NATION: LIVING WILLS P.22 | BUSINESS: SUPPORTING CLEAN ENERGY P.30

BEUNGREVIE

VOL.56 NO.40 OCTOBER 3, 2013



WHO IS NUMBER TWO?

China's GDP status does not reflect its overall standing



WWW.BJREVIEW.COM



12 issues a year at a subscription rate of 180 RMB

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



Rejecting the 'G2'Shedding superpower paradigm



Rebuilding AfghanistanOutlooks on the nation's future

THE DESK

» A More Meaningful Goal 02

THIS WEEK COVER STORY WORLD

» Afghanis for an Asian Union	18
Afghan speaker's support for closer tie	S
» Building an Honest Partnership	19
Views on Sino-Indian relations	

NATION

» Farewell to Shantytowns	26
Relocation is providing better homes	
» Guarding Privacy	28
Keeping juvenile offenders safe	
» Blow Dealt Against Corruption	30
Bo Xilai is convicted	

BUSINESS

» Making Something Good Better Reinforcing Middle Eastern trade networks	
» For More Blue Skies 36	
Supporting renewable energy	
» Sign of the Times	
China's "comfortable class" growing	
» Market Watch 40	

CULTURE

» Under the Sea	44

A shipwreck's mysteries uncovered	

FORUM

» Is College Education Useless? 46

EXPAT'S EYE

The Changing Face of Music in China
 Transformation over the years

©2013 Beijing Review, all rights reserved.

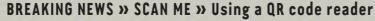


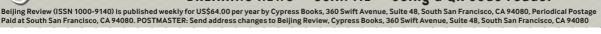
Dying With DignityMaking difficult healthcare decisions easier



To Eat, or Not GM crops sow seeds of doubt

ONLINE AT » WWW.BJREVIEW.COM







THE DESK



BEIJING REVIEW

A News Weekly Magazine **Published Since 1958**

President & Editor in Chief: Wang Gangvi

Vice President: Oi Wengong

Associate Editors in Chief: Li Jianguo, Huang Wei,

Wang Yanjuan, Zhou Jianxiong, Ding Zhitao Assistant President: Li Zhenzhou

Assistant Editor in Chief: Wa Chunfang

Executive Editor: Ding Zhitao

Assistant Executive Editors: Yao Bin, Zhang Zhiping, Zan Jifang

Editorial Administrators: Zhang Xiaoli, Shi Bosen

Opinion Editor: Zan lifang World Editor: Yan Wei Nation Editor: Yao Bin

Business Editors: Yu Shujun, Lan Xinzhen

Culture Editor: Liu Yunyun

Editorial Consultants: Joseph Halvorson, Elvis Anber,

Jacques Smit, Kieran Pringle

Staff Reporters: Tang Yuankai, Ding Ying, Ding Wenlei, Wang Jun, Li Li, Yin Pumin, Pan Xiaoqiao, Yuan Yuan, Wang Hairong, Liu Xinlian, Yu Yan, Yu Lintao, Zhou Xiaovan, Bai Shi, Deng Yaqing, li ling

Photo Editor: Wang Xiang Photographer: Wei Yao Art: Li Shigong Art Director: Wang Yajuan Chief Designer: Cui Xiaodong

Proofreading: Qin Wenli, Ma Xin Distribution Director: Hu Keqiang

Human Resources: Hou lin International Cooperation: 7hang Yaiie Marketing/PR Director: Pan Changqing

Legal Counsel: Yue Cheng

North America Bureau

Chief: Huang Wei Deputy Chief: Xu Tao Tel/Fax: 1-201-792-0334 E-mail: hw@bireview.com

Africa Bureau

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: 86-10-68995810 F-mail- ad@bireview.com.cn

Distribution Department Tel: 86-10-68310644

E-mail: circulation@bjreview.com.cn

Published every Thursday by BEIJING REVIEW, 24 Baiwanzhuang Lu,

Beijing 100037, China.

Overseas Distributor: China International Book Trading

Corporation (Guoii 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/FI, 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

A More Meaningful Goal

The first 10 years of the 21st century marked a golden decade of development for China, as the country overtook Italy, France, Britain and Germany in terms of GDP, finally surpassing Japan in 2010 to become the world's second largest economy, next only to the United States.

With China's accession to the ranks of major economic giant, the international community has increasingly recognized China as another superpower. Some have even put it alongside the United States as part of a "G2" that will together dominate the global economic and political arenas.

