NATION: EDUCATION SHAKE-UP P.26 | BUSINESS: PAY-OUT FOR PENSIONERS P.36

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# HARVESTING FARMING POTENTIAL

Central Rural Work Conference pushes for the modernization of agricultural sector





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#### EDITOR'S DESK

02 Agricultural Renewal

#### THIS WEEK

#### **COVER STORY**

WORLD 20 Russia's Twin Troubles A tag-team of economic woes

#### NATION

#### 24 Legal Weapon Against Spies Using legislation to keep things away from prying eyes

30 Ready to Take Off Private sector piloting reaches new heights 32 Young Power

The new face of Chinese business

#### BUSINESS

36 The Price of Equal Pensions Where will the money come from?

42 Market Watch



**Modernizing Agriculture** Ensuring full bowls for everyone

#### WORLD

#### P.18 The Cuban Conciliation

Two neighbors brought closer than ever

#### **BUSINESS**

#### P.38 | The Power of the She-conomy

Girl power drives growth

#### CULTURE

44 Representing Old Beijing

An artist provides a window to the past

#### FORUM

46 Can Chinese Students Replicate Bill Gate's Success?

#### ESSAY

48 Industry 4.0: China's New Opportunities

China should ride the next big wave

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P.26 Examining the Exam System

Going a step beyond the gaokao

NATION



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#### **BEIJING REVIEW**

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## **EDITOR'S DESK**

# **Agricultural Renewal**

The Central Rural Work Conference held at the end of last year laid out plans to address issues concerning China's agriculture, farmers and rural areas in 2015 and beyond based on progress made in 2014. The meeting conveyed the message that promoting agricultural modernization by relying on reform and innovation will top the Chinese Government's agenda as it seeks to boost development in China's vast countryside.

China is traditionally an agricultural country. In recent decades, however, breakneck economic growth has led to dramatic changes in the country's industrial and demographic structures. China's urban population exceeded its rural population for the first time in 2011, with the latter accounting for 46 percent of the total in 2013. Mindful of these changes, the Chinese Government is committed to modernizing the agricultural sector as part of its efforts to achieve balanced development across the country.

As the Chinese economy enters the "new normal" characterized by slow growth, problems facing rural areas have become increasingly serious. For example, agricultural resources are becoming scarce, the ecological environment in the countryside is deteriorating and contamination of rural land and water is exacerbating. Furthermore, as a large number of rural laborers migrate to cities, the aging of the rural population and scarcity of rural labor have become daunting challenges.

China's agriculture also faces competition from products from other countries. Chinese farmers' enthusiasm for farming has been dampened by ever-rising production costs, decreasing prices of agricultural products in the international market, and the low contribution rate of technology to agriculture. In order to guarantee food security, the government has to encourage farmers to farm by offering subsidies.

Solving these pressing problems has been the focus of every year's Central Rural Work Conference. The just concluded conference showed that a new round of rural reform has begun against the backdrop of the "new normal." This round of agricultural reform is centered on ensuring food security and increasing rural residents' income.

It is expected that the government will promote industrialized agriculture as well as its integration with other sectors of the economy in 2015. It will introduce sophisticated technology to farms and also continue to facilitate the transfer of land use rights to bolster large-scale farming,

China's reform process, which started in rural areas in the late 1970s, has fueled the country's economic takeoff. It is hoped that the new initiatives will not only help modernize the country's agricultural sector but also contribute to China's overall economic and social progress. ■

#### **WRITE TO US**

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# **READY TO HELP**

Chinese patrol ship *Nanhaijiu 101* prepares to join the search and rescue operation for Malaysia-based AirAsia flight QZ8501 in Haikou, south China's Hainan Province, on December 30, 2014.

The plane carrying 162 people lost contact with air traffic control while flying from west Indonesia to Singapore on a scheduled two-hour flight two days earlier.

Indonesian rescuers searching for the missing AirAsia plane spotted an emergency exit door and other debris, as well as a "shadow" on the seabed that is believed to be the fuselage of the missing jet, on December 30.

Rescuers spotted six bodies and recovered three from waters off the southern coast of Kalimantan Island on that same day, according to the National Search and Rescue Agency of Indonesia.

