



ISSUE 1 2009

National People's Congress of China





Xinjiang's future is promising

Democratic great changes through legislative development







Wu Bangguo, chairman of the Standing Committee of the National People's Congress (NPC), joins NPC deputies from Southwest China's Chongqing Municipality in the panel discussion on March 6, 2009. (Photo by: Liu Jiansheng)

President Hu Jintao talks to NPC deputies from Southwest China's Tibet Autonomous Region in a panel discussion on March 9, 2009. The Second Session of the 11th National People's Congress (NPC) was held in Beijing on March 5-13, 2009. (Photo by: Lai Xiangdong)

Premier Wen Jiabao joins NPC deputies from Northwest China's Gansu Province in Beijing on March 6, 2009. (Photo by: Li Xueren)





Foreign envoys listen to Premier Wen Jiabao delivering the government work report during the opening of the Second Session of the 11th NPC in Beijing on March 5, 2009. (Photo by: Du Yang)



Li Zhaoxing, spokesman for the Second Session of the 11th National People's Congress (NPC), talks with Li Lianning, deputy secretary-general of the NPC Standing Committee during a press conference on the sideline of the Second Session of the 11th NPC in Beijing on March 4, 2009. (AFP)



Zhang Ping, chairman of the National Development and Reform Commission, explains the "4-trillion yuan stimulus package" to journalists at the press conference held on sidelines of the conference. (Photo by: Du Yang)



Reporters encircle to interview Liu Chuanzhi, president of Lenovo Group Ltd, as he enters the Great Hall of the People for the opening of the NPC annual session on March 5, 2009 in Beijing. (Photo by: Li Xiaojian)



A journalist from Wall Street Journal asks questions during Premier Wen Jiabao's meeting with the press at the Great Hall of the People in Beijing on March 13, 2009. (Photo by: Liu Weibing)



NPC deputies sing the national anthem as the Second Session of the 11th National People's Congress (NPC) opens at the Great Hall of the People in Beijing on March 5, 2009. (CFP)

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ISBN 1674-3008 CN 11-5683/D Price:RMB35

Edited by The People's Congresses Journal Published by The People's Congresses Journal Printed by C&C Joint Printing Co.,(Beijing) Ltd. in China

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China's progress sets a good example to the world











# REPORT ON THE WORK OF THE STANDING COMMITTEE OF THE NATIONAL PEOPLE'S CONGRESS

### Delivered at the Second Session of the Eleventh National People's Congress on March 9, 2009

Wu Bangguo

Chairman of the Standing Committee of the National People's Congress

### **Major Tasks for This Year**

The year 2009 marks the 60th anniversary of the founding of New China and it will be a crucial year in terms of responding to the major challenges presented by changes in the international and domestic environments and developing all our country's undertakings. The general requirements for the work of the Standing Committee are as follows: We must faithfully follow the guiding principles of the Seventeenth Party Congress, the Third Plenary Session of the Seventeenth CPC Central Committee and the Central Economic Work Conference. We must take Deng Xiaoping Theory and the important

thought of Three Represents as our guide and thoroughly apply the Scientific Outlook on Development. We must organically



Wu Bangguo, chairman of the Standing Committee of the National People's Congress (NPC), delivers a report on the work of the NPC Standing Committee during the second plenary meeting of the Second Session of the 11th NPC in Beijing on March 9, 2009. (Photo by: Ren Chenming)

integrate the leadership of the Party, the position of the people as masters of the country and the rule of law, focus on the overall work of the Party and the government in carrying out our functions and powers, work to develop the legal system of socialism with Chinese characteristics, strive to promote steady and rapid economic development and social harmony and stability, intensify efforts to ensure effective enforcement of the Constitution and laws, and work to bring the work of the NPC up to a new level.

#### 1. Taking decisive steps toward establishing a legal system of socialism with Chinese characteristics

The CPC Central Committee clearly set the goal of establishing a legal system of so-

cialism with Chinese characteristics by 2010. This year will be crucial for efforts to attain this goal. We must both formulate new





Commission for Legislative Affairs and Commission for Budgeting of NPC hold a group interview on legislative affairs and supervision of NPC on March 9, 2009. (Photo by: Fu Dandan)



NPC deputies from Southwest China's Chongqing Municipality hold a panel discussion. (Photo by: Du Yang)



legislation and revise and eliminate unsuitable portions of existing laws while working to improve the quality of legislation in accordance with the guiding principles of the Seventeenth Party Congress so we can take decisive steps toward establishing a legal system of socialism with Chinese characteristics.

First, we must promptly formulate new laws and make revisions in existing laws that will form the framework for the legal system, focusing on improving legislation concerned with social issues while continuing to improve legislation concerned with economic, political and cultural issues. Legislative work on the agenda for this year includes the following. We will formulate a social security law, social welfare law, law on tort liability, law on administrative coercion, law on arbitration of disputes concerning contracted rural land, law on mental health and law on national defense mobilization. We will also revise the Law on State Compensation, the Law on Protecting State Secrets, the Electoral Law, the Organic Law of Villager Committees, the Land Administration Law, the Postal Law and the Statistics Law. We will work to improve organization and coordination in legislative work, make legislation more scientific and democratic, expand orderly participation of the general public in the legislative process, improve research and scientific verification to formulate legislation and work to obtain a broad consensus of opinion to improve the quality of legislation. We will continue to urge relevant authorities to promptly formulate supporting regulations to ensure effective enforcement of laws.

Second, we need to finish the work of revising unsuitable provisions to improve existing legislation. There are 231 laws currently in effect in China, and a number of these have areas that still have room for improvement. There are three main categories of laws requiring improvement. 1) There are some laws which were formulated in the 1980s or early 1990s and contain provisions that no longer meet the requirements for developing the socialist market economy. 2) There are inconsistencies and gaps in laws formulated at different times. 3) Some laws are difficult to apply and the State is unable to enforce compliance with them. In light of this situation, the NPC Standing Committee last year made arrangements for the work of revising unsuitable portions of the existing laws. We need to finish this work before the end of this year. We will carefully study and make a comprehensive analysis of suggestions made by relevant parties and proceed in order of importance and urgency. We will handle this task in accordance with the different types of treatment required, i.e. revision, rescinding, legal interpretation or formulation of new provisions, to develop a scientific, consistent and harmonious legal system.

Thanks to the concerted efforts of all sectors of society since the introduction of the reform and opening up policy in 1978, a legal system of socialism with Chinese characteristics had been basically established by the end of the term of the Tenth NPC. With the Constitution as its core and seven types of laws as its backbone, this legal system consists of three levels of laws and regulations, i.e. laws, administrative regulations, and local ordinances. There are now laws that cover basically every area of the country's economic, political, cultural and social activities, and these laws effectively ensure and promote development of the cause of socialism with Chinese characteristics. At the same time, we are clearly aware that the rapid economic and social development, constant progress in socialist democratic politics, the rich and varied cultural activities in society, efforts to create a harmonious society, structural and institutional reform and innovation, and the deepening of economic globalization all present new issues and new requirements for our legislative work. Our legislative tasks are still arduous.

It must be emphasized here that ours is a legal system of socialism with Chinese characteristics, so we must bear in mind the following four points in the process of establishing and improving it.

First, the Western model of a legal system cannot be copied mechanically in establishing our own. Some of the laws in the legal systems of other countries are incompatible with the situation and conditions in China so we will not formulate such laws. Some laws that are not part of the legal systems of other countries but are nevertheless a practical necessity for China need to be promptly enacted.

Second, administrative regulations and local ordinances are both important components of our legal system. When conditions are not ripe to formulate laws, administrative regulations or local ordinances can be legally formulated instead. When sufficient experience has been obtained and conditions become ripe corresponding laws can be formulated. Local ordinances, autonomy statutes or specific regulations can also be legally formulated to cover local issues and matters specific to ethnic minority areas.

Third, we need to distinguish between legal means and regulatory tools and resort to legislation only when it is truly necessary in order to make better use of the functions and roles of the legal system.