But has China truly earned its position as No.2? Not quite, as the country's colossal aggregate economic volume has yet to elevate its per-capita GDP. This figure now stands at only \$6,076, ranking 87th according to data from the IMF. Despite vigorous economic growth over the years, China's economy is nonetheless plagued with woes, ranging from unsustainable growth models and irrational industrial structure to uneven regional disparities and heavy dependence on energy and raw materials.

Moreover, qualifying as No.2 means the state in question should have exceptional comprehensive strength, a strong military, as well as potent soft power. China does not meet these criteria as it has yet to build up a powerful national defense system, and its scientific base remains comparatively weak. As such, the country is not another superpower, but rather a major developing economy.

China's rapid rise has been a gratifying phenomenon for Chinese all over the world. People in China have been striving for generations to create a better life for themselves and build a strong and prosperous country, a lofty objective that has been pursued through reforms since the late 1970s, most recently and also embodied in the Chinese Dream initiated by the nation's new leadership late last year.

China now appears poised to fulfill the yearning desire to build/ a strong nation. This is a more meaningful goal that has never been so closely within reach.

Send an e-mail: contact@bjreview.com.cn

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

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

北京周报 英文版 2013年 第40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



2 BEIJING REVIEW OCTOBER 3, 2013 http://www.bjreview.com



REGION OF TERROR

People flee the Westgate shopping mall in Nairobi, Kenya, on September 21 following an attack by Somali militants linked to Al Qaeda. The incident saw a death toll of 72 people, including five suspects. One female Chinese national, aged 38, was killed, as confirmed by the Chinese Embassy in Kenya.

China strongly condemned the terrorist attack. "China opposes terrorism in any form. We express our deep condolences to the victims and sincere sympathy to those who were injured and the families of the deceased," said Hong Lei, Chinese Foreign Ministry spokesman, at a daily press briefing on September 24. This is the second time the Chinese Foreign Ministry has condemned the terrorist attack.

http://www.bjreview.com OCTOBER 3, 2013 BEIJING REVIEW 3

Typhoon Aftermath

Local residents walk past a fallen street lamp in Shanwei, south China's Guangdong Province, after Typhoon *Usagi* swept through the city on September 23.

At least 29 people have been confirmed dead in Guangdong due to the typhoon as of September 24.

Usagi affected more than 3.56 million people in the province, forcing the relocation of 226,000 residents. It also destroyed 7,100 homes and caused a direct economic loss of 3.24 billion yuan (\$527 million).



Eco-friendly Growth

An annual report measuring green development in 30 regions and 100 cities on the Chinese mainland was released on September 22.

The top 10 provincial-level regions in green development announced were Beijing, Fujian, Hainan, Inner Mongolia, Jiangsu, Qinghai, Shaanxi, Shanghai, Tianjin and Zhejiang.

Seventeen provinces were below the national average. Green development in eastern provinces was better overall than that of central and western provinces.

The green development index used in the report consists of three parts—the degree of green economic growth, the potential of natural resources and the environment, and support of government policies.

Drop in Donations

About 81.7 billion yuan (\$13.35 billion) in donations from domestic and overseas sources was made to China in 2012, down 3.31 percent year on year, according to the China

Charity and Donation Information Center (CCDIC).

This marked the second consecutive year there had been a drop in donations, said the CCDIC in a charity report released on September 21.

Xu Jianzhong, an official with the Ministry of Civil Affairs, attributed the decline to the floundering global economy, less serious natural disasters and the lingering "public trust crisis" plaguing the country's charity sector.

The report, however, showed a number of charity organizations remained the primary force in raising donations despite a drop in the value of donations raised.

The CCDIC also reported a surge in online donations. It said that the Internet has become an increasingly popular way of making contributions.

The CCDIC is an organization sponsored by the Ministry of Civil Affairs and has researched charity donations, issuing annual reports since 2008.

Carrier Tests

China's first aircraft carrier, the Liaoning, returned to its homeport on September 21 after a three-month voyage, during which a number of crucial tests on it were completed.

During the voyage, which started on June 11, the carrier witnessed more than 100 landings and takeoffs by various aircraft, including the J-15 carrier-borne fighter, according to an article printed in the Shanghai-based *Jiefang Daily* on September 22.

J-15 fighters took off and landed on the carrier with their maximum load and various weapons, the report said. Some observers had previously questioned whether the J-15 could take off and land on the carrier with a full load.

The tests have resulted in further improvements of the carrier's flight control processes, according to the *Jiefang Daily*.