China sent a navy frigate and two air-force planes to assist with the operation. No Chinese passengers were on board.

## THIS WEEK SOCIETY



## Cute But Deadly

A total of 105 Siberian tiger cubs, one of the world's most endangered animals, were born in 2014 at the Siberian Tiger Park in Heilongjiang Province.

Over the past decade, the Siberian Tiger Park, the largest Siberian tiger breeding and field training center in the world, has adopted planned breeding of tigers in a move to protect strong genes among the species' population. Currently, there are more than 1,000 Siberian tigers in the park.

#### **Reform Achievements**

China "basically finished" 80 key reform tasks identified for last year, according to a statement of the eighth meeting of the central leading group for comprehensively deepening reform on December 30, 2014.

In addition, 108 missions assigned to various central departments have also been completed, according to the statement.

The meeting approved a summary of progress in comprehensively deepening reform in 2014, outlined a work agenda for the leading group in 2015 and set key tasks for implementing the decision of the Fourth Plenary Session of the 18th Central Committee of the Communist Party of China in October 2014, which focused on promoting the rule of law. The leading group was established upon a decision passed at the Third Plenary Session of the 18th CPC Central Committee in November 2013, a measure to promote the country's overall reforms.

Speaking at the meeting, President Xi Jinping, also chief of the leading group, called for continued efforts to quicken the reform's strong momentum.

"Strike the iron while it's hot," Xi urged at the meeting.

### Public Service Ads

China has set up a special fund worth more than 10 million yuan (\$1.6 million) to support public service advertisements.

Radio and TV programs, roadside billboards and banners have long played a key role in promoting good

### CHRISTMAS RUN

Citizens engage in a long run wearing only Santa hats and swimming suits in Changchun, Jilin Province, to raise money for school children in rural areas surrounding the city on December 24, 2014



values and providing knowledge on a range of topics, from furnace safety to giving up bus seats to the elderly.

A total of 132 projects chosen from more than 500 applications have been covered by the fund, the State Administration of Press, Publication, Radio, Film and Television (SAPPRFT) said on December 26, 2014.

Completed projects that have already aired include one by the Beijing Media Network calling for patience in parenting, as well as an anti-speeding ad by a radio station in east China's Zhejiang Province.

Figures from the administration show that central and local television groups made 16,000-plus public service ads under the organization of SAPPRFT as of November 2014, with total air time of some 3 million minutes.

SAPPRFT vowed to increase financial investment to boost the production and airing of public service programs.

#### Cross-Regional Court

China's first cross-region court and procuratorate were established in Shanghai on December 28, 2014, as part of the country's judicial reform to reduce the interference of local governments on administrative litigation cases.

The Shanghai No.3 Intermediate People's Court is responsible for hearing the cross-region administrative litigation cases, major civil and commercial litigation cases, environmental protection cases as well as food and drug safety cases.

During the trial period, the court will mainly hear the administrative litigation cases with the municipal government as the defendant.

Shanghai had 16 districts and one county by the end of 2013. In the past, each district court and procuratorate is responsible for handling the cases within the district.

### HD Land Imaging

China can now view the entire country's land mass using HD satellite images, it was announced at a national geomapping conference held on December 26, 2014.

According to a statement issued by the National Administration

## THIS WEEK

of Surveying, Mapping and Geoinformation, China has begun capturing remote-sensing images with clear view of objects of as little as a meter in length since 2012.

By October 2014, such highresolution images had covered China's entire land territory.

### Ebola Vaccine Test

The Chinese military has developed and will test an Ebola vaccine on humans, a Defense Ministry spokesman said on December 25, 2014.

At a press briefing, spokesman Yang Yujun said that a research team at the Academy of Military Medical Sciences had developed the vaccine.

Yang said that since September 2014, the Chinese military had sent some 300 medical personnel and specialists to Sierra Leone and Liberia in eastern Africa to help control the epidemic.

## New Ship in Operation

China's first multifunctional offshore engineering ship capable of operating 3,000 meters under the water was put into operation on December 28, 2014, a major progress for China's deepwater ability.

The Offshore Oil 286 ship, built with an investment of more than 1 billion yuan (\$163 million), belongs to the Offshore Oil Engineering Co. Ltd., an affiliate of China National Offshore Oil Corp., the country's largest offshore oil and gas producer.