Fourth, our legal system is dynamic, open and in the process of development. We need to constantly improve it in light of developments and changes in the objective situation so that it can keep pace with the times.

### 2. Focusing oversight work on promoting the implementation of the major policy decisions and arrangements of the CPC Central Committee

This year is the toughest year for economic development since we entered the new century, with huge tasks facing us in reform, development and stability. But, great opportunities exist side by side with severe challenges. In order to successfully carry out this year's work, the Party Central Committee has clearly



NPC deputies sing the national anthem as the Second Session of the 11th National People's Congress (NPC) opens in Beijing, March 5, 2009. (CFP)

pointed out that we must maintain steady and rapid economic growth based on boosting domestic demand, promote sustainable development by accelerating transformation of the pattern of development and economic restructuring, make economic and social development stronger and more dynamic by deepening reform and opening up, intensify social development to speed up resolution of difficult and hotspot issues that bear on the interests of the people, and promote sound and rapid economic and social development and social harmony and stability. The Party Central Committee has made a number of major policy decisions and arrangements to accomplish these tasks and has called on all Party members and the people of all our ethnic groups to enhance their confidence in the face of difficulty and work hard together to constantly move forward the cause of socialism with Chinese characteristics. The top priority for the NPC Standing Committee's oversight work this year is to oversee implementation of the major policy decisions and arrangements of the Party Central Committee. We will fully implement the Law on Oversight, apply a combination of oversight means,

and urge and support the State Council, the Supreme People's Court and the Supreme People's Procuratorate in carrying out their work in accordance with the targets and tasks they put forward in their work reports to ensure implementation of the Party Central Committee's major policy decisions and arrangements and successful accomplishment of this year's tasks for economic and social development.

First, we must improve oversight on economic work. We will hear and deliberate the State Council's special work reports on transforming the pattern of economic development, promoting development of small and medium-sized enterprises, and preventing and controlling air pollution, as well as its reports on the 2008 central government final budget, auditing work and plan implementation, and will deliberate and approve the final budget. We will devote a great deal of effort to promoting steady and rapid economic development and transforming the pattern of economic development.

Second, we must strengthen our oversight on the handling of issues affecting people's well-being. We will hear and deliberate

the State Council's special work reports on developing a social security net in rural areas, promoting employment and reemployment, carrying out recovery and reconstruction following the earthquake that hit Wenchuan, Sichuan Province, and developing vocational education, the Supreme People's Court's report on improving enforcement of civil law, and the Supreme People's Procuratorate's report on investigating cases of dereliction of duty and infringement of rights. In addition, we will investigate compliance with laws such as the Law on Trade Unions, the Food Safety Law and the Livestock Breeding Law in a strong effort to maintain and improve people's standard of living and promote social harmony and stability.

In light of the fact that there are quite a few uncertainties in this year's economic situation, we will concentrate our oversight work on two areas to make it more focused and effective. First, we will carry out more investigations and studies to gain a clear picture of actual conditions so we can focus on major problems and the main aspects of those problems and put forward good comments and suggestions. Second, we will use a combination

The Second Session of the 11th NPC concludes in Beijing, China's top legislature, approving a series of major policy decisions. (Photo by: Ren Chenming)



of oversight means, strengthen follow-up oversight, focus on key and difficult problems of common concern to the deputies, and urge the concerned parties to improve their work and set up a sound permanent mechanism for resolving these problems.

We have devoted a great deal of effort in recent years to strengthening and improving the oversight work of the NPC, achieved significant results and established a comprehensive system of effective working mechanisms and methods. The Tenth NPC formulated the Law on Oversight to provide a legal framework for these mechanisms and methods in order to make the oversight work of the standing committees of the people's congresses at all levels more standardized and proceduralized. Over the last two years or so since its implementation, this law has proven to be a good law that is in line with China's actual conditions and the work of the people's congresses. In order to ensure that this law is implemented more successfully and that the people's congresses carry out their oversight work more effectively, we need to clear up three points.

First, the power of oversight is an important power granted to the people's congresses by the Constitution and laws. Their oversight carries the force of law and is carried out in the name of the country and the people, making it irreplaceable. Their oversight work, which consists of oversight of law enforcement and oversight of work performance, covers a great deal of ground, involves a great variety of arduous tasks and is well worth doing.

Second, the people's congresses oversee the work of the people's governments, people's courts and people's procuratorates, but this does not mean that they are confrontational or create difficulties for the parties they oversee. On the contrary, the people's congresses and the organizations they oversee are working toward the same goals. When the people's congresses carry out their oversight work effectively in accordance with the law, it helps improve the work of the people's governments, people's courts and people's procuratorates. When the people's governments, people's courts and people's procuratorates willingly accept the oversight of the people's congresses in accordance with the law, it helps ensure that the people's governments carry out their administrative functions in accordance with the law and that the people's courts and people's procuratorates exercise their judicial functions fairly.

Third, the key to doing the oversight work of the people's congresses well is to focus on key areas and stress practical results. A law may contain many provisions, but there are usually only a few that the people are most concerned about. At the same time, there are many issues and problems that have to be addressed in the course of our work, but there are usually only several that are in fact crucial. Therefore, if we focus on resolving these crucial issues, we can expand our efforts to include other issues so that the results of our oversight work can be truly significant.



Deputies listen attentively to work report. (CFP)

#### 3. Making continued progress in strengthening the role of deputies, carrying out foreign relations work and promoting self-improvement

We will continue to fully implement the guiding principles of document No. 9 issued by the Party Central Committee, starting with upholding and improving the system of people's congresses, respecting the major role of deputies and maintaining an attitude of service to deputies. We will work to improve the level of service provided to deputies, expand their participation in the work of the Standing Committee and special committees, sincerely listen to deputies' criticism and comments, improve the handling of bills they submit, expand channels to enable them to stay informed of State affairs and developments, provide special training for them and work hard to protect, guide and unleash their initiative in performing their functions in accordance with the law.

We will continue to strengthen and improve foreign relations work of the NPC. We will consolidate and improve the NPC's mechanisms for regular exchanges with the congresses and parliaments of other countries, make good preparations for exchange visits with the congresses and parliaments of the countries included in the mechanisms for regular exchanges, and engage in extensive friendly contacts with foreign congresses and parliaments to give more play to the unique role of the NPC in foreign relations.

We will strengthen and improve the NPC's publicity efforts. We will make full use of radio, TV, newspapers, periodicals, the Internet and other media to explain the political development path of socialism with Chinese characteristics and the system of people's congresses, step up efforts to inform people about and report on the NPC's legislative and oversight work, and work to increase knowledge of the law and enhance respect for it throughout society.

We will continue to intensify our self-improvement efforts,

maintain a correct political orientation for the work of the NPC and firmly instill the concept of attaching great importance to the Party, political matters, the overall situation, the people and the law. We will carefully study the Constitution to better understand it and safeguard its authority. We will handle matters in accordance with the law and prescribed procedures, improve the deliberation procedures, working rules and work style of the NPC Standing Committee, improve investigation and study efforts, and carefully organize seminars. We will strengthen coordination of the work of the special committees to improve its overall quality and level. We will strengthen ties with local people's congresses and work with them to develop socialist democracy and the socialist legal system. Organs of the NPC need to build on their achievements in the campaign to thoroughly study and put into practice the Scientific Outlook on Development and constantly work to improve their working systems and mechanisms as well as the overall quality of their cadres, improve their services and be a good collective advisor and assistant.

#### Fellow Deputies,

Our responsibilities and missions inspire us, and our difficulties and challenges test us. Let us rally closely around the Party Central Committee with Comrade Hu Jintao as General Secretary, hold high the great banner of socialism with Chinese characteristics, thoroughly apply the Scientific Outlook on Development, work hard together with one heart and one mind, greet the 60th anniversary of the founding of New China with brilliant achievements, and courageously forge ahead on the path of socialism with Chinese characteristics!