The *Liaoning* is China's only aircraft carrier in operation, and it



AUTHOR IN TAIPEI

Writer Mo Yan signing autographs to promote his new work, *Grand Ceremony*, in Taipei on September 21. The book documents Mo's trip to Sweden to receive the Nobel Prize in Literature last December and includes his speeches, interviews and diary entries from the time



Visitors view the soaring tide on the bank of the Qiantang River in Haining, east China's Zhejiang Province, on September 22, when the tidal waves of the river reached their annual high

was delivered to the Chinese navy on September 25, 2012.

School Inspectors

China is to install independent inspectors in all 300,000 primary and middle schools across the country by the end of this year to improve educational quality and fairness.

The inspectors will be directly managed by education supervision departments of local governments and will be independent from local educational authorities, according to a circular issued by the State Council, China's cabinet.

The move is designed to establish a mechanism for supervision in order to combat what is perceived by some as an "unhealthy" Chinese basic education system, said He Xiuchao, Director of the Ministry of Education's Education Supervision Department, on September 23.

He said that inspectors will deal with complaints from parents and students in addition to supervising schools' enrollment procedures, management, educational methods, curriculum, food safety and sanitation.

The independent inspectors program was first introduced in August 2012 by the State Council.

Pilot schools for the project in Chongqing and Hunan and Shandong provinces were involved even earlier and the results were proven to be effective, He said.

Migrant Population

The population of migrants in Beijing in 2012 was 416,000 less than the previous year, mainly a result of the city's high costs of living, *The Beijing News* reported on September 18.

Beijing had 8.25 million migrant



residents in 2011, with the figure dropping to 7.84 million last year.

"Policies, regulations, rising living costs and pollution all contributed to the decrease," said Lu Jiehua, a professor of sociology at Peking University.

The migrant population is spreading outward to suburban districts such as Daxing, Tongzhou and Changping, Lu said.

The total population of Beijing reached 20.7 million in 2012, about 5.3 million more than 2005.

Green Web Initiative

China launched a two-month campaign in late September to tighten the supervision of websites and mobile applications.

Dubbed Green Web, the campaign targets online posts,

comments and articles deemed lewd, pornographic or violent as well as posts that reveal the personal information of youngsters or contain defamatory or bullying remarks.

Online flaunting of wealth or posts otherwise showcasing extreme obsession with celebrities will also be deleted.

New University

The Ministry of Education has formally approved the establishment of Duke Kunshan University (DKU) in east China's Jiangsu Province.

Duke Kunshan University is a joint effort from Duke University in Durham, North Carolina, the city of Kunshan and Wuhan University in Hubei Province.

The university will offer academic programs to students from China

and around the world.

The first intake of students will commence classes in the fall of 2014, with master's degree programs in global health, medical physics and management studies being offered. Graduates' degrees will be issued by Duke University.

Undergraduate courses in global health, the humanities as well as the physical, natural and social sciences will be available in the 2014-15 academic year.

Meanwhile, it will provide modules for undergraduate students currently enrolled at other universities that can be studied at DKU and used to earn Duke University's credit across several disciplines.

Baby Food Rules

China's health authority said on September 17 that hospitals must strictly abide by the laws governing breast milk substitutes, warning against the promotion of such products.

The National Health and Family Planning Commission made the announcement after local media reports alleged secret deals between hospitals in Tianjin and infant formula brands.

The commission stressed in a circular that promotion and publicity of breast milk substitutes in any form is prohibited at hospitals and clinics, adding that hospitals and their staff must not promote or supply such products.

Green Way

Volunteers ride bikes to promote low-carbon transportation in Nantong city, Jiangsu Province, on September 22.

With this year's theme of Green Transport & Clean Air, 153 Chinese cities took part in World Car Free Day. People were encouraged to take public transport, ride bikes or walk.

The campaign first originated in France in 1998 and initially launched in China in 2007.



A Rural Escape

Tourists pick flowers at Xifenying Village of Bazhou, north China's Hebei Province.

The city of Bazhou is developing its rural tourism industry. The industry employs over 2,000 people and the city receives over 80,000 tourists every year.



Home Prices Rise

Prices of both new and existing homes continued to rise in most Chinese cities in August, according to the National Bureau of Statistics.

Of a statistical pool of 70 major Chinese cities, 66 saw a monthon-month rise in new home prices, up from 62 in July and 58 cities reported month-on-month price gains in resold homes in August, compared to 57 in July.

On a year-on-year basis, new home prices rose in 69 cities last month, the same as the July figure, while 68 reported higher year-onyear prices for resold homes in August, up from 67.