The ship, 141 meters long and 29 meters wide, has a maximum loading

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"The vaccine has recently passed appraisal by state and military authorities and began clinical tests in December 2014, and the China-developed Ebola vaccine is only the third to make it to clinical tests worldwide."

Yang Yujun, spokesman for the Defense Ministry



## High-Speed Rail

The final part of the engineering work for the mainland section of the high-speed railway between Beijing and Hong Kong is completed on December 29, 2014.

capacity of 11,228 tons, and can accommodate up to 150 crew members. It is equipped with a 400-ton crane to fulfill installing missions underwater.

The ship can undertake hoisting and pipe-laying missions and support underwater robot and diving missions. It can also carry out equipment maintenance work.

### Yellow Book Published

World Economy Analysis and Forecast (2015) and Annual Report on International Politics and Security (2015) were released by the Chinese Academy of Social Sciences on December 26, 2014, in Beijing. The two books, compiled by the Institute of World Economics and Politics of the academy and published by the Social Sciences Academic Press (China), are part of the *Yellow Book of World Economy* and the *Yellow Book of International Politics* respectively.

*World Economy Analysis and Forecast (2015)* analyzes the economic situation of world's major countries and region in 2014 and makes corresponding predictions.

This book also includes special reports on international trade, international finance, foreign direct investment, global commodity price, and studies on hot economic issues in 2014.

## Fare Hike

Passengers walk downstairs to take a train at the Xuanwumen Subway Station in Beijing on December 29, 2014.

Beijing's public transport adopted a new system for calculating bus and subway fares on December 28 last year, which doubled previous prices on average. The increase was not enough to deter commuters who live far from their work from choosing public transport, particularly the capital's always bustling subway lines.

The number of passengers taking the subway hit 3.2 billion last year in Beijing, an increase of 350 percent from 2007.



## THIS WEEK ECONOMY

#### Supporting 'Going Global'

The government will increase financial support for Chinese companies investing and operating overseas, or "going global."

Better financing can make more use of excess production capacity and promote cooperation with foreign companies, according to a statement released after a State Council executive meeting presided over by Premier Li Kegiang on December 24, 2014.

Approval for overseas investment should be made easier to obtain, including the procedures for listing, mergers and acquisitions overseas and for banks setting up overseas branches.

China will ensure financing support for exports of large equipment, encourage commercial banks to finance the whole industrial chain of equipment manufacture and promote use of foreign exchange reserves.

Policies concerning the cross-border payment and clearing of the yuan and export credit insurance should be improved. Overseas direct investment by nonfinancial companies rose 11.9 percent to reach \$89.8 billion in the first 11 months of 2014, data from China's Ministry of Commerce showed.

### Ruling on Qualcomm

China's top antitrust body will form a final ruling on mobile chip maker Qualcomm Inc. as soon as possible, an official statement said on December 27, 2014.

Qualcomm was accused of price fixing and abusing its dominance in the Chinese market. Probes into the case started in November 2013 in response to complaints from industry associations.

Xu Kunlin, Director of the Price Supervision and Anti-monopoly Bureau of the National Development and Reform Commission (NDRC), said the case is being pushed forward in line with legal procedures, according to an online statement of the NDRC.

However, the commission did not mention a specific date for unveiling the ruling.



#### JOINING TOGETHER

After more than three years of construction, the Yingwuzhou Yangtze River Bridge in Wuhan, capital of central China's Hubei Province, is finished on

December 28, 2014. The bridge is 3.42 km in length with the main span reaching 850 meters



## **Upscaling Capacity**

Workers assemble cars at a production line in domestic automaker JAC's new base in Yangzhou, east China's Jiangsu Province, which started operation on December 28, 2014.

Qualcomm said it will continue to support the work of the NDRC, said the statement, noting Qualcomm President Derek Aberle had visited the commission several times to exchange views with the bureau.

#### China-Cambodia Tourism

China and Cambodia signed a memorandum of understanding (MOU) on tourism strategic cooperation on December 29, 2014, aiming at attracting more Chinese visitors to Cambodia.

