WORLD: SINO-LATIN COOPERATION P.18 | BUSINESS: SANY BEATS OBAMA P.32

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DISASTROUS DAMAGE

MH17 tragedy brings new tension to Ukrainian crisis





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

EDITOR'S DESK

02 Unfortunate, Unnecessary, Untimely

THIS WEEK **COVER STORY WORLD**

18 Building Partnerships

New opportunities in the New World

NATION

24 Getting Used to Guns

Law enforcement toughens up

26 Helping Students Stay Healthy

Good habits start at a young age

28 Behind the Fortress Walls

A glimpse into China's once secretive military academies

BUSINESS

34 Change or Die

Are online finance products beating the banks?

38 Market Watch

Cover Photo: A part of the wreckage is seen at the crash site of the Malaysia Airlines flight MH17 in Ukraine's Donetsk region on July 21 (CFP)

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The Politicized Tragedy

Diplomatic spin overshadows MH17 investigation

NATION

P.22 On the Roof of the World

A traditional Tibetan getaway

BUSINESS

P.36 | Testing the Waters

Another round of reform for SOEs

CULTURE

42 Blank Canvas

China's art market is yet to take form

FORUM

46 Has the Whistle Blown for China's **Traditional Trains?**

ESSAY

48 Calming the Seas for Sino-U.S. Relations

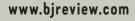
Naval exchanges will bring smoother sailing



P.32 | An Unprecedented Victory

Unconstitutional ban beaten back





















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A News Weekly Magazine **Published Since 1958**

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Unfortunate, **Unnecessary, Untimely**

On July 17, after being reportedly struck by an anti-aircraft missile while en route to Kuala Lumpur, Malaysia Airlines flight MH17 came crashing down in eastern Ukraine near the Russian border, killing all 298 passengers and crew members on board. The tragedy shocked the world and devastated relatives and friends of the victims. While paying our condolences to all, we strongly condemn those responsible for firing the missile. To appease the victims, those who are responsible must be brought to justice. Sincere cooperation and efforts by all involved parties are vital in this regard.

The passenger plane crashed in Donetsk Province, which is currently under the control of the country's pro-Russian separatists. They have been engaged in crossfire with the Ukrainian Government in recent months. following the announcement of their secession from the country. This indiscriminate infighting likely resulted in the targeting and fatal crash of Flight MH17.

In an interview with CNN after the incident, Petro Poroshenko, President of Ukraine, said the disaster was a crime "committed by terrorists" who made use of weaponry from Russia. It is widely believed that a Buk surface-to-air missile was fired, but its point of origin is still unknown. The national security authorities of Ukraine claim that, in the early morning of July 18, one day after Flight MH17 crashed, Ukrainian separatists transported two anti-aircraft missiles from Ukraine into Russia so as to cover any trace of the weapons system.

The Defense Ministry of Russia, however, continues to claim that the Ukrainian military shot down the passenger plane, listing what it calls its six pieces of evidence. These include Flight MH17's slight diversion from its planned flight path, and that the route is within the range of the Ukrainian Government's air defense forces.

The UN Security Council held a conference addressing the situation in Ukraine on July 21, with a resolution severely condemning the perpetrators being unanimously passed. The priority now is understanding what led to the crash: All involved parties should observe the UN resolution; actively cooperate with the investigators; and support "a full, thorough and independent international investigation into the incident in accordance with international civil aviation guidelines," as outlined in the UN resolution.

Before the truth is established, parties would also be wise not to wrongly criticize one another or rush to conclusions based on limited factual knowledge. Opposing violent conflict and promoting peace should be common goals across all nations in this day and age. In order to honor the victims of Flight MH17 and safeguard international teams in the area, all infighting and military maneuvers should be suspended throughout the investigation. Countries and military, paramilitary, and separatist groups in the region should cooperate fully and truthfully in order to bring the truth to light as quickly as possible. Those responsible must be punished according to international criminal and aviation law precedents, as the world continues to mourn the victims of this unthinkable and unsolved crime.

WRITETOUS

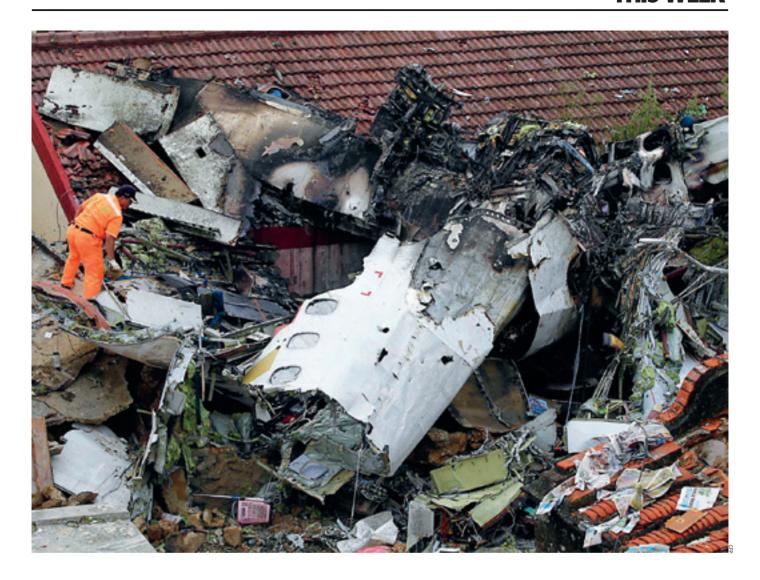


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TERRIBLE TRAGEDY

Rescue personnel survey the wreckage of TransAsia Airways flight GE222 that crashed on Taiwan's offshore Penghu Islands on July 24.