The data cover the nation's large and medium-sized cities, including Beijing and Shanghai, provincial capitals, and others.

Runaway home prices led the government to issue guidelines in March to tighten control of the real estate sector, including higher transaction taxes, restrictions on purchases of multiple homes and higher down payments, but the policies failed to arrest the surge.

Fuel Upgrade

Chinese drivers will have to pay more in fuel prices amid the coun-

try's drive to reduce air pollution through upgraded fuel quality.

In the next two years, the prices of motor gasoline and diesel that meet the national "fourthphase" standard will be raised by 290 yuan (\$46.8) per ton and 370 yuan (\$60.46) per ton, respectively, said the National Development and Reform Commission on September 23.

China has announced stricter motor fuel standards in a bid to reduce harmful emissions after smog blanketed much of the country at the beginning of 2013.

The State Council has mandated that sulphur content for both gasoline and diesel be set at no more than 10 ppm (parts per million) by 2017, a reduction from the fourthphase standard of 50 ppm.

Beijing is the only city in China



A bullet train sets out from Xi'an North Railway Station for a test run to the city of Baoji on September 23. The 163-km route in northwest China's Shaanxi Province is yet another addition to China's growing high-speed rail network to have already adopted the "fifthphase" standard, equal to Europe's Euro V vehicle emissions cap of sulphur content below 10 ppm.

Under the country's timetable of fuel quality upgrades, motor gasoline should meet the fourth-phase standard by the start of 2014 and motor diesel by the start of 2015; both gasoline and diesel should meet the fifth-phase standard by the start of 2018.

Cultural Investment

Dalian Wanda Group, owned by China's richest man Wang Jianlin, unveiled a plan on September 22 to establish a massive movie industry project in the coastal city of Qingdao, east China's Shandong Province, with investments of more than 50 billion yuan (\$8.2 billion). This is part of Wang's cultural development strategy and an attempt to create a Chinese cultural brand abroad.

The property and entertainment conglomerate intends to invest in the Qingdao Oriental Movie Metropolis, consisting of 20 studios including one—which Wanda says will be the world's largest—of 10,000 square meters and a permanent underwater stage.

The 540-hectare Qingdao



BRIDGING THE GAP

Pictured is the Qiansimen Bridge, which crosses the Jialing River in Chongqing, on September 23. The two sections of the bridge are to be joined at the end of October this year. The bridge will give local residents more convenience when traveling across the city

Oriental Movie Metropolis will also include a movie theater, wax museum, exhibition center, yacht club, an international movie festival, hotels and other cultural and tourist facilities.

Wang, who acquired the America-based cinema operator AMC in 2012, has high hopes for China's film industry, estimating the China's box office will surpass that of the United States by 2018. He expects domestic film revenue to be double that of the United States by 2023.

Scheduled to be completed in 2017, the park plans to host around 30 foreign production groups.

Rotten Fruit Juice

China's food watchdog said it had ordered investigations into four beverage groups whose juice products were reportedly made from rotten fruit.

The announcement came after four companies based in the provinces of Anhui, Jiangsu and Shandong, including two branches of Beijing Huiyuan, the country's top juice maker, were accused in recent media reports of using rotten and



unripe fruit to make juice.

The China Food and Drug Administration said on September 23 in a statement that preliminary investigations found no rotten fruit. Indeed Shandong Huiyuan, a branch of Beijing Huiyuan, hasn't produced any juice since December last year.

According to the statement, the two companies in Anhui have been ordered to suspend their operations and cooperate with law enforcement departments in further investigations.

"Related provincial food and drug administrations will handle these cases if further investigations find violations," the statement said.

Microsoft JV in China

BesTV New Media Co. Ltd., a Shanghai media company, said on September 23 that it's planning an entertainment development venture with Microsoft. The company has a registered capital of \$79 million.

BesTV New Media said in a bulletin posted on the Shanghai Stock Exchange that it will hold a 51-percent share and Microsoft 49 percent in the joint venture, initially named E-Home Entertainment Development. The total investment of both sides will reach \$237 million.

The new company's board chairman will be chosen by BesTV and the chief executive officer by Microsoft.

The joint venture is expected to be set up in the newly established pilot free trade zone in Shanghai and will develop games and related services.

BesTV, a subsidiary of Shanghai Media Group, boasts 18 million IPTV subscribers with its businesses in China, Southeast Asia and Eastern Europe.