The deal was inked between Cambodian Tourism Minister Thong Khon and Wang Weimin, Chairman of the state-owned China International Travel Service Corp. (CITS) under the presence of Cambodian Deputy Prime Minister and Cabinet Minister Sok An.

"The cooperation will help attract more Chinese tourists and foreign tourists visiting China to come to Cambodia." Sok An said after the signing ceremony.

According to Thong Khon, to date, 66 Chinese tour operators and 41 Cambodian tour companies have been providing tour services to tourists between the two countries, and eight Chinese airlines have been operating direct flights between the two nations.

"As part of the MOU, a CITS's dutyfree shop will be inaugurated in the cultural city of Siem Reap on December 30," Wang said, adding that CITS would operate direct flights between China and Cambodia in the near future.

#### **UnionPay Expansion**

UnionPay International announced plans to expand its overseas presence on December 26, 2014, with company's services already available in 148 countries and regions outside the Chinese mainland.

Nearly 20 million UnionPay cards have been issued in Hong Kong and Macao.

The Asia-Pacific region is the market stronghold but UnionPay has also become one of the biggest international bankcard brands. In Europe and North America, UnionPay basically covers the tour sites frequented by Chinese travelers.

## THIS WEEK



## Water Diversion

Jiudianxia Reservoir winds through mountains in Zhuoni County, northwest China' Gansu Province.

On December 28, 2014, the largest inter-basin water transfer project in Gansu is formally opened, which benefits 1.55 million people in seven counties.

The company said it will continue to expand its coverage and improve services so that more foreign nationals adopt their products.

According to data from the China National Administration of Tourism, Chinese travelers made more than 100 million overseas trips in the first 11 months of 2014, compared to less than 9 million in 1998.

### FTZ Equity Fund

The Shanghai Free Trade Zone Equity Investment Fund was established in Shanghai on December 28, 2014, the first fund in the country focusing on investment in the China (Shanghai) Pilot Free Trade Zone (FTZ).

The fund, which will raise a total of 5 billion yuan (\$817 million) and 1.5 billion yuan (\$240 million) in the first phase, was initiated by four stateowned enterprises—Shanghai Lujiazui Finance and Trade Zone Development Co. Ltd., Shanghai Waigaoqiao (Group) Co. Ltd., China Cinda Asset Management Co. Ltd. and China Orient Asset Management Corp.

#### INTER-CITY RAIL

A man dressed up as Bao Zheng, a famously upstanding official during the Song Dynasty (960-1279), takes a photograph by a high-speed train, to mark the operation of Zhengzhou-Kaifeng high-speed railway in Central China's Henan Province on December 28, 2014



The fund will mainly concentrate on investment in modern logistics and warehousing, commercial real estate, cross-border e-commerce, an imported goods direct sales center and cultural product trading platform within the FTZ, said Yang Xiaoming, Chairman of the Shanghai Lujiazui Finance and Trade Zone Development Co. Ltd.

In addition to the four stateowned initiators, the fund also hosts investments from private and foreign enterprises, said Yang.

The fund, with a mixed ownership, will promote the financial capital to cater for the real economy, service industry and urban infrastructure, and will become a landmark for the integration of capital and industry within the FTZ.

## Oilfield Cuts Output

Daqing Oilfield, the largest oilfield explored by China's major oil and gas producer PetroChina, is expected to reduce its production starting in 2015.

According to the economic working conference of northeast China's Heilongjiang Province on December 27, 2014, Daqing Oilfield—which produces nearly one fourth of China's total oil output annually—will see output reduction by 1.5 million tons this year. By 2020, Daqing's annual output will be slashed to 32 million tons.

As China's largest inland oilfield, Daqing has produced more than 2.1 billion tons of crude oil since production started in 1960.

Limited oil reserves, high cost of development and declining international oil prices have caused the fast-depleting Daqing Oilfield to reduce output, a staff who declined to be named from Daqing told China's Xinhua News Agency.

He said the proper adjustment of output can allow the oilfield to develop sustainably and give more time to research on new technologies.

In order to offset adverse impact of the output reduction on local economy, the province planned to accelerate its economic restructuring and deepen cooperation with PetroChina by promoting the oil refining projects.