The turboprop plane en route from Kaohsiung in south Taiwan to Penghu smashed into residential buildings while attempting an emergency landing in stormy weather. Of its 54 passengers and four crew members, 48 were killed and 10 were injured.

http://www.bjreview.com JULY 31, 2014 BEIJING REVIEW 3



Deadly Gales

Typhoon *Rammasun* struck south China on July 18 and 19, bringing torrential rain, flooding and extreme winds to the country's southern provinces, affecting nearly 10 million people in the provinces of Guangdong, Hainan, Yunnan and Guangxi Zhuang Autonomous Region. The typhoon caused 46 deaths, with another 25 reported missing. A total of 37,000 houses and 250,000 hectares of crops were destroyed, causing combined direct economic losses worth 33.6 billion yuan (\$5.5 billion) in the affected area.

On July 23, typhoon *Matmo* made landfall in east China's Fujian Province, making it the 10th typhoon to affect the country this year so far.

Rights Studies

Five national education and training bases for human rights were set up in China on July 22, bringing the total number of such bases to eight.

The five institutions authorized to serve as education and training bases are the human rights research centers at Renmin University, Fudan University, Wuhan University, Shandong University and Southwest University of Political Science and Law.

"The move will help to promote faster and better development of China's human rights undertakings," said Cui Yuying, Deputy Director of the Information Office of China's State Council, while addressing the audience at the ceremony.

Nankai University, China University of Political Science and Law, and Guangzhou University were authorized to serve as national education and training bases in October 2011 in accordance with the government's plan to promote human rights in China.

Teacher Exchange

China will set up a system to swap principals and teachers between schools to ensure even distribution of educational resources, according to the Ministry of Education.

In a statement released on July 21, the ministry said the move aims to arrange competent educational staff to guide the development of underdeveloped primary and middle schools, mostly in the country's western regions.

The mechanism will be revealed in a future document and swaps will be implemented within counties on a regular basis in three to five years, it said, without specifying how long the swaps will last.

In 2011 and 2012, province-level governments signed a memo with the

TRADITION LIVES ON

A woman of the Yi ethnic group performs during a traditional beauty contest in Xichang, Sichuan Province, on July 23. The beauty contest is one of the most important activities during the annual Torch Festival of Liangshan Yi Autonomous Prefecture



ministry to boost local educational balance through various measures, including funding and facility upgrades, and nearly 400 cities and counties nationwide had passed official evaluations as of last month.

However, on July 21 the ministry revealed that eight province-level regions did not see a single city or county pass evaluations, fingering inadequate government efforts.

The ministry vowed to monitor the educational gap between different regions on a regular basis and hold accountable those who fail to do their jobs.

Mile-High Wifi

A Chinese airline tested a program on July 23 that would allow passengers to use the Internet during flights, paving the way for the technology's application in China's booming aviation market.

The satellite-based Wifi service was made available on a flight operated by China Eastern Airlines, the first test of the service on a Chinese commercial flight. The service was launched on an Airbus A330 servicing the Shanghai-Beijing route.

The aircraft is installed with devices that use satellites to transmit signals, boasting better bandwidth and stability compared to communication via base stations, Zhang Chi with China Eastern Airlines told Xinhua News Agency.

The trial is an important step for inflight Wifi services to win approval from the country's aviation regulators, who have yet to issue licenses for its commercial use. The trial will help collect data and passenger feedback for setting standards and rules, Zhang said.

Water for Temples

China will invest heavily into providing safe drinking water to all temples around the southwestern Tibet Autonomous Region within 2014, regional authorities announced on July 23.

The one-time investment of 495 million yuan (\$79.2 million) will give 1,466 temples access to drinking water, according to the regional water resources department.

About 50,000 people, including monks, nuns, temple staff and nearby residents, will benefit from this project, said Chaqxi, a senior official with the

department.

The project is intended to end the difficulties Tibetan temples face in sourcing safe water as most of Tibetan Buddhist monasteries are located in mountainous or remote regions.

From 2005-13, China invested 2.22 billion yuan (\$352.4 million) in supplying safe drinking water and water for other uses to rural Tibetan residents. To date, more than 86 percent of Tibet's rural areas are served by tap water.

Nursing for the Elderly

Beds in China's nursing centers for the elderly have reached 4.94 million, according to Li Liguo, Minister of Civil Affairs, on July 21.

The number of beds rose nearly 20 percent from the 2012 figure, but there are still only 25 beds for every 1,000 senior citizens, said Li.

The number of people in China at or above the age of 60 had hit 202 million by the end of 2013, making up nearly 15 percent of the total population, according to official data last month.

China's senior population is expected to exceed 300 million in 2025 and hit 30 percent by 2050.