Numbers

9.7%

Year-on-year profit growth of China's stateowned enterprises in the first eight months of 2013

9.5%

Growth of China's logistics sector in the first eight months of 2013

88 bln vuan

Funds that China's central bank has injected into markets to ease possible cash squeeze before the week-long National Day holiday (October 1 to 7)

Connecting East to West

Flight attendants from British Airways pose for pictures in Chengdu, capital of southwest China's Sichuan Province, on September 23.

Chengdu becomes the third city on the Chinese mainland after Beijing and Shanghai to have a direct flight to London. The flight will save six to eight hours in transfer time for passengers from China's western region.



14.9 bln yuan

Amount of money that the Central Government has earmarked as the forest ecological benefit compensation fund in 2013

THIS WEEK WORLD



Opposition protesters clash with the police on September 23 in Conakry, capital of Guinea. A trainee policeman was shot dead as renewed violence broke out in the city







SPAIN

Brides-to-be take part in a charity event dubbed The Runaway Brides on September 21 in Granada. The winners will have their wedding ceremony paid for by event organizers



GERMANY

Oliver Langheim poses with his 320-kg giant pumpkin on September 19 in his garden. He said the pumpkin grows 4 to 5 kg of weight a day



8 BEIJING REVIEW OCTOBER 3, 2013 http://www.bjreview.com





Prime Minister Hun Sen (right) greets people during the first parliament meeting at the National Assembly building in Phnom Penh on September 23



IRAQ

Syrian children play nearby their tent school set up at a refugee camp on September 23. With the help of the UN Children's Fund and the Iraqi Government, makeshift educational facilities were built for refugee children







FRANCE

Pierre Cadeac, founder of Fauna Films, trains a wolf for movie productions at the Fauna Films park in Villemer on September 18

http://www.bjreview.com OCTOBER 3, 2013 **BEIJING REVIEW** 9

"Although early education centers can no doubt teach some skills to children, good development depends on learning within the family."

Liu Yan, an expert researching preschool education at Beijing Normal University, commenting on Chinese parental predilections for early educational centers, on September 19



"The move shows the Party and Central Government are determined to further improve and root out official extravagance rather than making empty promises."

Wu Hui, an associate professor of governance at the Party School of the Central Committee of the Communist Party of China, in response to a new regulation on spending for official conferences aimed at streamlining government work and curbing extravagance



"Not only should the gates of courts be opened, but more media for judicial publicity should be created and utilized."

Zhou Qiang, President of the Supreme People's Court, in response to the growing use of social media by Chinese courts, such as the use of Weibo, a Twitter-like micro-blogging service, to post details of Bo Xilai's trial by the Jinan Intermediate People's Court in Shandong Province



"Xinjiang should be established as a western port for China's foreign trade given the fact that it is located at what has been an important merchant route, the 'Silk Road,' since ancient times."

Vice Premier Zhang Gaoli, at the fourth national work conference on "pairing assistance" projects to support Xinjiang Uygur Autonomous Region development, which was held in Beijing on September 23-24

Ψ

NEW ISO PRESIDENT



Zhang Xiaogang, Chairman of the World Steel
Association and a member of the China
Standardization Expert Committee, was elected
president of the International Organization for
Standardization (ISO) in St. Petersburg, Russia, on
September 21. He is the first Chinese to
assume the post.

Founded in 1947, the ISO is the largest and most authoritative international standard-setting body. By the end of 2012, the ISO had developed and published about 20,000 standards, which have played an important role in world economy and trade.



DESERTIFICATION FIGHTER



Wang Wenbiao, Chairman of Elion Resources Group in China, was awarded the Global Drylands Champions award by the UN Convention to Combat Desertification (UNCCD) in Windhoek, Namibia, on September 23. The award is a UNCCD initiative that recognizes individuals who have made significant contributions to leadership in sustainable land management, especially across the drylands.

Wang has spent the last 25 years in combating desertification in the Hobq Desert of China's Inner Mongolia Autonomous Region, turning more than 5,000 square km into green land, an equivalent of 1.43 percent of global desertified areas.

10 **BEIJING REVIEW** OCTOBER 3, 2013 http://www.bjreview.com

MEDIA DIGEST THIS WEEK



Examining Charity Sector Oriental Outlook September 19

The reputation of charity groups, especially the Red Cross Society of China, took a major hit in 2011 when a woman used social media to claim she managed an organization under the Red Cross Society of China and openly flaunted her wealth and extravagant lifestyle online. According to the China Charity and Donation Information Center report, the total amount donated was 84.5 billion yuan (\$13.8 billion) in 2011, down 18.1 percent from the previous year. In 2012, the number continued to drop to 70 billion yuan (\$11.4 billion).