#### Beijing's New Airport

Construction of Beijing's new airport started on December 26, 2014. The project will cost 79.98 billion yuan (\$13.11 billion) and take about five years to complete.

The airport is designed to handle 72 million passengers, 2 million tons of cargo and mail, and 620,000 flights by 2025, according to the NDRC.

It is expected to meet Beijing's rising demand for air transportation and help achieve balanced development in the capital's southern and northern areas.

The new airport will be built in southern Beijing's Daxing District, which borders Hebei Province.

Experts believe the project could help boost the regional integration of Beijing, Tianjin and Hebei.

An official with the Civil Aviation Administration of China noted that the new airport could ease the burden of the Beijing Capital International Airport, which is located in northeastern Beijing and was listed as the second busiest airport by passenger numbers in the world in 2013.

## THIS WEEK WORLD





Houses and plantations in Pengkalan Chepa are submerged in floodwaters on December 27, 2014, as the worst flooding to hit the country in decades had forced more than 100,000 people to leave their homes



Villagers take part in a ceremony marking the 10th anniversary of the 2004 tsunami at the Ban Nam Khem Tsunami Memorial Park in Phang-nga Province on December 26, 2014. Prayer recitals and solemn visits to mass graves took place that day across tsunami-hit nations for the 220,000 people who perished in the disaster







## THE UNITED STATES

The casket of New York police officer Rafael Ramos, who was shot alongside his partner Wenjian Liu on December 20, 2014 on the heels of nationwide protests accusing police of racism, is carried out of Christ Tabernacle church in New York City on December 27, 2014





Passengers rescued from the Norman Atlantic ferry accident arrive at the airport of Elefsina, west of Athens, on December 29, 2014. The Italian ferry caught fire in rough seas in the Adriatic the day before, causing at least 10 deaths









The Popocatepetl volcano, one of the world's eight most dangerous active volcanos, spews ash on December 28, 2014, in Puebla State



### AFGHANISTAN

Soldiers attend a ceremony marking the end of NATO-led International Security Assistance Force's combat mission in Afghanistan at its headquarters in Kabul on December 28, 2014, formally ending NATO's involvement in the 13-year-long war

#### **W** NEWLY APPOINTED MINISTER OF CULTURE

**Luo Shugang** was appointed the minister of culture by the National People's Congress, China's top legislature, on December 28, 2014.

The Ministry of Culture is responsible for formulating policies and drafting laws and regulations related to art and culture. It also governs a number of important institutions and organizations such as the National Library, the Palace Museum and the National Museum.

Born in 1955 in north China's Hebei Province, Luo began his studies at the Department of Socialism at the Beijing-based Renmin University of China in 1978 and entered the School of the Communist Party of China (CPC) Central Committee in 1984, where he received a master's degree. He has worked at *Qiushi*, the flagship magazine of the CPC Central Committee and the Publicity Department of the CPC Central Committee. He was appointed deputy head of the department in 2008, the obligations of which include overseeing state media.

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#### Up-Close to a Director *China Newsweek* December 15, 2014

Actor and director Jiang Wen's new film *Gone With the Bullets* was released on December 18 and invited polarized reactions from audiences.

Many say the film is difficult to understand because of its loose narration and lengthy monologues. Lately *China Newsweek* interviewed Jiang on his views of films and found that he has only two requirements for the art form: One is "interesting" and the other is "entertaining,"

As a director, Jiang has a unique style. Each of the five movies he has produced over the past 20 years has resulted in similarly split opinions. These films all bear strong personal traits of the director. The passion represented in the 1994 movie *In the Heat of the Sun*, the romanticism in The Sun Also Rises in 2007 and the adventurous spirit of the 2010 crime comedy *Let the Bullets Fly* combine to form Jiang's personality. Jiang is a perfectionist. In order to achieve an ideal portrayal, he would not hesitate to spend money to

lay new rail tracks or grow flow-

Born in 1963 in Tangshan, north China's Hebei Province, Jiang moved to Beijing at the age of 10. He graduated from the Central Academy of Drama, one of China's most renowned acting schools, in 1984. Jiang has won a number of international awards including the Grand Prix in the 2000 Cannes Film Festival.