Investment in social services for the elderly has grown quickly in past years, with the number of urban elderly service organizations has topping 70,000, while the rural figure neared 410,000. However, the coverage rate for these groups still lags behind the goals laid out in the 12th Five-Year Plan (2011-15), which stipulated that such services should cover 95 percent and 80 percent of urban and rural areas, respectively, by 2015, said Li.

Government
agencies
and nongovernmental
organizations
should provide
more voluntary
services for
the elderly and
encourage the
elderly to
actively
participate in
social activities
and causes

Li Liguo, Minister of Civil Affairs





Early Warning System

A worker at the Minxian Water Bureau checks an automatic rainfall station at Hadiha Village of Hetuo Township in Minxian County, Gansu Province, on July 20. An early warning and forecasting system was set up in Minxian County after the 6.6-magnitude earthquake hit the area on July 22, 2013. The system covers every village in the region and provides advanced notice of a number of natural disasters.

Arctic Expedition

Scientists onboard the icebreaker *Xuelong*, literally translating to "Snow Dragon" in English, have begun China's sixth Arctic expedition.

The ship's crew spent about three hours at the first research site in the Bering Sea on July 18. A 200-kg CDT (conductivity, depth and temperature) instrument was put more than 3,000 meters below the surface to survey the sea water.

"During the following 10 days, the team will investigate the chemistry,

marine life, geology, hydrology and atmospherics of the area," said Pan Zengdi, chief of the team.

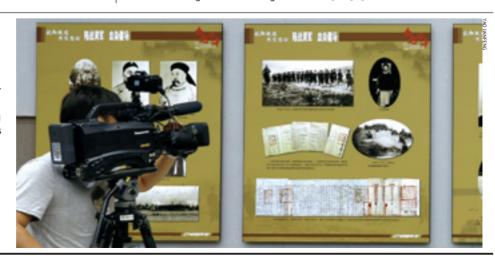
The Bering Sea is one of the key areas for China's Arctic expedition. The team will also explore the Chukchi Sea and the Canada Basin.

Xuelong set off from its Shanghai base on July 11. The vessel, capable of breaking ice 1.2 meters thick, will travel over 11,000 nautical miles during its 76-day voyage.

Honoring History

A journalist shoots exhibits at an exhibition marking the 120th anniversary of the First Sino-Japanese War in 1894-95, in Shenyang, capital of northeast China's Liaoning Province, on July 24. The exhibition displays more than 200 files and photos from the war, in which China was defeated.

After the war, Japan forced China's then ruling Qing Dynasty (1644-1911) to sign the unequal Treaty of Shimonoseki, under which it annexed Taiwan and its affiliated islands.



THIS WEEK ECONOMY

Cheaper Houses

China's home prices continued on a downward trend in more cities in June, according to official data released on July 18.

New home prices in 55 of a sample of 70 major cities showed month-onmonth drops in June, contrasted with 35 in May, the National Bureau of Statistics (NBS) said in a statement.

Only eight cities saw month-onmonth gains, down from 15 in the month earlier.

The average home price in the 70 cities slipped 0.47 percent from the previous month, more than the 0.15-percent fall in May, according to the NBS data.

However, on a year-on-year basis, home prices in most cities are higher than a year ago, with only Wenzhou in Zhejiang Province seeing a price drop in June.

Against this backdrop, some local governments are rushing to relax

curbs on home purchases, as sluggish property sales undercut local fiscal revenue.

Bank Cooperation

On July 18, the central banks of Venezuela and China signed a cooperative agreement in Caracas, capital of the South American country, aimed at promoting the exchange of information on statistical methodologies, monetary policy strategies and funding mechanisms between the two countries.

Zhou Xiaochuan, Governor of the People's Bank of China, said the agreement is a breakthrough for both sides in enhancing economic ties.

It is important for the two central banks to exchange views and share their experiences, especially on monetary policies and financial stability, Zhou added.

Zhou's Venezuelan counterpart, Nelson Merentes, described the deal



PRIME EXPORTS

Made-in-China intercity bullet trains are put into use in Buenos Aires, capital of Argentina, on July 22 as "historic," saying it would facilitate bilateral collaboration.

Merentes stressed that the two central banks have to work together as the ties between the two countries are getting ever closer.

He said that it must be taken into consideration that "more and more Chinese companies" are investing in Venezuela in various fields, such as agriculture, livestock, construction, mining and telecommunications.

Local Bailout

The possible second bond default in China was avoided after the local government of north China's Shanxi Province decided to help the troubled Huatong Group.

On July 16, the private construction company claimed that it faced "uncertainties" in paying back the principal and interest of its 400-million-yuan (\$64-million) note.

The one-year note, recently revised down by domestic rating agencies to B from A-1, was due on July 23 with an annual interest rate of 7.3 percent.

However, sources close to the bond's underwriters said enough funds were available to cover the principal and interest of the one-year commercial paper, totaling 429.2 million yuan (\$69 million).

Governments at different levels in Shanxi have lent 595 million yuan (\$96 million) to the company, according to *The 21st Century Business Herald*, a business newspaper published in Guangzhou, Guangdong Province.