In spite of shrinking funds, changes are

taking place in China's public sphere. For example, "good Samaritans" are gaining popularity online. Using social media platforms such as micro-blogs to alert people to those in need around them, good Samaritans uphold the belief that small good deeds add up to larger societal change. According to Web portal Sina.com.cn, its good Samaritan platform cooperated with 300 philanthropic organizations, won netizens' support for 1,000 projects, helped over 6,000 people in need and raised 6.7 million yuan (\$1.1 million) in 2012. Other Web portals have also launched their own good Samaritan platforms.

Online trends in 2012 such as "take a photo with your parents" and "save Lu Ruoqing"—a young woman who was diagnosed with leukemia—won much support from netizens.

A Return Voyage

Guangzhou Daily September 23

On September 15, an airplane returned to Hangzhou Xiaoshan International Airport to fetch a passenger while it was preparing for take-off. It was for a desperate mother who had missed the last plane. She hurried home because her daughter had been killed in a car accident. After asking the opinion of passengers on board, the airport recalled the plane and let the woman onboard.

This is good news for China's aviation sector, which has seen much public criticism. According to a report by the China Consumers' Association at the beginning of 2013, the association received 543,338 complaints in 2012. Complaints relating to aviation services increased by 51.4 percent compared to the previous year. Based on this information, the ontime rate and after-services of delayed planes is in need of serious improvement.

The decision to pick up the woman has shown a possible change in the situation. With the rapid development of high-speed railways and the presence of foreign-funded airlines, competition in the transport sector is growing increasingly fierce.

Historical Architecture Preservation

Guangming Daily September 24

Various forms of world famous architecture are being copied in urban residences across China today. For example, Guangsha Tianducheng Residential, a luxury real-estate project built in a European style, is cur-

rently under construction on the outskirts of Hangzhou, capital of east China's Zhejiang Province. Tourists can take a tour of two of the world's most beautiful cities, Paris and Venice, in a single afternoon by visiting the site, French media reported.

In contrast, construction featuring significant Chinese cultural elements is disappearing. Not long ago, several professors urged local governments to protect historical villas in Gulangyu, in scenic beachside Xiamen, Fujian

Province. These old villas were built by Western architects between the late 19th and early 20th centuries.

This reflects the current trend in Chinese urbanization. On one hand, property developers blindly pursue Western styles and copy world famous landmarks to attract consumers. On the other hand, many cities in China have not attached importance to the preservation and protection of historical buildings during rapid urban expansion.

Divided Housing Price China Newsweek September 16

China's real estate market, which has been booming for over 10 years, is entering a new phase. On the one hand, housing prices in first-tier cities such as Beijing, Shanghai, Guangzhou and Shenzhen remain high; on the other hand, second- and third-tier cities are seeing signs of oversupply, indicating that risk in the real estate market is mounting.

Such a situation is the result of population migration. Around 600,000 people come to live in Beijing every year. The need for housing keeps increasing alongside that of land supply, which has led to high prices. However, in third-tier cities, as the population keeps flowing out as

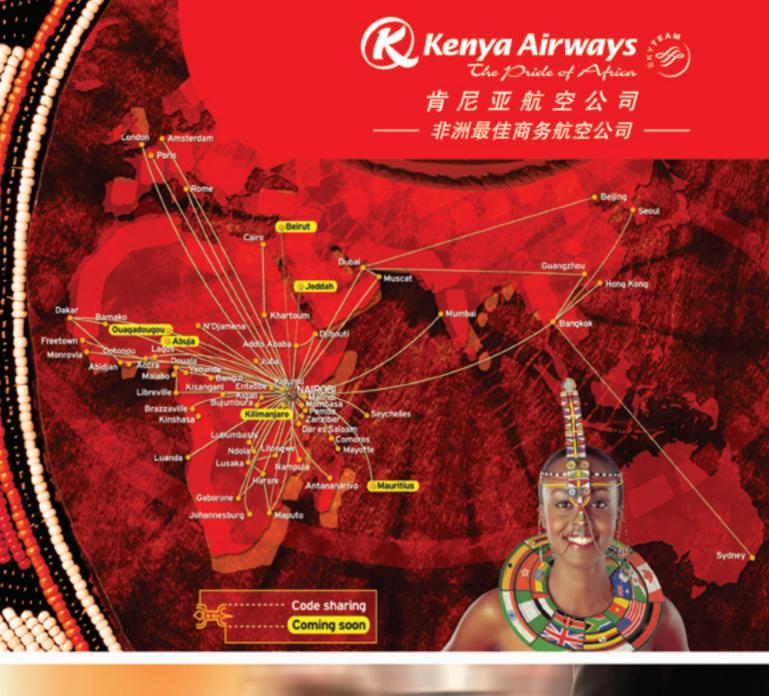
a result of the scarcity of attractive jobs and quality educational and medical resources, middleand long-term housing needs are weak.