NPC deputy Zhong Nanshan, academician of Chinese Academy of Engineering, listens to work report. (Photo by: Ren Chenming)





# 'Make the most of jobs crisis'

By Tan Yingzi

he current struggles within the Chinese labor market could provide a golden opportunity to enhance its overall workforce for years to come, a leading expert on employment said.

With an estimated 20 million migrant workers now without a job, the country has some tough challenges ahead. But it is the perfect time to transfer skills and overhaul the social security system, according to Zheng Gongcheng, a senior lawmaker for the National People's Con-

gress (NPC) Standing Committee.

"The global financial crisis gives China the chance to turn a vast number of farmers into high-quality industrial workers," he told China Daily, adding the national vocational training program for rural migrant workers may produce around 3 million skilled technicians —a "very valuable labor resource".

A government report showed there were around 130 million farmers in China who migrate far from their hometowns for work. Following the onset of the global

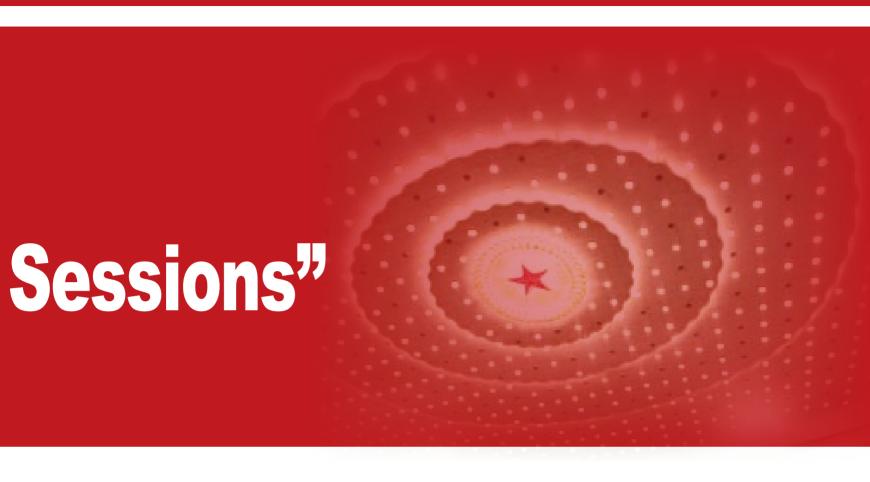
financial crisis, many have been forced to return to their families since October after being laid off by struggling businesses, particularly in the export sector.

But millions have already taken up places on vocational training programs subsidized by the government, learning new skills in things like welding, computer technology and handicrafts.

"To develop the country's economy, we need more skilled workers," said Zheng.
"In the current economic situation, the country should not leave such vast labor resources unused but instead provide them good job training for the future."

Zheng also predicted that the central government will this year inject "a lot" into the social security system. "Strengthening social security is a must to tackle the crisis, as well as to improve people's livelihood," he added.

The Ministry of Human Resources and Social Security accelerated reforms in pension insurance last month, meaning



millions of rural and urban migrant workers will be better protected under new regulations.

Rural workers will now enjoy the same rights as those from urban areas if they pay contributions in time, while the other proposal is to scrap barriers on transferring a pension fund between provinces to help the workforce move around more freely.

The domestic employment demand hit a two-year low at the start of this year, while China's urban unemployment rate, which excludes migrant workers, jumped for the first time in five years to 4.2 percent as of Dec 31, said the ministry.

The nation has an unemployment target to 4.6 percent this year, which would be the worst since 1980, with around 7.5 million college graduates also soon to enter the grim job market.

"Improving the employment situation is our top priority and everything we do is aimed at achieving that goal," said ministry spokesman Yin Chengji.

The State Council has issued two job stimulus packages in the last two months to help graduates find jobs, while those provinces that are the major exporters of migrant workers — including Henan, Sichuan and Jiangxi — are also providing free vocational training and small loans to help resettle those who have returned.

Shenyang higher education recruitment consortium held at the Shenyang International Exhibition Center on June 11, 2009 (CFP)





A bird's eye view of Lujiazui Financial Center in Pudong, Shanghai, on April 17, 2009 (CFP)

### Deficit no cause for alarm

By Xin Zhiming and Wang Xu

hina's record fiscal deficit budget of 950 billion yuan (\$139 billion) for 2009, announced by Premier Wen Jiabao on March 5, is "safe" and allows the government room to react to changes in the economy, a senior economist said.

The deficit, the highest in six decades, was announced at the opening of the 2nd session of the 11th National People's Congress as the country looks to boost spending to soften the blow of the global financial crisis.

Jia Kang, director of the research institute for fiscal science under the Ministry of Finance, said: "It is safe and there is still room for China to further increase government spending."

But that would depend on the economic indicators of the second quarter, he told China Daily during the ongoing session of the 11th National Committee of the Chinese People's Political Consultative Conference.

The deficit is almost three times the previous record set in 2003 and a massive rise on the 180 billion yuan for 2008.

But despite the surge, which includes a 750 billion yuan deficit and 200 billion yuan in local government bonds, it falls below the generally accepted "warning line" of 3 percent of the country's gross domestic product (GDP). Also, China's re-

duction of the deficit in previous years has made it possible to issue more bonds this year, Wen said as he delivered the government work report.

"The ratio of the cumulative balance of outstanding government bonds to GDP, which is around 20 percent, is within the acceptable range of what our overall national strength can bear and is safe," Wen said.

China's outstanding government bonds reached 5.3 trillion yuan last year, according to ministry figures, while it said the country would keep the standing government bonds within 6.27 trillion yuan this year. It means the net issue of bonds would be around 1 trillion yuan for 2009.

If China's GDP expands by 8 percent during 2008, it would make it 32.5 trillion yuan, with the ratio of budgeted outstanding bonds to GDP 19.3 percent.

"There is no consensus on the warning line in terms of the ratio," Zhuang Jian, senior economist with the Asian Development Bank in Beijing, told China Daily. "But generally if it is below 30 percent, people would think it is safe."

He explained the ratio was much higher than 30 percent in many countries, such as Japan and the United States, meaning China still has room to issue more bonds in the coming years if global or domestic economies remain sluggish.

Bi Jiyao, senior researcher for the National Reform and Development Commission, said the country could keep its deficit high in the coming years to stimulate the economy and invest in revamping the social security network.

The government saw its revenues lose their strong momentum at the second half of last year and, with the slump in the export industry, must greatly increase its spending to sustain domestic investment growth.

Sun Mingchun, an economist for Nomura International, said in a report that China can achieve 8 percent economic growth this year, while World Bank expert Louis Kuijs disagreed. "Given the very unfavorable international outlook for 2009, it will be very difficult to achieve," he said.

# Final push for start-up exchange

By Wang Xu and Diao Ying

fter a decade in the making, China's own NASDAQ-style stock exchange designed to boost financing for start-up businesses is expected to be up and running within the year, just in time to help firms struggling with the global economic downturn.

"The Shenzhen Stock Exchange is fully prepared to launch the second board," assured bourse director Chen Dongzheng, who said the project is now just waiting for the final go-ahead from top policy-makers.

At least eight companies will be the first to be listed, he said on the sidelines of the ongoing session of the 11th National Committee of the Chinese People's Political Consultative Conference (CPPCC), while the bourse will also introduce a qualified investor system to help advise on the risks for those injecting funds.

The idea of a second board was first raised during the CPPCC National Committee session in 1998, with work to make it a reality starting soon after.

It will be targeted at fast-growing startup firms, mostly based at China's 50 hightech parks, such as Beijing's Zhongguancun Science Park, with listing requirements like sales revenue and profits much lower than the main and Small and Medium-sized Enterprises (SMEs) exchanges in Shenzhen.

Industry insiders say more than 1,000 companies have already completed their preparations to offer shares on the second board.