The possibility of a default emerged after the company's Board Chairman, Wang Guorui, was put under investigation for allegedly breaking the law in mid-July.

In early March, Shanghai Chaori Solar Energy Science & Technology failed to cover 89.8 million yuan (\$15 million) in interest payments, making it the first onshore bond default and causing a minor panic among investors.

Authorities have signaled since late last year that they would tolerate defaults as long as such incidents do not bring systemic risks to the country's financial systems.

Companies have long relied on local governments and state-backed



Solar Soldiers

Solar panels placed upright on the ground in a solar power industrial park in Hami, Xinjiang Uygur Autonomous Region, on July 22.

The city, which enjoys abundant sunshine, is ideally suited for making the most of solar energy.



Extended Connection

Laborers work at the second double-track line of the Lanzhou-Xinjiang Railway in Menyuan County of northwest China's Qinghai Province, on July 20.

The 1,776-km high-speed railroad, the first high-altitude line in China, will be put into use at the end of this year.

lenders for last-minute bailouts to help meet their obligations when they run into liquidity problems.

Such bailouts have been criticized for causing distortions in the market and preventing investors from getting a clear look at the risks they are exposed to.

Turbine Engine Deal

The Aviation Industry Corp. of China (AVIC) and French plane maker Safran have announced they will set up a joint venture in China to make turbine engines.

The two companies signed a memorandum on July 23 stipulating that each side will have a 50-percent stake. They will research, design and make core components for turbine engines employed in civilian aircraft.

AVIC and Safran expect to sign a framework agreement during the 10th China International Aviation & Aerospace Exhibition in Beijing in November.

Details of the agreement have not

JUICY FRUITS

A farmer picks blueberries in Majiang County, Guizhou Province, on July 22. The plantation of blueberries has become a pillar industry in the county, with its output value reaching 120 million yuan (\$19.38 million) in 2013



yet been unveiled.

Lin Zuoming, Board Chairman of AVIC, hailed the tie-up as "a breakthrough" in the company's cooperation with Safran.

Marc Ventre, Deputy CEO of Safran, said the agreement will combine both sides' most advanced technology and enable the venture to become a world-class turbine engine components maker.

Collaboration between AVIC and Safran dates back to 2009 when they agreed to make landing gears and brake devices together. They then extended cooperation into other fields through a string of deals.

Global Currency

The Chinese currency renminbi (RMB), or yuan, will become the world's third largest currency after the U.S. dollar and the euro by 2020, according to a newly released study.

A report by the International Monetary Institute of Renmin University of China and the Bank of Communications, published on July 20, said the RMB internationalization index had risen to 1.69 by the end of 2013 from 0.92 in 2012.

The main impetuses for the RMB internationalization come from cross-border trade settlement and direct investment, according to the report.

In 2013, China's cross-border RMB trade settlement hit 4.63 trillion yuan (\$748 billion), up 57.5 percent year on year, and RMB direct investment totaled 534 billion yuan (\$86 billion), up 90 percent year on year.

The institute and the bank have been jointly issuing RMB internationalization reports annually since 2012.

Auto Policy

On July 21, the State Council, China's cabinet, issued a guideline to promote new-energy vehicles, which highlights the construction of charging facilities and the elimination of regional protectionism.

The guideline called for layouts of charging facilities to be mapped and technological standards to be established, as well as stating non-governmental funds should be encouraged to participate in the construction of such facilities.

Among the 25 specific policies, seven aim to improve charging facilities through urban planning, discounted electricity prices and technological improvements.

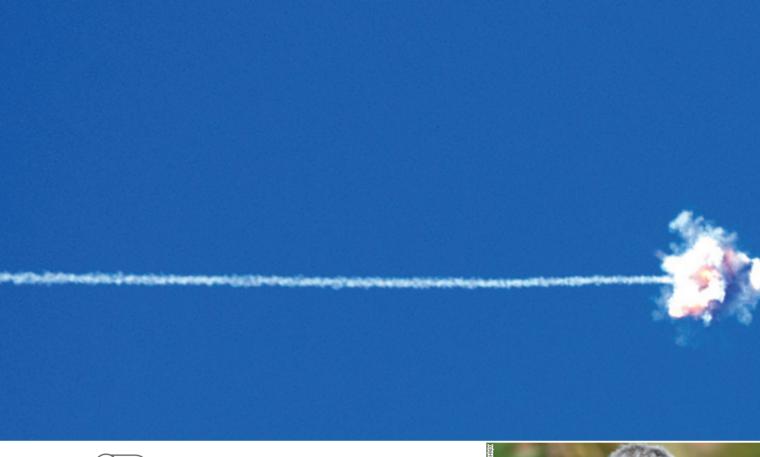
Local governments are not allowed to make their own standards on new-energy vehicles and charging facilities, and they are not allowed to put additional requirements on auto producers to impede new-energy vehicles from entering local markets, according to the guideline.

Government agencies will take the lead in using new-energy autos, the guideline said.

New-energy vehicles should make up no less than 30 percent of the total newly purchased vehicles in government departments in the coming two years, according to the guideline.

Consumers will enjoy tax cuts in buying new-energy vehicles from September 1, 2014 to December 31, 2017, it said.