The problem is that no fundamental reform of the land or taxation system is in sight. Local officials whose political performance is mainly gauged by GDP have no other choice but to cash in on land sales.

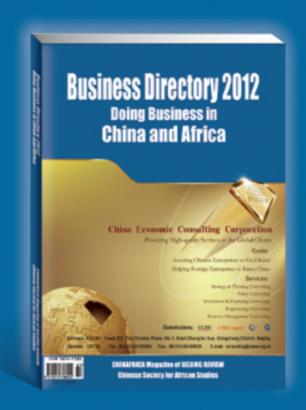
However, over the past two years, land appropriation compensations have become increasingly high and income from land transactions has been shrinking, leaving local governments ridden with debt.



http://www.bjreview.com







Jointly published by: CHINAFRICA Magazine of BEIJING REVIEW Chinese Society for African Studies

This Business Directory:

- Includes studies of China-Africa cooperation by profession institutions and experts, as well as industrial reports and China Africa policy and measures for promoting bilateral trade and investment;
- Is China's only reference book for trade and investment between China and Africa:
- Is the best promotional platform for African governments and companies to learn more about Chinese enterprises; and
- Is the business guide absolutely vital for Chinese and African businesspeople in their economic and trade cooperation.

Subscribe NOW, to benefit from business opportunities.

To be sold at RMB380.00 or \$59.99

Available at: bjreview.taobao.com

Contact: Marketing Department of CHINAFRICA Magazine Fax: +8610-68328738
Tel: +8610-68996301 E-mail: dongqixin23@gmail.com

COVER STORY

REJECTING THE 'G2'

China's rise should not be accompanied by hegemony By An Gang



FLOURISHING TRADE: A busy scene at the Zhanghuabang container wharf in Shanghai on June 16. Data released by China's National Bureau of Statistics on July 15 showed that the economic growth rate reached 7.6 percent in the first half of 2013

s China a world power second only to the United States? On September 12, when delivering a speech at the Research Institute of Tsinghua University in Shenzhen, former Chinese Foreign Minister Li Zhaoxing gave an humorous answer when he said, "Only a fool would believe that China and the United States should co-lead the world under some sort of a 'G2' arrangement." He explained that Chinese people can feel proud as China grows stronger but should not become arrogant.

Li has been retired for several years, but his

frank words still express the mainstream views of current Chinese leadership and government-run academic circles over China's international position. As early as May 2009, when then Chinese Premier Wen Jiabao attended the 11th China-EU Summit in the Czech capital of Prague, he declared openly that China disagrees with the "G2" idea, stating that it is wrong to claim that China and the United States should co-lead the world.

Chinese authorities have repeatedly denied the concept of "G2" and similar views that

were first raised by U.S. scholars and politicians including Director of the Peterson Institute for International Economics Fred Bergsten, Harvard University professor Niall Ferguson as well as former U.S. National Security Advisor Zbigniew Brzezinski.

Domestic strategy

After decades of blistering growth since China initiated reform and opening-up policies in the late 1970s, the country has achieved great success in many fields. It has become a main-

14 **BEIJING REVIEW** OCTOBER 3, 2013 http://www.bjreview.com

stream international consensus that China has become one of the major powers in the world. However, the views of "G2" or "co-leading the world" are neither consistent with China's domestic reality nor with China's independent foreign policy of peace.

China's strategic outlook stresses self-knowledge, with an eye for objective and comprehensive understanding of history before making decisions about the future. Few countries in the world are as keen as China to discuss, declare and clarify their international positioning. As China undergoes changes much faster than others, it must focus on the present and look to the future when making domestic and foreign policies.

The Chinese per-capita GDP still ranks below 80 globally, with more than 100 million people still living on less than a dollar a day. China also faces severe problems such as ecological deterioration as well as social unrest. In the meantime, it has not realized national reunification and still faces threats of separatism. The country is far behind developed nations and even some developing nations in terms of soft power, as it carries little influence over international public opinion.