#### A Year of Deepened Reforms *Outlook Weekly* December 22, 2014

2014 was the first year for China to implement its plan for deepening reforms. To date, four characteristics have stood out:

First, reforms have unfolded rapidly and efficiently. According to China's timetable for deepened reforms, the reforms were scheduled to take seven years. In 2014, most of the planned major reforms were started or piloted, covering political, economic, cultural and social fields.

Second, reforms have been carried out steadily with a firm resolve. For example, the plan to reduce the staggeringly high pay of senior executives of stateowned enterprises has been realized, although it affects the interests of these managerial professionals.

Third, the rule of law has been highlighted. As President Xi Jinping has repeatedly stressed, major reforms should have a legal basis.

Fourth, fairness and justice have been upheld. For instance, the Central Government has announced that a uni-

"Building senior care facilities requires large investments, and the wait for returns can be long. It is very difficult for private companies to build facilities and manage them properly."

**Du Peng**, a professor of gerontology at Renmin University of China, commenting on the shortage of beds and services for senior citizens in need of care, on December 25, 2014 "The yuan's stability and small rise have increased Chinese consumers' spending power overseas."

**Jiang Yiyi**, a researcher with the China Tourism Academy, a top tourism think tank, addressing the latest development for the Chinese currency on December 26, 2014



fied household registration system will be established in urban and rural areas to replace the urban-rural differential management system. Under the new system, disparities in social benefits including education, employment opportunities, pension and healthcare will be eliminated.

#### Rethinking an Online Blame Game Guangzhou Daily December 25, 2014

A set of surgeons' selfies with a patient lying on the operating table has recently stirred heated debate on the Internet, with many blaming the surgeons for lacking professional ethics. The photos eventually led to three officials at the hospital being stripped of their posts and all medical workers in the photos being admonished.

The local public health bureau said it meted out the punishment according to "relevant laws and regulations" without giving details. The patient who appeared in the controversial pictures, however, said he was aware of what the doctors were doing and had agreed before they took the photos.

The boom of online platforms in recent years has produced unintended outcomes. Many people have been used to making comments and expressing emotions on a photo or a sentence without getting a substantial understanding of the situation. This reflects the unhealthy state of mind of Internet users.

The truth should be brought to light. The media, government and public should all respect such a process and adopt independent thinking and reason. This not only represents the right way to construct an amicable doctor-patient relationship but also the way toward social harmony.

#### ✓ PLAGIARIZING SCREENWRITER

Screenwriter and producer **Yu Zheng** has been ordered by court to apologize to Taiwan-based novelist Chiung Yao for plagiarizing her work. A Beijing court ruled on December 25, 2014, that Yu, along with four TV companies, shall pay 5 million yuan (\$800,000) in compensation to Chiung.



Yu's studio released a statement saying that Yu would appeal. In her complaint filed in April last year, Chiung claimed the plot of one of Yu's recent TV dramas had been almost completely stolen from her novel.

Born in 1978 in Haining, east China's Zhejiang Province, Yu studied at the Shanghai Theater Academy before becoming a scriptwriter. In June 2009, he founded the Quansheng Time Film and Television Co. Yu is best known for *Palace*, which won him Best Writing at the 16th Asian Television Award in 2011.

This is not the first time that Yu has been embroiled in accusations of plagiarism. A 2006 work of his was suspected of being copied from a 2004 Hong Kong drama.

"The new lines are more friendly. They will provide more convenient transfer channels and spacious carriages for passengers."

Xu Chengyong, a subway expert with the Beijing Urban Construction Design & Development Group, commenting on Beijing's four new subway lines which opened on December 28, 2014 "The project will alleviate the pressure Beijing faces to meet demand, but it will not completely solve Beijing's water issues."

**Sun Guosheng**, head of the Beijing office of the South-to-North Water Diversion Project, on December 27, 2014, the day water from the Hanjiang River, a tributary of the Yangtze River, arrived in Beijing after a journey of 1,200 km

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#### **COVER STORY**

# **MODERNIZING AGRICUL**

China will accelerate agricultural modernization by adopting scale management and focusing more on the rural population By Deng Yaqing



# TURE

un Xiaowei, a young villager who owns 90 *mu* (6 hectares) of field in Wangwudao Village, Liaoyang County of Liaoning Province, saw his income soaring last year. "I transferred the management right of my land to a rural cooperative. In return, it pays me 750 yuan (\$120) per *mu* every year," said Sun, who now also serves as a technician in the cooperative, reveling in the fact that his annual income almost doubled in 2014.