THIS WEEK WORLD





Israel's Iron Dome missile-defense system intercepts a rocket launched from Palestine's Gaza Strip on July 21, the 14th day of the Operation Protective Edge. Israeli military strikes had killed at least 530 Palestinians and wounded over 3,200, while Israel has lost 28 soldiers in the action, as of July 24



Ukrainian separatists hand over black boxes from crashed Malaysia Airlines flight MH17 to Malaysian officials in Donetsk, the rebel-held area of east Ukraine on July 22







FRANCE

A baby koala, a product of artificial breeding, rests on its mother's back in a tree in the Beauval Zoo in Loir-et-Cher on July 19

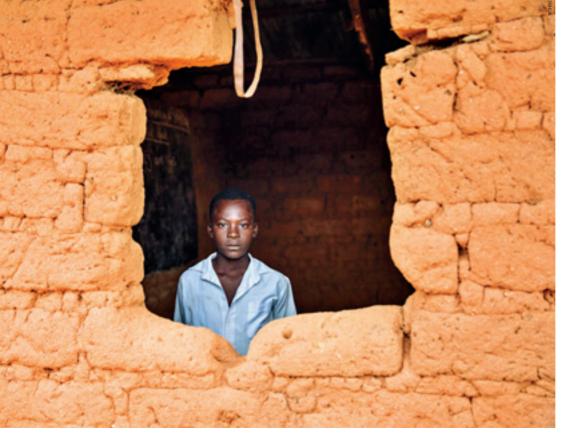


SOUTH KOREA

Two passenger trains collide head-on in the eastern area of the country on July 22, leaving at least one passenger dead and 83 others wounded









Joko Widodo appears in front of supporters on July 22 in Jakarta after delivering a speech after his presidential election victory



A student looks outside from a mud-brick classroom in north Nigeria on July 17. According to UNESCO, Nigeria has one of the highest dropout rates in the world, with over 10.5 million children leaving school in the country last year

http://www.bjreview.com JULY 31, 2014 **BEIJING REVIEW** 9

THIS WEEK PEOPLE & POINTS

♦ CENTENARIAN WRITER

Yang Jiang, one of the most renowned female writers and translators in China, celebrated her 103rd birthday on July 17. Her new nine-volume collection is scheduled to be published in August.

Yang was born in Beijing in 1911. She was admitted to the Foreign Language School at Tsinghua University in 1933 for graduate studies. Two years later, she studied abroad with her late husband Qian Zhongshu (1910-98), who went to become one of the most respected literary scholars and writers of his time. The couple studied at Oxford and then the University of Paris.



After returning to China, Yang devoted her time to literature studies and writing. She was the first person to translate *Don Quixote* from its original Spanish into Chinese, and her edition is still the most widely circulated in China. Yang is also famous for her novel *Baptism* and the memoir *We Three*.

Anti-Corruption Efforts March On Caixin Century Weekly July 7

Since the Communist Party of China (CPC) realized its once-in-a-decade leadership transition at the 18th CPC National Congress in November 2012, 33 officials ranked at the vice-ministerial level and above have been placed under investigation for grave violations of Party discipline and the law. In June this year alone, six high-level officials, including former Vice Chairman of the CPC Central Military Commission Xu Caihou, fell from grace.



Despite exposing an increasing number of corrupt officials, some in the media and public sphere are expressing doubts about the end-goals of this campaign. Some say that while it's necessary to fight against malpractice, such a campaign should not go so far as to damage the image of the Party and the government. Others hold that ongoing efforts to clean up politicians have hampered economic development.

Yet anti-corruption and reform are regarded as the top two priorities of the new leadership. As the wealth gap widens and social problems worsen, the anti-corruption campaign serves to equalize the social structure dominated by the so-called vested interest groups and win public support for reform.

The intensive anti-corruption campaign has rightfully shocked corrupt officials out of complacency and won public backing. However, a lot remains to be done in order to fully root out bribery, such as pushing forward institutional reforms.

Organic Food Myths Caijing Magazine July 14

Concerns over food safety have caused many Chinese families to opt for organic food. According to a 2011 survey of Chinese consumers conducted by the International Trade Center, a joint agency of the WTO and the UN, 60 percent of organic food consumers in China are members of the middle class, families with children and people with health concerns. Some 98 percent of them choose organic food out of fear for food safety problems.

Many believe organic food includes agricultural products grown without the use of fertilizers, pesticides or chemical additives, which shoppers equate with safety and health. However, scientific studies have not shown that organic food is necessarily safer than other products. The slogan "zero pollution," which is often used to advertise such food, is impossible to achieve as organically grown plants and animals are exposed to the environment and thus grow among China's air, soil and water pollution.

Yet this preference for organic agriculture has visibly bolstered the entire industry. By 2013, there had been 731

"The vicious cycle of violence between Israel and Palestine must stop."

Liu Jieyi, China's permanent representative to the UN, calling for an end to the conflict between Israel and the Hamas movement in Gaza at a UN Security Council meeting on July 22

"The opening and closing ceremonies of this year's Youth Olympic Games will be more frugal than those of all the big sporting events hosted in China before."