A basic consensus within China is that the country should keep a clear mind about its fundamental national condition and focus on its domestic affairs. It should put the transformation of its economic growth pattern as the first priority, focusing on the quality of growth rather than the quantity. China should avoid falling victim to the dreaded middle-income trap or becoming self-inflated by its achievements and competing for spheres of influence worldwide. The priority of China's foreign policy should be on resolving various problems affecting its sustainable development and protecting its growing legitimate rights and interests in the world.

The Chinese Government also believes that the "G2" concept does not imply that Washington sincerely wishes to share power with China, but rather seeks to regulate it through an established arrangement. The fundamental purpose of the concept is to serve the unipolar world dominated by the United States. If China accepts, it will be against the promises of Chinese leaders to never seek hegemony or become a superpower. It will be also against the multipolar world and democratic international relations that China advocates. "China threat" rhetoric would be much more widely accepted and trust and support from neighboring countries, developing countries and emerging economies to China will also be weakened. Finally, China would be mired in vicious competition between big powers.

Foreign policies

The 18th National Congress of the Communist Party of China (CPC) held in November 2012 reiterated that China is still in the primary stage of socialism and will remain so well into the future. It was emphasized in the congress that China's international status as the largest developing country in the world has not changed.

After Xi Jinping took over as general secretary of the CPC Central Committee, he said at a group study session with members of the CPC Central Committee Political Bureau that since the founding of the People's Republic of China in 1949, the country has put forward the Five Principles of Peaceful Coexistence; established and carried out an independent foreign policy of peace; made a solemn commitment to never seek hegemony and expansion; and emphasized that it will always remain a staunch force in safeguarding world peace. He stressed that China will unswervingly adhere to these principles, policies and commitments.

In a speech delivered on September 7 at Nazarbayev University in Astana, Kazakhstan, Xi elaborated on China's Central Asia policy. He emphasized that China will never interfere in the internal affairs of Central Asian nations, seek a dominant role in regional affairs, nor try to nurture a sphere of influence.

The new Chinese leadership has also pursued building a new type of relationship between major countries when handling issues with the United States. The concept was accepted by Washington and has become the principal axis of Sino-U.S. relationship in the new era. The core of the concept aims to handle properly the strategic relationship between the biggest and fast rising developing country and the world's only superpower. It will help the two countries build a mutually beneficial cooperation framework, prevent misjudgment and avoid confrontation. It is starkly different from dividing world power or co-leading the world.

On September 20, Chinese Foreign Minister Wang Yi delivered a speech at the Washington-based think tank Brookings Institution, during his first U.S. trip after assuming his post in March. Wang shared his thoughts on the way toward a new type of major-country relationship between China and the United States. He said, "Winwin progress is only possible when both countries are committed to cooperation. Moreover, such a win-win outcome should

not just be beneficial to China and the United States—it should also be beneficial to all countries of the world." He went on to say, "China is prepared to engage in comprehensive cooperation with the United States at regional and global levels. What we seek is not the so-called 'G2,' but each complementing the other with its respective advantages. China is ready to shoulder international responsibilities commensurate with its national strength and realities, and together with the United States, offer more quality public goods for the global community."

China's explicit rejection of the "world's second power" laureate and the "G2" is not an attempt to cover up an aspiration of being a world power. Rather, it holds a rational understanding of its own path of development and adheres persistently to its own strategic culture. The new leadership shows resolution in realizing the Chinese Dream, the core of which is to build China into a prosperous and strong country.

Shortly after China overtook Japan as the world's second largest economy, the government-backed Chinese Academy of Social Sciences released a blue book at the end of 2010, which said that China is set to become one of the top five G20 countries by 2020; and by 2050, it will be the world's second most competitive country only after the United States.

Changes in the international system not only manifest as the rise and fall of economic strength and power status, but also show up as the changes of dominant institutional models, values, principles and norms.

Since modern times, China has never been so close to world power status, and is already playing the role of de facto power in more and more fields. Meanwhile, China has also been pushed to the cusp of increasing international contradictions. In the next decade, China's position in the world will undergo fundamental changes. In the process of becoming a world power, it must confront several issues: How to meet the needs and safeguard the interests of China's own development; to what extent it must shoulder international responsibilities in line with its national strength and realities; and how to stay on the path of peaceful development while promoting the peaceful development of the world.

(The author is an op-ed contributor to Beijing Review)

liuyunyun@bjreview.com

http://www.bjreview.com OCTOBER 3, 2013 BEIJING REVIEW 15



China.com.cn China.org.cn

China's National Online News Service in 10 Languages