Land right transfer and scale management were among the key issues discussed at the 2014 Central Rural Work Conference concluded on December 23, which mapped out the plan for 2015. Centered on the transformation and modernization of agricultural development, the conference also tapped into preservation of local culture and ecological environment and infrastructure construction in rural areas.

"Compared with the rapidly advancing urbanization, industrialization and informatization, China's agricultural modernization is relatively stagnant," said Li Guoxiang, a researcher with the Institute of Rural Development under the Chinese Academy of Social Sciences.

Li's argument is echoed by Zheng Fengtian, a professor from the Department of Agriculture and Rural Development at the Renmin University of China, who believes agricultural modernization is a critical variable that significantly affects the progress of industrialization and urbanization. "If agricultural modernization goes on smoothly, more labor force will be freed from farm work to push forward urbanization," said Zheng,

#### Agricultural challenges

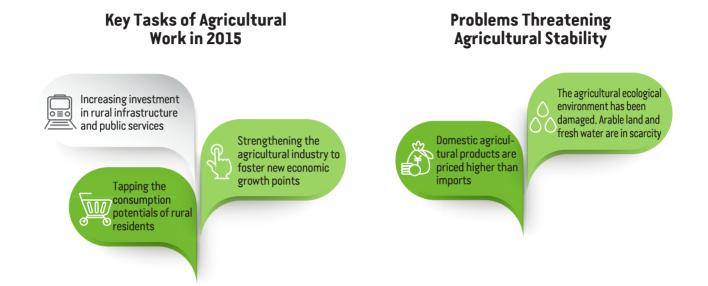
Although China's grain output and rural residents' income have realized consecutive growth for 11 years, agriculture still faces mounting risks and structural problems. According to statistics provided by Li Wei, President of Development Research Center of the State Council, from 2004 to 2012, the land cost, labor cost and service charge of growing rice, wheat and corn increased respectively by 15.7 percent, 10.4 percent and 8.7 percent, higher than the price growth of the three types of staple grain.

"While agricultural production costs keep climbing domestically, the prices for bulk agricultural commodities are sliding down in the international market. As a result, agricultural import is on the increase," said Minister of Agriculture Han Changfu.

For one thing, China faces a lack of agricultural resources, with its per-capita cultivated land and water only equivalent to one third and one fourth of the world average respectively; for another, its agricultural production heavily depends on the pesticide and chemical fertilizer, which has resulted in declining land capacity and food security risks. A large part of China's agricultural production capacity was achieved at the expense of ecological environment, said Li Wei.

Nevertheless, the imbalance of agricultural production also grows more and more evident. Because of irrational regional layout and different resource advantages, north-to-south grain transportation is concurrent with the south-to-north water diversion. While stocks of some types of agricultural products pile up, others have to be imported from the overseas market. In addition, as the consumption of chemical fertilizer keeps increasing and land capacity keeps declining, animal waste has not yet been





efficiently applied in farming.

"China's agricultural production is now strained by rising costs and decreasing financial subsidies. It's squeezed by deteriorating environment and resource scarcity. If these problems fail to be solved in days to come, they will undermine the sustainable agricultural development," said Li Wei.

So how can China surmount these obstacles? Zhu Lizhi, a researcher with the Institute of Agricultural Economics and Development under the Chinese Academy of Agricultural Sciences, believes the answer lies in agricultural modernization. "By speeding up the transformation of agricultural development model, China's agricultural industry will shake off heavy dependence on resource consumption and the sacrifice of ecological environment, and shift its focus to quality and efficiency," said Zhu.

#### Scale management

In November 2014, the State Council released the Opinions on Guiding the Orderly Transfers of Management Rights of Rural Land and Promoting Moderate Scale Management, proposing to separate the ownership, contracting and management of rural land.