Chen Weiya, director of the ceremonies, at a press conference on July 22, before the August 16 opening of the Games in Nanjing, east China's Jiangsu Province



certificated organic food-producing companies, which registered an annual sales volume of 13.5 billion yuan (\$2.2 billion). Though the industry is still in the preliminary stages of development, it promises huge growth potential. Shenzhen-based Essence Securities predicts that China's organic products will reach sales of 24.8 billion to 59.4 billion yuan (\$4 billion to \$9.6 billion) by 2015.

Fast Food Fears Nanfang Daily July 22

On July 20, local media unveiled the news that Shanghai Husi Food Co. Ltd. had supplied expired meat to fast-food titans including McDonald's and KFC. Food and drug authorities have suspended operations of the company, and ordered all its meat products to be taken off shelves. Husi is a member of the U.S.-based OSI Group, the world's largest meat and vegetable product processor. So how did this food safety incident happen at such a renowned transnational corporation here in China?

Most alarmingly, Husi knew about the use of expired meat and even created false claims about that knowledge. A detailed record of this from an internal e-mail suggested that the managers of the company

were clearly aware they were violating the law. Secondly, though no evidence indicates that Husi's customers, including McDonald's, knew about the illegal conduct, it is doubtful that they were not informed before the media were involved. Last but not least, local regulators' neglect of their duty comes into question. How was Husi awarded a grade A on food safety, let alone able to pass the annual health inspection?

China is undergoing an unprecedented economic transition. Our trust in transnational corporations is based on the belief that they operate under strict oversight to survive fierce competition. Yet the truth is that we should not overestimate the ethical practices of any market entity. The question now is how authorities can establish effective regulatory systems and enforce business ethics in ensuring food safety at transnational food companies.

CONTROVERSIAL DIRECTOR



Author-turned-director Guo Jingming has scored another box office hit with his controversial movie *Tiny Times 3*. It raked in more than 320 million yuan (\$51.6 million) within four days of its July 17 release, knocking Hollywood blockbuster *Transformers 4: Age of Extinction* off the top of China's weekly box office charts for that week.

Born in 1983 in southwest China's Sichuan Province, Guo is a popular young-adult fiction writer. He first became known to readers in 2003 when his novel *Ice Fantasy* was published. He established his own company in 2006, and began publishing juvenile fiction magazine *Zui Novel*.

Despite his success, Guo is a polarizing figure. He was involved in a plagiarism scandal a few years ago and has been accused of advocating materialism. The movie series *Tiny Times* is based on the novels of the same name by Guo and tells a coming-of-age story of four girls from different backgrounds.

"Even if they are in the farthest corners of the world, we will track them down and bring them to justice to defend the law and safeguard people's interests."

Liu Jinguo, Vice Minister of Public Security, at a July 22 teleconference launching a campaign to root out suspects involved in corruption-related crimes who have fled China

"The game would integrate kungfu with swords and sticks to teach martial arts interactively, so that users don't have to climb Songshan Mountain [in central China's Henan Province] to learn Shaolin kungfu."

Lin Xiaosong. Chairman of Dengfeng Tiandizhizhong Network Development Corp., which manages the Shaolin brand, discussing the 1,500-year-old temple's plan to develop a game app to teach users martial arts on their cellphones

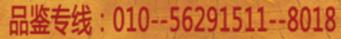








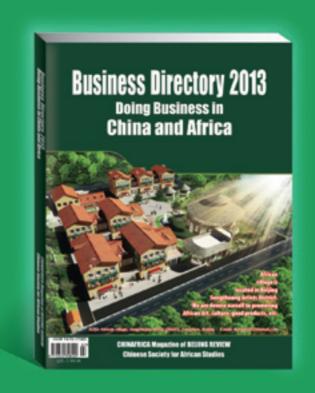
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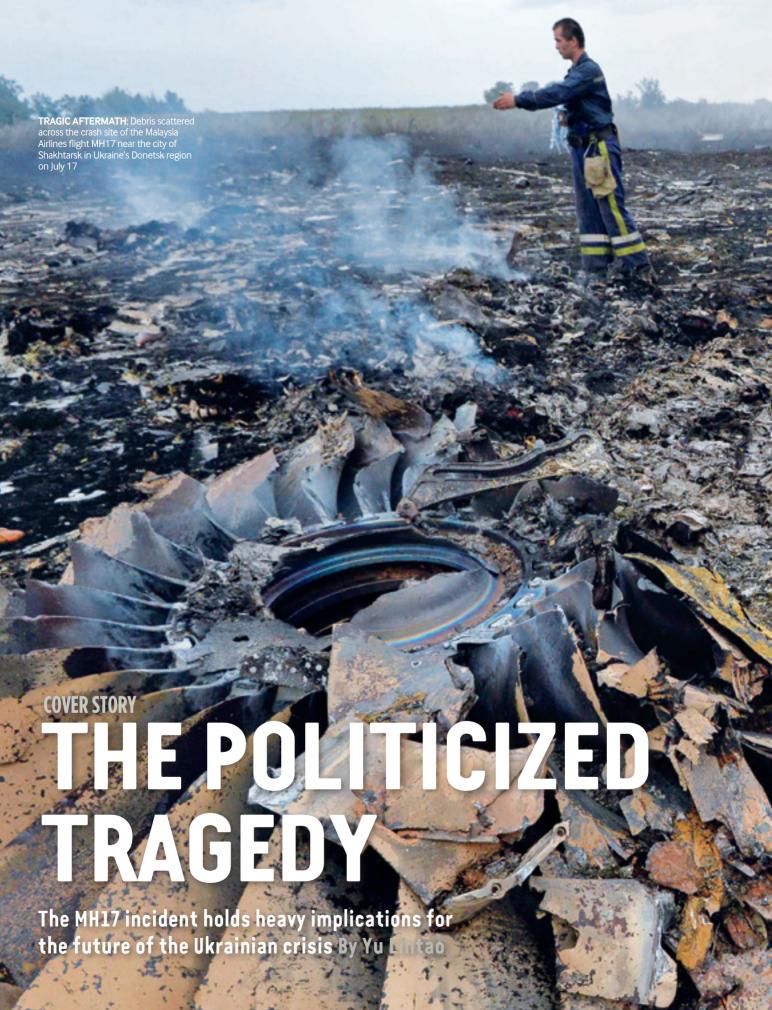
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alaysia Airlines flight MH17 and its 298 people on board became the newest victims of the Ukrainian civil conflict—a tragedy that comes as a shocking reminder of the cruelty of war. But as many suffer the pain of loss, the incident has already been overshadowed by political wrestling between the West and Russia.