In his work report last year, Premier Wen

Jiabao said the government had planned to introduce the board in 2008 but the plan was put back due to unforeseen events such as the Wenchuan earthquake on May 12 and the financial crisis.

Over the last 12 months, the benchmark Shanghai Composite Index fell from more than 6124.04 points to around 2,000 as the worsening economic climate cooled the overheated stock market. And some analysts fear the introduction of a second board may drain further capital from the main market.

However, others argue market fluctuation should not delay development of the second board as it has the potential to become an important tool to satisfy small but fast-growing companies' thirst for capital.

"The second board could be a new financing channel for start-up companies, which find it almost impossible to acquire loans from banks," said Chen Yongzhen, a CPPCC National Committee member and chairman of Yongzhen Tailor Shop Group.

SMEs now account for half of the country's economic output and 75 percent of employment. But due to the lack of collateral and often incomplete accounting records, few banks are willing to lend.

Zhou Xiaochuan, governor of the People's Bank of China — the central bank, said loans made to SMEs last year increased just 13.5 percent, while the nation's overall loan growth was 18.75 percent.

SMEs are also particularly vulnerable to the uncertainty of the economic downturn.

Thousands of export-reliant manufacturers have shut down in the last 12 months due to financial problems.

"SMEs are the most severely hit by the financial crisis and this year will be particularly difficult for them," added stock exchange director Chen.

It has already led to the government drafting policies to offer them further help and, at the opening session of parliament on March 5, Premier Wen said in his 2009 work report that the support for SMEs will be 9.6 billion yuan (\$1.4 billion), a sharp rise on the 3.9 billion yuan set aside in 2008.

Many bankers have also vowed to increase the number of loans to SMEs, with China Construction Bank expecting to repeat in 2009 the 20 percent rise it saw last year, according to Xie Duyang, chairman of its board of supervisors.

Su Ning, deputy governor of the central bank, also said that although loans to SMEs accounted for 52 percent of those issued during 2008, and while the total amount of loans this year will exceed 5 trillion yuan, banks were still not meeting the demands of SMEs. Most commercial banks have instead favored government-supported projects, he said.

"Banks are unwilling to lend to SMEs due to the risks," said Yan Qingmin, Shanghai bureau director of the China Banking Regulatory Commission, with the average bad loan ratio as high as 12 percent in 2008. "In the long run, a multi-level capital market is the most effective way to provide capital to SMEs."

According to a 2001 report by international consultants McKinsey and Co, only 20 percent of SMEs in developed economies rely on bank loans for financing, compared with 90 percent in China.

"Support for SMEs should come from the whole financial system, instead of just bank loans and trusts," added Chen, who said loans can only solve short-term problems, while SMEs need solid support to survive and develop amid the financial crisis.

# 'Web vital in corruption fight'

By Zhu Zhe



Anti-corruption posters in Haikou, Hainan Province on June 6, 2008 (CFP)

Internet supervision has become an effective way to expose corruption among officials and increase transparency at all levels of government, senior officials have said.

"Democracy is the best way to fight corruption, it's the key," said Jiang Jianchu, deputy procurator general of the Supreme People's Procuratorate in Beijing.

"Such supervision reflects democracy. I hope it could be further promoted," added the Chinese People's Political Consultative Conference (CPPCC) National Committee member during the annual legislative and political advisory sessions.

Hao Mingjin, vice-minister of supervision and a CPPCC National Committee member, agreed and said the Internet has enriched his ministry's campaign against corruption.

"We get tips through the Internet and

treat them seriously. Some investigations are actually based on information that has come online," he said.

Wan Exiang, vice-president of the Supreme People's Court and another member of the CPPCC National Committee, said his first job every morning was to scour the Web for comments about the courts, good and bad.

"I surf the net a lot and sometimes receive complaints and even attacks," he said.
"But I think communication with netizens helps me understand things better, and from a different angle."

Internet supervision has thrived over the last 12 months, with one high-profile example being the firing of Zhou Jiugeng, former director of a real estate management bureau in Jiangsu province, after authorities investigated his lavish lifestyle following the publication of photographs on the Internet last year.

And the discipline inspection commission in Altay prefecture, Xinjiang Uygur autonomous region, even asked its 1,064 county- and division-level officials to declare their property dealings and uploaded parts of the information last month.

Online supervision has also received recognition from Liu Binjie, head of the General Administration of Press and Publication.

"Many problems are first exposed on the Internet and then get the attention of the government," he told reporters last week. "It is playing a very important role in promoting democracy and ensuring the people's right to know. We shall fully encourage and support such supervision."

The role of the Internet in attempts to wipe out corruption has become a hot topic among CPPCC National Committee members and National People's Congress (NPC) deputies.

"With the Internet, it's really hard for authorities to seal off information. It has greatly improved transparency," said Li Jinzhi, a NPC deputy from Henan province, during a panel discussion.

Er Yuehe, another deputy, said the biggest advantage was the easy access. "Compared with other ways to air opinions, the Internet is the easiest and fastest," he added.

However, some deputies and members raised concerns over the style of supervision, saying it was a "double-edged sword".

"People often use fake names when they air opinions online, they don't have to bear the responsibility. That has resulted in many rumors," CPPCC National Committee member Zhu Minhui said.

NPC deputy Wang Pengjie, meanwhile, warned that online supervision could not solve everything.

"If everyone pins their hopes on the Internet, that means our existing anti-corruption mechanism is a problem," he said. "There should be a fair, efficient and authoritative judicial system to cope with the problem. Internet supervision should be only a supplement."

# New energy should be 'top priority'

By Wang Bo

enior Chinese officials called on the government to treat the development of new energy as its top priority this year if it was serious about easing its energy shortage and improving the environment.

Zhang Guobao, head of the National Energy Administration, said on the sidelines of the annual session of the National Committee of the Chinese People's Political Consultative Conference (CPPCC): "China should never falter in its effort to develop new energy, even though the current financial crisis temporarily cushioned the conflicts between energy supply and demand."

He added: "We should keep a close watch on the development of cutting-edge technologies the world over, and invest more to improve research and development capabilities."

Zhang warned if the country did not give the development of new energy its due importance, "we will find ourselves lagging behind the world within a decade".

For many countries now, developing new sources of energy is an important move to cope with the global financial turmoil.

In US President Barack Obama's massive stimulus plan launched last month, he hailed the construction of new energy industries as the key to creating more jobs



Electric-powered GW KULLA displays at Beijing Energy-saving & Environmental Protection Exhibition on June 14, 2009. (CFP)

and pulling the country's economy out of recession.

At present, coal accounts for two-thirds of China's energy consumption, while new energy accounts for no more than 5 percent of the total, indicating a huge potential to help shift the country's reliance on coal.

Last year, China imported 38.85 million tons of refined oil, an increase of 5.06 million tons from a year earlier, and its reliance on export for oil consumption reached 49.8 percent, 1.4 percentage points higher than what it was in 2007.

In the face of the escalating demand for energy, Zhang said it was "time to restructure the nation's energy mix" by exploring renewable energies and boosting clean energy consumption.

In Premier Wen Jiabao's government work report, delivered during the National People's Congress (NPC) session, he pledged that the country would vigorously develop a circular economy, clean energy and promote the development of nuclear, wind and solar power this year.

Many agreed that nuclear power should be prioritized in China's energy development agenda in the next 10-20 years.

"Nuclear power is the most effective energy source to control greenhouse gas emissions, as its power generation process does not emit carbon dioxide directly,"

> said Chen Yingxu, deputy director of the College of Environmental and Resource Sciences at Zhejiang University and a CPPCC National Committee member.

> "The rapid development in nuclear power technology in recent years makes it the safest and most economical energy source compared with other renewable sources, such as solar power and bio-fuel," said Chen.

China now has 11 operational nuclear reactors with a combined installed capacity of some 9,100 MW, which accounts for 1.3 percent of the country's total power generation.

According to a nuclear power development plan approved in 2006, the country expects to raise its nuclear power capacity to 40 GW by 2020, accounting for 5 percent of its total capacity.

