, **Liu Yunshan**, a member of the Standing Committee of the Political Bureau of the Communist Party of China Central Committee, interpreted the Chinese dream from a global perspective. Excerpts follow:



Liu Yunshan

Following a long, strenuous period of exploration, especially since the reform and opening-up program began in the late 1970s, we have succeeded in finding a correct path that leads to development and progress in China—socialism with Chinese characteristics. The path has enabled China to post an annual economic growth rate of nearly 10 percent for more than 30 years in a row, achieve a more than 30-fold increase in residents’ income and contribute to more than 70 percent of global poverty alleviation. It has also brought us closer than ever to the goal of national renewal after more than three decades of reform and development.

To make the Chinese dream a reality, we must stick to the Chinese path, advocate the Chinese spirit and pool Chinese strength. In the final analysis, the Chinese dream is the dream of Chinese people with the fundamental purpose of delivering benefits to them. While propelling China’s development,

we encourage every Chinese to pursue his or her own dreams. We will create the conditions that will allow them to get ahead in life, realize their dreams and make progress along with the motherland.

The realization of the Chinese dream will bring peace, development, cooperation and more opportunities to the world. It will not pose any threats whatsoever.

With a historical tradition of valuing peace and harmony, openness and inclusiveness, the Chinese fear turmoil while seeking development. The Chinese dream, featuring peace and harmony, will present more opportunities to other countries. Over the past years, China has undertaken responsibilities with the big picture in mind and made significant contributions to coping with the Asian financial storm, curbing the global financial crisis, opening markets and improving global governance. China’s foreign trade volume exceeded \$3.8 trillion in 2012, making it the world’s largest trading nation. In the next five years, the Chinese will import about \$10 trillion in goods, invest \$500 billion overseas and likely make more than 400 million trips abroad. All this is bound to help reinvigorate the global economy.

It should be acknowledged that the stability and development of China, a country that is home to one fifth of humanity, offer

major contributions to the development of mankind. When it becomes developed, China will continue to be a staunch guardian of world peace and development. As it realizes the Chinese dream, China will remain committed to peaceful development, always follow a win-win strategy of opening up and contribute positively to the realization of the dream of the world for enduring peace and shared prosperity.

We are willing to share the Chinese dream with Europe and the world. As trends moving toward multi-polarity, economic globalization and an information society gain momentum, countries in the global village are becoming more interconnected and interdependent. The destinies of China and Europe have never been as intertwined as they are today. While the EU remains China’s largest trade partner and technology supplier, China is the EU’s largest source of imports and second largest export market. Bilateral trade has soared from \$80 billion to \$546 billion over the past decade. Every year, 5 million visits are made between China and Europe, with more than 70 flights traveling to and fro each day. China and Europe share common interests and similar stances when it comes to advocating multilateralism, strengthening global governance, promoting world economic recovery and dealing with various global challenges. We have conducted extensive coordination and cooperation in a wide range of international and regional hotspot issues. These facts provide evidence that China-Europe relations are strengthening and deepening. To raise these relations to a new height, we need to make joint efforts in the following areas:

First, we should uphold the principle of win-win cooperation to grasp the correct direction of the China-EU comprehensive

strategic partnership. Win-win cooperation is the essence of this partnership. In an interdependent world, relations between countries are characterized by neither cutthroat competition nor a zero-sum game. China firmly supports the European integration process as well as Europe's efforts to cope with the sovereign debt crisis. It considers a united, prosperous and strong Europe a boon to China and the world. Europe, for its part, is supportive of China's reform and opening up and regards China's development as an opportunity. We should transcend differences in social systems, abandon the zero-sum mentality and put into practice the concepts of mutual support and win-win cooperation. We should also compete in an inclusive and healthy manner while sharing benefits and responsibilities.

Second, we should expand cooperation to lay a solid economic foundation for the China-EU comprehensive strategic partnership. As China works to complete the building of a moderately prosperous society and as Europe implements the Europe 2020 Strategy, we will find more converging inter-

ests, which will present new opportunities for deepening cooperation. China's changing economic development pattern as well as its growing consumer demand, imports and investment in Europe will offer new business opportunities to European industries and drive growth and job creation in Europe. The EU's advanced development concepts, managerial expertise and technology will inject a fresh impetus to China's development. We should explore new ways of collaboration, expand areas of cooperation and promote the balanced and sustainable development of bilateral trade. We should strengthen cooperation in scientific research and innovation, deepen cooperation in energy and environment protection and advance partnerships in urbanization. We should try to make urbanization, the green economy and technological innovation new highlights of China-Europe cooperation.

Third, we should strengthen cultural exchanges to create a spiritual bond for the China-EU comprehensive strategic partnership. While economic and trade interests lay the material groundwork for strengthening

China-Europe relations, mutual understanding and trust between peoples offer emotional support. We should be more active in boosting exchanges between all sectors of Chinese and European societies while working more closely together in the cultural field. We should shape a favorable public opinion for friendly relations between China and Europe through developing non-governmental ties. We should also build a bridge to mutual understanding and friendship through cultural exchanges.

Fourth, we should manage disputes and friction in a proper way that serves the overall interests of the China-EU comprehensive strategic partnership. In light of our different historical and cultural backgrounds, social systems and development stages, it is normal that China and Europe do not see eye to eye on some issues. Given our expanding economic and trade ties, competition and friction are also unavoidable. We should show mutual respect, mutual understanding, equality and a give-and-take attitude. We should be able to better empathize with one another. While protecting one's own interests, one should take the partners' reasonable concerns into consideration. We should resolve disputes through dialogue and negotiations in the spirit of ensuring win-win outcomes in bilateral cooperation.

Fifth, we should jointly confront global challenges and strive for a harmonious world of enduring peace and shared prosperity. As important powers in the current international system, China and Europe assume major responsibilities for safeguarding world peace and development. No country can address global challenges such as the financial crisis, resource shortages, climate change, nuclear security and terrorism alone. China and Europe must work in concert. We should take an active part in global governance, promote trade and investment liberalization and facilitation, oppose protectionism of all forms and continue to communicate with and support each other on global and regional hotspot issues. We believe that with joint efforts, China and Europe will properly manage and preserve their deepening comprehensive strategic partnership and make due contributions to world peace and development. ■



READING CHINA: A reader browses books on display at the Chinese Pavilion of the Paris Book Fair on March 22



High-Level China-Africa Investment Forum

One of the three high-level forums to be held during the Second China (Beijing) International Fair for Trade in Services from May 28-June 1, 2013

- Date:** May 30, 2013
Venue: China National Convention Center
Hosts: China Society for World Trade Organization Studies
Beijing Review

A business forum focusing on the themes:

- Prospects and Risks for Chinese Businesses Investing in Africa
- China's Policies and Environment for African Enterprises Doing Business in China

Objectives:

- » To further partnerships at both business and government levels in the area of trade in services;
- » To promote mutual investment opportunities;
- » To provide insight into challenges facing Chinese and African businesses making overseas investments; and
- » To establish a platform for interaction between Chinese and African business people, discussing bilateral investment trends in trade in services and offering suggestions for improving investment environments