The Ukrainian crisis has developed into a complex, multi-sided affair, making it even more difficult to uncover the truth as to who should be held accountable for the alleged shootdown of the aircraft. However, some observers suggested the tragedy could lead to a favorable turn in the conflict.

The blame game

The black boxes of the crashed plane have been handed over to the UK Air Accidents Investigation Branch for forensic analysis.

Despite the lack of definitive evidence as to who is responsible for the crash of the Malaysian passenger plane, many international media outlets and world leaders have already pointed fingers at the pro-Russia forces in eastern Ukraine and blamed Russia for the escalating violence. Russia countered soon afterward that the tragedy could have been avoided if Ukraine's eastern regions were at peace, adding that Ukrainian authorities should be held responsible for allowing a commercial jet to fly over a war zone. Russian President Vladimir Putin called on all sides to avoid making hasty conclusions and politicized statements until the investigation is over.

Hours after the plane crash, Ukraine's security chief accused two Russian intelligence officers of involvement in the crash. Australian Prime Minister Tony Abbott soon followed with the claim that the aircraft was brought down by a surface-to-air missile launched by the Russia-backed pro-independence insurgents in eastern Ukraine. U.S.



President Barack Obama then blamed Russia for creating the instability in Ukraine that led to the shooting down of the plane.

Professor Hu Siyuan, a military expert at China's National Defense University, said the international media's immediate accusations against Russia were understandable, though not necessarily correct.

Hu said that, firstly, Russia backs the Ukrainian separatist forces and is likely the main provider of weapons to the faction; and secondly, Russian technology could theoretically have been used to carry out such a strike.

These details, however, do not automatically implicate Russia or the anti-government forces.

According to Hu, the Buk missile is most likely the weapon that led to the air crash, but both sides possess the deadly instrument.

After the accident, the Russian side also showed evidence that Ukraine government forces deployed Buk anti-aircraft systems 8 km south of Shakhtarsk, where the Malaysian passenger jet crashed. Meanwhile, Russia's air traffic control records have revealed that a Ukrainian Su-25 fighter jet was flying close

to the passenger plane before the crash, further inspiring speculation amid differing views of Moscow and Washington over the height of the Su-25's flight path.

Russia also questioned why MH17 strayed 14 km north from its planned route after passing Ukraine's eastern city of Donetsk.

Russia's Interfax News Agency (INA) quoted Andrei Kartopolov, chief of the main operative department of the Russian General Staff, as saying that "The (MH17) crew was attempting to return to the planned aerial corridor, but the flight was terminated at that moment. What caused it to go outside the boundaries of the route...can only be answered after the deciphering of the flight recorders...and conversations with air traffic control services."

Chen Yurong, a researcher on Eastern European studies with China Institute of International Studies, said the air crash came as a result of the integral geopolitical conflicts between Russia, the United States, and Europe, creating an entanglement over the complicated Ukrainian crisis.

Against the backdrop of the ongoing conflict, Chen said, it is unthinkable that

Russia would intentionally create such a terrible tragedy. The Ukrainian separatists, meanwhile, lack a radar system for such an operation, suggesting the event was most likely an accident. Though the black boxes have been recovered, the truth may not be uncovered any time soon.

Chen added that if the plane is confirmed to have been shot down by a missile, the perpetrators should be brought to justice regardless of their motives for the attack that took so many lives.

"What the world should think about most deeply is how to settle the Ukrainian crisis and put an end to the political gamesmanship of the big powers," Chen added.

Turning point

The air crash has made the tepid Ukrainian crisis a focus of international attention once again, as the regional conflict escalates to a global situation.

Yang Jin, a research fellow with Chinese Academy of Social Sciences, believes the incident would lead to either the deterioration or mitigation of the crises, depending on the result of the investigation.