With the recent boom in nuclear industry, there have been rumors that the country would readjust the target to 70 GW by 2020.

China plans to start work on four new nuclear plants this year in Haiyang, Rongcheng in eastern Shandong province, Sanmen in eastern Zhejiang province, and Yaogu in southern Guangdong province.

China Guangdong Nuclear Power Group, one of the nation's two major companies developing nuclear reactors, plans to invest 30 billion yuan (\$4.4 billion) in its nuclear projects this year, Xinhua reported.

# Hospital plan to aid grassroots

By Li Wenfang

he government has pledged to build 2,000 county hospitals in rural areas within the next three years as part of its healthcare reform, which aims to make medical services more available and affordable at the grassroots.

A total of 29,000 township-level clinics will be built nationwide in the next three years, Premier Wen Jiabao said in his government work report at the session of the National People's Congress (NPC).

The government will also support the construction of more than 10,000 medical facilities in urban areas, according to the reform plan, which stresses on the need to train more medical practitioners, Minister of Health Chen Zhu said.

Further details of the plan would be announced soon, he added. Chen said most people, even those suffering from minor ailments, were still flocking to large hospitals, leading to long queues and hefty bills.

However, he added the number of patients visiting community medical centers for treatment was increasing.

About 60 percent of the patients visiting large hospitals in China suffer from minor ailments, which can be treated at smaller facilities, said Zhong Nanshan, a

top respiratory scientist and a deputy to the NPC.

Lu Fan, vice-president of Wenzhou Medical College, however, said grass-roots clinics lack good medical equipment and staff.

Li Jianru, a tour guide in Guangzhou, Guangdong province, said she had never used community medial services, nor does she ever intend to.

"It will take some time to build people's confidence in community medical services even after the reform plan is implemented," she said.

Bai Hua, an accountant in Beijing, said: "It seems to me that community clinics exist just for the convenience of elderly people."

Zhong suggested more capital be pumped into community clinics, and added that medical graduates should be trained free of cost at bigger hospitals before they start their practice at grassroots clinics, and be offered "reasonable salaries".

Li Dapeng, a professor at Zhejiang Chinese Medical University and an NPC deputy, suggested the government work out more incentives to lure doctors to work at community clinics.

Large hospitals should be encouraged to run community clinics, said deputy health minister Huang Jiefu.





### Reform boon for village doctors

By Lin Shujuan

hina is set to bring "nearly 1 million village doctors" on board its ongoing healthcare reform plan in a bid to provide about 1.3 billion citizens, particularly the poor, with access to basic healthcare, a senior official has said.

"We will provide village doctors with better training so that they can provide extensive and easy medical care for the poor," said Wang Guoqiang, vice-minister of health and director of the State Administration of Traditional Chinese Medicine (SATCM), who is also a CPPCC National Committee member.

Wang said China will assess the qualifications of the country's village doctors to improve the quality of the medical service in its vast countryside. The assessment will begin in Sichuan, Yunnan and Guizhou provinces this year, as part of the country's 850-billion-yuan (\$124 billion) healthcare reform, Wang said.

"The assessment will not be as academic as it is for those trained professionally in medical schools, but good enough to test a doctor's ability to offer primary care in the rural areas," said Wang. At the same time, the traditional apprenticeships for training doctors have also been legalized as an alternative to medical schools, Wang said.

For years, doctors of traditional Chinese medicine passed on their knowledge through apprentices, especially from father to son, he said.

The tradition is still popular among village doctors, who have been providing basic healthcare, like disease prevention, education and maternal care for decades.

Currently China has about 650,000 villages and 880,000 village doctors, only

10 percent of whom are qualified, said the Ministry of Health.

Most of them descended from generations of medical families or have graduated from local secondary medical schools and returned to their villages.

About 60 percent of the patients in rural areas depend on village doctors for treatment, the vice-minister said.

After China initiated the reform and opening-up policy, village doctors gradually withdrew from the medical sphere due to the rapid development of township and county hospitals, which were relatively advanced and preferred by villagers.

Currently, the country's village doctors work out of their humble homes and lack adequate medical equipment, medicines and knowledge.

However, as township, county and city hospitals become increasingly crowded and expensive, the revival of village doctors is imperative.

Chinese medical experts who participated in the recent CPPCC annual session applauded the government's move.

"We all acknowledge that it is hard to get medical professionals to work in rural areas," said He Wei, a doctor from Liaoning province, who has been providing affordable eyecare for the poor for a few years. "Training local people is the optimal solution in building sustainable healthcare services in rural areas."

According to the healthcare reform plan for the poor, minor illnesses would be cured in the village, general diseases would be cured in townships and major diseases would be treated at county hospitals.



After receiving systematic trainings, 600 returned female migrant workers were re-employed at the Jindaier Fashion Co., Ltd in Caixian County, Henan province. (CFP)

# Time to nurture, educate migrant workers

By Fu Jing

hina should act now to "strategically and thoroughly" reexamine the policies for millions of migrant workers who are unemployed due to the economic crisis, said a leading policy maker.

Liu He, deputy director of the Office of the Central Leading Group on Finance and Economy, said the need of the hour is to provide occupational training and education for the migrant workers.

"This is not just about employment

but also something that has severe social implications," Liu told China Daily in an exclusive interview.

"If we do not tackle the problems of migrant workers in right earnest, the economic upgradation efforts may languish," he said.

China has recently unveiled the 4-trillion-yuan stimulus package and 10 other programs to help industrial sectors combat the crisis. "We need millions of skilled workers to translate the programs on paper into reality and hone the competitiveness of the industrial and manufacturing sectors," said Liu.

The shortage of skilled workers has, however, been a major problem for China for some time now, he said.

Millions of workers who used to earn their livelihood by producing export goods at the coastal factories have found themselves jobless as many factories closed down due to the crisis. On a rough estimate nearly 20 million workers have become unemployed due to the crisis.

The main problem for many migrant workers is that they do not have adequate funds for farming or to start small businesses back in their hometowns.

"If we don't take the labor problem seriously, it could lead to severe employment and social problems," Liu warned.

He said in the short term, the employment problem could be cushioned if the government is able to channel some of the jobless migrants back to their homes and encourage them to start farming by offering subsidies and professional training.

This is imperative as many of the migrant workers may find it difficult to get their old jobs back as consumers across the world are becoming thriftier and trade protectionism is on the rise. Many of the factories in China are also facing the piquant situation of production capacities far surpassing demand.

"This makes it hard to open new factories and create more jobs," he said.

"In the long run, if we have to solve China's migrant problem, we should look for strategic arrangements," said Liu. "The strategic arrangement should focus on revamping China's industry and income distribution policy," said Liu.

The government should continue to support labor-intensive industries and increase domestic consumption to create more jobs for migrants.

In addition, migrants should be given urban household registration rights and the same social welfare as city residents. China's urbanization rate is around 45 percent and annually, about 230 million migrants are moving between cities and their rural homes.

In his work report to the National People's Congress on March 5, Premier Wen Jiabao said the government would take quick measures to provide training and social security benefits to farmers and migrant workers.

According to Liu, China's goal of achieving 8 percent economic growth this year depends largely on global trade protectionism, job prospects for migrant workers and the severity of the financial crisis.

He said all the three problems are "closely interlinked" to one another.

"Free trade is not only a gospel for China's growth but also for the rest of the world," said Liu. "Ever since the financial crisis unfolded, many countries have agreed on free trade but in reality, they focus on trade balance and often encourage protectionism."

Though the globalization era was dominated by recession, Liu said it is not good to strive for a single country-based trade balance or even trade surplus.

"Such a scenario would be retrogressive for global development and also affect the rebuilding of the new international financial order," said Liu.

Criticizing countries for not doing enough to analyze the causes and lessons of the financial crisis, Liu said they are rather far too busy with stimulus packages.

Liu warned that the crisis could be followed by a sharp price hike globally just as it happened after the Great Depression (1929-33).