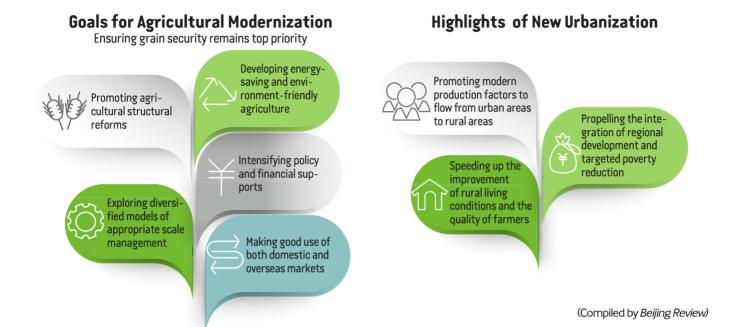
"Now, a rural household owns no more than half a hectare on average, and such a pattern of small-scale management has severely



STREAMLINED FORMALITIES: Administrative staffs explain the one-stop convenience services to local farmers in Yiling District, Yichang, Hubei Province on March 6, 2014

dragged down efficiency," said Han, suggesting that a diversity of moderate scale management should be applied to boost the orderly transfers of management rights of rural land, especially toward people skilled at farming, and that efforts should be made to foster new agricultural entities such as large-scale grain growers, family farms and cooperatives.

Bian Quanshui, an agricultural analyst with China International Capital Corp. Ltd., also



agrees that moderate scale management is an inevitable stage leading to agricultural modernization.

"Compared with developed countries, China now lags far behind in terms of agricultural productivity and mechanization, partly because land management is carried out in a loose and dispersed way," said Bian, who holds developing moderate scale management will give full play to the economies of scale, elevate labor productivity and liberalize more labor for the manufacturing and service industries.

Beyond that, a consensus was reached at the conference to introduce modern industrial organization models such as industry chain and value chain into the agricultural sector, in order to facilitate the integration of the agricultural, manufacturing and service industries. In other words, it means expanding the agricultural industry from simple grain production to include the processing and circulation of agricultural products and the leisure industry, prolonging the industry chain in an effort to boost added value and farmers' income.

#### **Rural people valued**

In the past, the construction of new countryside paid far more attention to infrastructure and living conditions than local culture and ecological civilization. As the flooding out of rural labor force leaves behind more and more "hollow villages" and unattended women, seniors and children, the conception of the "people's new countryside" was put forward, representing that the Chinese Government has set higher requirements for the construction of new rural area.

Cheng Guoqiang, a research fellow with the Development Research Center of the State Council, argued that "people's new countryside" should be put into reality in three ways. First, a service system should be established to take care of seniors, women and children who have been left behind. The system should also improve public services such as education and medical treatment. Second, local folk culture needs to be preserved, preventing rural areas from becoming deserted villages or villages of left-behind groups. Third, the protection and improvement of ecological environment need to be intensified in rural areas.

In the past, agricultural modernization focused more on simple mechanization, said Liu Xiaochuan, a professor from the School of Public Economics and Administration of Shanghai University of Finance and Economics. "The modernization of rural people now receives equal attention," said Liu. Though rural income and regional economy have experienced rapid growth in some areas, people don't see their living conditions improved, because the development of basic public infrastructure still lags behind.

Liu said it's not a simple process of urbanization or just increasing farmers' income; rather, it's letting urban areas support rural areas to quicken the steps of agricultural modernization. "More importantly, rural public services including medical treatment, education, physical activities and healthcare can make improvements in the process," he said.

Agricultural modernization also deals with the training of farmers' technological quality and the efficient utilization of agricultural capital, said Zhang Zhenghe, a professor from the School of Economics and Management at the China Agricultural University.

Since people engaged in the agricultural industry are universally at a lower level of technological quality, advanced agricultural development modes must first be set up through technological demonstration areas, said Zhang.

"When agriculture becomes a high-value industry, the quality of operators has to be improved to conduct capital operation and carry out technological innovation. In this way, they will become new agricultural operating entities," said Zhang.

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#### Left: CHILE

Overseas Chinese and Chilean performers play traditional Chinese gongs and drams in downtrwn Santiago on August 5 (YE SHU HONG)

#### Right: COLOMBIA

is curying flower arrangements participate in a parade in Medellin on August 7 Colombia is one of the world's major flower producers and exporters (XIN HUA/AFP)

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