Major Civilian Aviation Tragedies Involving Missiles

Siberia Airlines Flight 1812

On October 4, 2001, a Siberia Airlines Flight 1812 Tu-154 flying from Tel Aviv, Israel, to Novosibirsk, Russia, exploded and plunged into the Black Sea, killing 78 people, most of them Israeli citizens. It was later determined the plane was hit by a Ukrainian missile during military training exercises.

Iran Air Flight 655

On July 3, 1988, Iran Air Flight 655, an Airbus A300 B2-203, from Tehran, Iran, to Dubai, United Arab Emirates, was shot down by the U.S. Navy guided missile cruiser *USS Vincennes*, killing all 290 on board, including 66 children. The attack took place in Iranian airspace, on the flight's usual path, shortly before the Iran-Iraq War ended in August 1988. According to the U.S. Government, *Vincennes*

incorrectly identified the passenger plane as an attacking fighter and shot it down.

Korean Airlines Flight 007

On September 1, 1983, Korean Air Lines Flight 007, a Boeing 747-230B, was shot down by a Soviet Su-15 interceptor west of Sakhalin Island in the Sea of Japan. All 269 passengers and crew aboard were killed. An investigation conducted by the International Civil Aviation Organization in 1993 showed the pilots' inappropriate interaction with the autopilot controls probably caused the plane to go off its course.

Aerolinee Itavia Flight 870

On June 27, 1980, Aerolinee Itavia Flight 870 suffered an explosion and crashed into the sea near the Italian island of Ustica. All 81 pas-

sengers and crew on board were killed. Italian prosecutors and the Parliament Commissions came to the conclusion that the DC-9 was mistakenly identified by French, U.S. and Italian fighters as an executive jet believed to be carrying then Libyan leader M. Qaddafi and shot down.

Libyan Arab Airlines Flight 114

On February 21, 1973, Libyan Arab Airlines Flight 114, a Boeing 727-224, a regularly scheduled flight from Tripoli to Cairo via Benghazi, was shot down by Israeli fighter jets. Only four people among the total 112 passengers and crew members survived the incident.

(Source: Chinanews.com)

"If it is proved that the Russian army or the pro-independence militia was the perpetrator of the tragedy, Russia will lose points morally in the eyes of the international community," Yang told *Beijing Review*. "The West would be likely to take more drastic measures to sanction Russia while enhancing their efforts to support the Ukrainian Government."

Zhang Yao, a researcher at Shanghai Institutes for International Studies, shared a similar view.

"Even if the militia is found to have fired the missile accidentally, Russia would be pressured to lessen its support for the proindependence separatists," said Zhang. "The militia would then face isolation and condemnation by the international community, even losing bargaining power with the Ukrainian Government, who could then possibly attempt to retake the eastern states."

In a recent interview, former U.S. State Secretary Hilary Clinton suggested the West take more serious steps to support Ukrainian authorities and punish Russia if firm evidence proves Moscow's involvement in the air crash.

If pressured by the international community, Yang said, Russia could perhaps soften its tough stance over the crisis, thus strengthening the Ukrainian position.

But if the Ukrainian Government were later shown to have caused the tragedy, observers said, the Ukraine conflict would probably see a reversal.

Yang said, "If the Ukrainian Government is to blame, Russia is expected to significantly strengthen its support for the proindependence militia while the West would temper its backing of Kiev in suppressing the separatists, shaking the ruling foundation of the government." Zhang also noted that the international community may then increase calls for settling the crisis through political negotiation, while the pro-independence militia may still demand more.

While conclusive results of the investigation may be slow to emerge, good signs for the Ukrainian crisis are on the horizon. According to reports from the INA on July 21, Putin claimed Russia will do everything possible to influence militia in the eastern Ukraine, urging the two sides to turn from military conflict to political dialogue.

A new geopolitical scenario

The MH17 incident has implications not just for the Ukrainian crisis, but also for regional and even international relations.

Moscow has been further isolated since the incident; President Putin has become a scapegoat; and Russia's strategic position in Europe has been marginalized. Russia will become even more alienated from the Westdominated international arena.

Since the outbreak of the Ukrainian crisis in February, the West has imposed several rounds of sanctions on Russia. Following the incident, the resumption of talks on a New

Zealand-Russia free trade agreement is likely to be further postponed. The three major EU nations Britain, France and Germany, also threatened to start new sanctions if Russia does not cooperate over the incident.

Speaking at a recent National Security Council meeting, Putin warned that although there was no direct military threat to Russia's sovereignty, international elements were attempting to destabilize the country.

Putin also said Moscow saw clear signs of NATO beefing up its presence in Eastern Europe, warning that Russia will adequately and proportionally react to the "demonstrative" activity.

Some Chinese observers believe the new incident will further push Russia to turn to the Asia-Pacific region. In fact, Russia has already been exploring market actively in the region and enhancing cooperation with China, Japan and India in recent years.

For the Western countries, the incident has served to unite them more. The EU is now also teaming up to clash with Russia. With many of its member states relying on Russian gas, the EU had been reluctant to take a tough stance over the Ukrainian crisis. But as the dust settles from the crash of flight MH17, the EU's attitude toward Russia may yet undergo a threatening shift.

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