Most of the developed countries are lacking in new growth policies often needed to stimulate the real economy, he said.

"In the coming decade, there would be no effective global coordination and the potential risks of ups and downs also exist. In such a scenario the financial crisis could last longer than expected and we should be prepared for it," said Liu.







The 7th meeting of the 11th NPC Standing Committee approves the controversial Food Safety Law with 158 affirmative votes, 3 dissenting votes and 4 abstention votes on February 28, 2009. (Photo by: Ren Chenming)

### Food safety body set to take shape

By Zhu Zhe

n overarching food safety commission will be set up to improve supervision, according to the latest draft of a food safety law submitted to the top legislature for review on Feb 25.

The commission will be a "high-level coordination and guidance" body, and details of its responsibilities and authority will be decided by the State Council, Liu Xirong, deputy director of the National People's Congress (NPC) Law Committee, said while explaining the change to legislators.

The head of the proposed commission could be of vice-premier level, said Chen Junshi, a senior researcher with the National Institute for Nutrition and Food Safety affiliated to the Ministry of Health (MOH), indicating it will be a powerful body.

The draft law is likely to be passed over the weekend after the NPC Law Committee yesterday suggested putting it for vote on Saturday when the current NPC Standing Committee session ends.

Liu said the proposed commission reflects the demands of legislators to streamline the current food supervision mechanism. More than 10 government departments are involved with food safety at present, leading to overlapping of responsibilities and lax law enforcement.

The amendment to the draft law reduces to five the number of government departments: health (MOH), agriculture (MOA), quality control (AQSIQ), industry and commerce (SAIC), as well as food and drug safety (SFDA).

The MOH has been given primary responsibility and a range of new tasks including evaluation of risks, setting standards, investigating accidents and releasing information.

Another major change is that the latest draft law brings under its purview the supervision of health food. "Health food has become a quite big industry, but many problems remain," Liu said. "The supervision of such food should be even stricter."

The draft stipulates that health food

must not cause any harm to people, their labels and instruction leaflets must be true, and cannot claim the products can prevent or cure illness. The State Council is required to release a detailed regulation on health food, according to the draft.

By the end of 2007, there were 1,640 health-food producers in the country with an annual output of about 100 billion yuan (\$14.6 billion), according to figures from the NPC Standing Committee's Legislative Affairs Commission.

Legislators said they were glad that

their opinions were taken into consideration. "I suggested improving the current food safety supervision mechanism during the draft law's last review in October 2008, and I'm happy the latest draft has made changes accordingly," Yu Zhenggui, an NPC Standing Committee member, said.

Experts said the law, if passed, will be a milestone in food safety regulation. "The biggest progress is that the law highlights the importance of safety risk assessment," Chen said.

The draft law devotes a whole chapter to risk assessment, and requires the MOH

to set up a risk assessment committee comprising experts in health, agriculture, food and nutrition.

Zhang Yongjian, executive director of the research center for development and regulation of food and drug industry affiliated to the Chinese Academy of Social Sciences, said legislation by itself cannot solve all problems.

"There are about 200 million farmers and 500,000 food producers in the country. Such a scattered production model is the fundamental reason behind so many food safety incidents," he said.

### Cabinet drafts rule over Food Safety Law

By Zhu Zhe



Visitors look around China National Food & Safety Supervision and Inspection Center in Haidian District, Beijing on May 19, 2009. (CFP)

he State Council is busy drafting a detailed rule for the new Food Safety Law to ensure its implementation from June 1, a senior legislator said during an online interview on March 1.

It will "definitely" be announced before June and may include the role and responsibility of the planned national food safety commission, said Li Yuan, director of the administrative law division of the National People's Congress (NPC) Standing Committee's legislative affairs commission.

The rule will come into force together with the law, he said.

On Feb 28, the NPC Standing Committee passed the long-awaited Food Safety Law after five years of deliberation. It will streamline the current food safety supervision mechanism and establish a national commission to direct regulations after a series of scandals affected consumer confidence.

The law also increases criminal and civil penalties for violations by food producers and managers, with cases where the management clearly know a company is selling below-standard food resulting in

them having to compensate the consumer 10 times the price of the product.

Li said such new rules are to improve supervision and raise producers' awareness on food safety. "But as usual, most stipulations in the law are in principle and lack details. There must be a detailed implementation rule to go with it," Li said.

Experts spoke highly of the law and Luo Yunbo, a professor at China Agricultural University, said he considered the establishment of a national food safety commission the most important progress.

The country's current system of splitting food safety over different government departments has resulted in uneven enforcement; the commission is expected to improve coordination and eliminate loopholes, Luo said.

"In the Sanlu scandal, the most problematic section was the private milk-collecting stations. But under the current system no government agencies are responsible for such stations," he said.

The government said unscrupulous milk-collectors added the industrial chemical melamine into raw milk to give a false protein reading. The tainted milk killed six babies and sickened 30,000 others.

The seventh amendment to the Criminal Law, which aims to hand out stiffer punishments to government officials and their families convicted of taking bribes.

### Stars may become liable for ads

By Zhu Zhe

elebrities will share legal responsibility for advertising for food products that are found to be unsafe, according to the latest draft law.

The draft food safety law stipulates all social organizations and individuals who recommend unsafe food products in ads shoulder "joint liability" with food producers if the products harm consumers' rights and interests.

It was submitted to the National People's Congress (NPC) Standing Committee for review on Feb 25.

Yang Lixin, a law professor at Renmin University of China, explained "joint liability" means that consumers can demand compensation from both the unsafe food's producers and the stars in the ads.

Deputy director of the NPC Law Com-

mittee Liu Xirong said the change was in response to legislators' complaints that false or exaggerated food ads — many featuring celebrities — have been cheating and misleading consumers.

"So, we consider it necessary to impose stricter controls over food ads," he said.

The latest draft also bans food supervision authorities, and industry and consumer associations, from recommending food products to consumers in ads or any other form. Should they not comply, their directors or those with direct responsibility face demotion or dismissal.

Unsafe food product ads became a major issue after the melamine scandal started last September.

Many people questioned whether celebrities who had promoted the tainted products, especially for the Sanlu Group, should share responsibility for the six babies who died and 30,000 who were sickened

Head of Peking University's advertising department Chen Gang said he welcomed the legislation.

"Celebrities enjoy vast social influence. It's easier for the public to believe what celebrities say compared to trusting ordinary people," he said.

Chen said stricter controls are needed for food ads, because food products directly affect human health.

Some legal experts said the law is well intended but goes too far.

"The rule aims to prevent celebrities from abusing their influence, which is necessary, but subjecting them to joint liability might be too harsh," Yang said.

NPC Law Committee member Wang Liming said it was "a bit unfair" to put celebrities who appear in ads on the same tier of legal responsibility as food producers

"There's no doubt food producers should shoulder the primary responsibility if there are food incidents," he said.

Wang believed celebrities who recommend unsafe food products in commercials should bear "corresponding" responsibility.

Yang said: "It should matter whether the celebrities were or were not aware the food products were unsafe. Joint liability should apply to those who were."

The rule will force celebrities to think twice before appearing in food ads, Jiang Wenjuan, agent of famous mainland actress Jiang Wenli, said.

"We're already very careful about doing such ads. We usually ask for all relevant government certification to prove the products are safe," she said.

Jiang also said they had sometimes signed contracts with food producers stating the star would bear no responsibility in the case of consumer complaints.

"But if such a stipulation becomes law, it's certain that we'll be even more careful."

Workers make ice cream in a full closed environment at a workshop at the Hangzhou Youkang Food Group Co., Ltd on May 20, 2009. (CFP)



### Celebrity row is 'aiding food safety'

By Lin Shujuan



Melamine test area in the Inner Mongolia's Yili Industrial Group Co., Ltd. (Photo by: Yang Shuhai)

he debate raging about a new law making celebrities partially liable for dangerous food products they advertise is helping to achieve its overall goal by raising awareness over safety standards, said Chinese legal experts.

The Food Safety Law, which was approved by the NPC Standing Committee on Feb 28, comes into effect on June 1. It follows a series of scandals involving products that have killed or poisoned consumers.

But the controversy is over the inclusion of a ruling that makes it possible for authorities to punish famous people who help to promote brands that later prove to be potentially dangerous or substandard.

The move has received a mixed response from celebrities and the public, leading to several high-profile discussions in the media, online and at the two sessions of China's top advisory and legisla-

tive bodies.

"Any legislation is useless unless people know what it is and how to use it to protect their interests," said Hou Xinyi, a law professor at Nankai University in Tianjin and a Chinese People's Political Consultative Conference (CPPCC) National Committee member.

"The heated debates will definitely grab the public's attention. Then they will use it as a tool to ensure food safety."

Food safety was in the news constantly last year thanks to Sanlu's tainted baby milk formula, which killed at least six children and poisoned 300,000 more, and scandals over duck eggs laced with melamine and a chilly sauce that contained poisonous additives.

Liu Xirong, deputy director of the law committee for the National People's Congress (NPC), said the change to the law was to stamp out false or misleading food and drink advertisements, many of which feature celebrities.

The penalties are still to be decided but the ruling has already prompted film director Feng Xiaogang to demand "justice for stars" during the annual session of the CPPCC National Committee, branding it a "discriminative" act towards stars.

But Liu Junhai, vice-chairman of China Consumers' Association and a law professor at Renmin University of China in Beijing, said celebrities should be more conscious over legal ramifications and protect themselves by being wary of using unreliable scientific information in advertisements.

"They should calm down and treat the legislation rationally," he added.

Film director Zhang Yimou and Chinese actor Chen Daoming, meanwhile, agreed the law was in the best interests of consumers, celebrities and manufacturers.

"Once in place, regulations will remind each party of their responsibilities when there are incidents, and it will be justified for them to receive penalties in accordance with those responsibilities," said Chen, who has promoted many brands.

Cao Yisun, a professor at China University of Political Science and Law, said: "These debates are mainly over the extent of the penalty a celebrity might face in cases when he or she promotes substandard food. There will be specified and justified regulations on that.

"We decide if a law is strict more by how it is carried out than by how it is written down," he explained.

Professor Hou added: "The law is to ensure food safety. To what extent it might achieve this end depends on how strictly we carry it out. Drafting legislations is only a tiny step, educating the public about it is another.

"There are about 200 million farmers and 500,000 food production companies in China. How to prevent accidents in the current situation will be the biggest challenge to the law."





#### **Nationality**

n July 15, 2009, Ismail Tiliwaldi, vice-chairman of the Standing Committee of the National People's Congress, met a group of foreign media at the Xinjiang Hall of the Great Hall of the People, sharing his personal experience on the region's development as well as his ideas on the Urumqi July 5 riot.

Reporters from Anadolu Agency of Turkey, Morocco News Agency, Malaysia National News Agency, Associated Press of Pakistan and Indonesia News Agency attended the interview.

Ismail Tiliwaldi (Tiliwaldi in short): Dear friends, glad to meet you. All of you are from influential media, which pay highly attention to the Xinjiang violent incident. During the riot, a number of innocent residents were killed or injured. Investigations indicated that the incident is neither an ethnical issue nor a religious issue. Masterminded by separatists, terrorists and extremists abroad, such a violent criminal event was organized and imple-

mented in advance by separatists at home.

With the aim to safeguard people's life and assets, maintain social stability and restore production order, the Xinjiang Uygur Autonomous Regional Government has adopted decisive measures according to law. The situation has been under control. China always pays highly attention to maintaining good relations with developing countries, including those Islam countries. Reporters attended the interview have played an important role in enhancing bilateral ties and understanding. It's my pleasure to exchange views as well as pick up questions from all of you.

I was on a business visit to Northeast China when the riots occurred in Xinjiang. I would like to share you some information that I've got. Having worked in Xinjiang for more than 40 years, I gained a thorough knowledge of the region and still have soulful emotion toward people living there. I left Xingjiang for Beijing last year due to work changes. But I still care about the development of

Ismail Tiliwaldi, vice-chairman of the Standing Committee of 11th NPC, received a group interview of foreign journalists on July 5 riots in Xinjiang on July 15, 2009 in Beijing . (Photo by: Zhang Baoshan



Xinjiang. That is also my duty.

Reporter from the Anadolu Agency of Turkey: Good afternoon. I have two questions. First, it is said that the incident in Shaoguan, Guangdong Province (in June) had led to the July 5 riot in Urumqi. Are there other reasons, such as those from economic and social aspects, blamed for the incident? Second, what is your opinion on foreign media' criticism and doubts toward Chinese government's measures in dealing with ethnic relations. For example, the increasing migration of Han people (into Xinjiang) has declined the proportion of Uygurs in the region – the rate of Han people living there surpasses 50 percent of the total population. What is your opinion on that?

**Tiliwaldi:** I returned (to Beijing) from Northeast China on July 13. Through newspaper and television reports, I noticed that the Turkish Government had made clear its position toward the Urumqi July 5 incident on first occasion. I would like to pick up your questions now.

On June 26, a public incident took place between Uygur and Han workers in Shaoguan of Guangdong Province. It was just a social security case, which had been resolved properly soon. Meanwhile, after the incident and under the leadership of Rebiya Kadeer – head of the World Uygur Congress, the "three forces" mentioned above have taken the chance to fabricate excuse and organize the riot that involved beating, destruction of properties, looting and arson in Urumqi on July 5. Later facts have turned out the riot is a violent criminal incident conspired by the "three forces" abroad and implemented by separatists at home.

Sixty years have passed since the establishment of the New China. Both the Central Committee of the Communist Party of China and the State Council always attach great attention to the development of Xinjiang. A national policy focusing on the stability of the region and prosperity of the local people has been adopted for decades. After the nation mapped out a Western Development plan, it has continued to support the region by adopting more preferential policies. All these efforts have led to the social and economic development of the region. As a result, great achievements have been realized in Xinjiang's economic development in recent years.

My major in the University of Xinjiang was mathematics. So it is a habit of me to illustrate my opinions with figures.

The GDP of Xinjiang reached 4.2 trillion yuan

A national policy focusing on the stability of the region and prosperity of the local people has been adopted for decades.

in 2008 from less than 4 billion in 1978. The per capita of GDP surpassed 19,000 yuan in 2008 from 313 yuan in 1978. The value of fixed assets of the whole society topped 23 trillion yuan last year when compared with only 1.3 billion yuan in 1978.

The value of foreign trade, regional fiscal income and farmer's annual income reached \$22.2 billion, 3.6 trillion yuan and 3,500 yuan in 2008 respectively, from \$23 million, less than 700 million yuan and 119 yuan in 1978.

As to the produce of grains in Xinjiang, last year's figure surpassed 10 million tons from 3 million in 1978. The production of cotton accounts 42 percent of that of the whole nation. The plantation area of fruits exceeded 15 million mu (1 million hectares) and the number of livestock over 12 million. A total of four production bases, which involve food, cotton, fruits and livestock, have taken shape in Xinjiang. As to its industries, the region has formed modern industrial systems in fields of petroleum, natural gas, iron and steel, coal, construction, processing and energy.

I would tell you an example to prove the changes of Xinjiang during the past years. When I left Kashgar to go to college in Urumqi in 1962, it took me nine days to get there by shabby trucks. Now it only takes 1.5 hours to fly from Kashgar to Urumqi, or 23 hours by train or less than 2 days by car. Besides, the traffic situation of roads has improved dramatically. If you have never visited Xinjiang before, I sincerely invite you to travel there to witness the changes with your own eyes.

Besides of economic progress, great achievements have also been made in fields of culture, education, science and technology, health and sports. The target of a nine-year compulsory education has been realized in the whole region. In 1950s, there was only one college in Xinjiang, now the number of colleges has surpassed 30.

The realization of these achievements was attrib-

Any attempts to destroy ethnic unity and halt economic development would be smashed and doomed to failure.



The scene of July 5 Urumqi riot (Photo by: Xing Guanqli)

uted to not only the tremendous support from the central government but also the arduous work of the people living in the region. Since the reform and opening-up policies were adopted in Xinjiang, people's life improved tremendously, so did the social security. Such achievements were realized through hard work and deserved cherish. Any attempts to destroy ethnic unity and halt economic development would be smashed and doomed to failure.

As to your second query, there are 24.03 million people of 47 ethnic groups living in Xinjiang. The population of ethnic minorities surpasses 13 million. An ethnic autonomy system has been established in China, highlighting equality, friendship, mutual assistance and common development. Such a system has ensured the ethnic minorities to be masters of the region, playing a vital role in propelling economic development in Xinjiang Uygur Autonomous Region since it was emancipated peacefully 60 years ago. It also produces precious experiences for the unity and peaceful existence between different ethnic groups. Today, the nation follows a policy of "equality, unity, mutual assistance and harmony"

between different ethnic groups.

I can ensure you that the Central Government did not and will not implement an ethnic migration policy. There were only 13 ethnic groups living in Xiniiang in the past. Today, the number of ethnic groups inhabited in the region reached 47. Wherever there are development opportunities, people go and live there to do business. Taking Shenzhen. a former fishery village in Guangdong Province, as an example, it has become a flourishing cosmopolitan after reform and opening-up policies adopted decades ago. People from various places have rushed to the city. Having establishing co-operative relationship with more than 60 countries, Xinjiang enjoys great potential of development, also luring people of different ethnic groups to come. As you know, the nation implements a family planning policy with the aim to curb the quick growth of population. But many ethnic minorities enjoy a lenient policy in this regard; for those minorities with a very smaller population, no family planning policy was implemented at all. Here I express my hope that you could pay a personal visit to Xinjiang with the aim to conduct reports objectively and fairly to the rest of the world.

Reporter from Al-Jazeera: In representing my TV station, I want to express my condolence for (victims of) the riot in Xinjiang. According to my understanding, there were few ethnic conflicts conflicts after the liberation of Xinjiang at first. Later there appeared some Uygur separatist organizations gradually. Initially, such conflicts existed between those organizations and the Central Government. From the recent incident, I can feel such a conflict has transferred to relations between different ethnic groups. This was the most severe incident taken place in Chinese history. I've lived in China for more than 20 years and never heard there are conflicts between ethnic groups. Today's world is a place full of chaos and disorder, but China is a country that enjoys comparative stability. So how does China evaluate the situation?

**Tiliwaldi:** Most of the countries in the world are of peace today.

Reporter from Al-Jazeera: But the world is chaotic and most people regard China as a stable nation. To handle this problem, what does the Chinese Government plan to do? Somebody say Urumqi has returned stability and peace. I just came back from there and noticed lots of military forces and policemen stationed there. After the evacuation of

these soldiers and police, what kind of measures that Chinese Government will take to ensure public security?

Tiliwaldi: Xinjiang does witness the existence of fighting between separatists and anti-separatists. Organized by a few people, some violent events have taken place in the history of Xinjiang. When analyzing the methods of these incidents, some targeted on governments, some on religious figures, some on concrete issues or just aimless. I had lived in Kashgar for 26 years, during which several military unrests took place, for example, the riots in Baren Township in 1990. In early 1980s, several violent incidents that involve beating, destruction of properties, looting and arson crimes took place. Similar accidents also took place in Yili in 1995. Some of the incidents even focused on patriotic religious people.

All in all, these incidents were planned by a bunch of thugs aiming to destroy ethnic unity and sabotage ethnic stability (in the region). The July 5 incident is neither an ethnic problem, nor a religious issue. Being a violent criminal case, it was masterminded or conspired by separatist forces headed by Rebiya abroad. A violent terrorism incident that confronts to the whole nation and the people, it was the most serious one I've witnessed during the past 40 years. Combating terrorism is a consensus reached between all nations of sovereignty, including China. The Chinese government will never sit idle toward the destruction of interests of ethnic groups in Xinjiang. It would resolutely crack down on ethnic thugs to ensure unity and push forward economic development in the region. The existence of bad guys in a small number in Xinjiang would neither shake the faith and resolution of the Uygur people, nor distort the image of Uygur as a whole. They are just a small part of the ethnic. No one could deny the ethnic of Uygur for the existence of scum. There are bad persons in all ethnic groups. By July 14, the July 5 incident has caused the death of 184 people, including 137 Hans and 46 Uygurs. This criminal event brought disasters to all the ethnic groups in this region and we should fight against criminals with no mercy.

**Reporter from Morocco News Agency:** I have two questions. First, what's China's reaction toward the stance of Arabian countries on this incident? (Second,) Is Rebiya doing the separatist activities by her alone, or has she won support from the country where she lives?

**Taliwaldi:** After the occurrence of the July 5 incident, the "three forces" with Rebiya at the core continued to organize separatist activities via telephones and Internet, such as receiving interviews from foreign media, arranging parades before the Chinese embassies abroad as well as doing libels (on China's position toward the event). We hope all the nations, including those Arabic countries, could properly understand and support China's stance. So far, most of the nations in the world, including those Western countries, have shown a full understanding of China on this issue. The despicable separatist activities conducted by quite a few people, such as Rebiya, could not win support from the forces of justice. Only several congressmen from some countries expressed support to Rebiya so far. China has established excellent bi- and multi-lateral relationship with most countries in the world. Peaceful diplomacy is the focal point of China's diplomatic policies. China does not interfere into the internal affairs of other countries, it also opposes the interference of other countries into China's internal problem.

#### Reporter from Associated Press of Pakistan:

I have two queries also. First, like China, Pakistan faces similar problems in dealing with problems occurred in Xinjiang region. We all know that the July 5 incident was instigated by quite a small part of

Xinjiang artisans show their hand-made embroidery. (CFP)





French tourists shop in the International Grand Bazaar in Urumqi, which re-opened on July 22. It marked the full recovery of Urumqi's commercial activities. (Photo by: Dai Xuming)

the criminals. Just now, you've mentioned that we have to take some strategy to handle the threat. In Pakistan, we adopt the so-called "3-D policy," that means dialogue, threaten and deterrent. Tremendous changes have taken place in Xinjiang since China adopted reform and opening-up policies. Is there possibility that the Chinese government negotiates with those separatists in order to persuade them to believe their activities were harmful to national interest, social stability and unity as a whole. Second, you mentioned just now that some Muslim countries support China's stance and measures. Does China have a plan to dispatch special ambassadors to those nations with the aim to win their further support?

**Taliwaldi:** I've been visiting Pakistan for many times. The two neighbors have enjoyed excellent co-operation, so does the co-operation between Xinjiang and Pakistan. The friendship between

China and Pakistan has weathered (numerous) tests (during the past decades). Being a country of law, China will resort legal weapons to handle its internal problems. As to your second question, some countries lack a full understanding of or misunderstand our nation. We would introduce China's situation, its policies on ethnic groups and religions as well as the development, reform and opening-up policies to other countries. It would be a long-term job for us. Thanks!

Reporter from Indonesia: Two questions. First, you mentioned China enjoys a good relationship with Muslim countries. So will the Chinese Government permit a Muslim country to act as mediator to arrange negotiations between the government and Rebiya? Second, some organizations in Indonesia showed disagreement toward China's handing of the July 5 incident. What is your comment?

Tiliwaldi: As to your first question, the incident is sheer China's internal affair and we have policies to deal with the problem and need no other nation to meddle. As to your second query, (I believe that) all countries will resort strong punishment measures when facing such severe criminal cases that involve beating, destruction of properties, looting and arson. For the conflicts between the internal people, we follow a certain policy accordingly. It's normal that brothers in a family may quarrel with each other, so does a country or an organization. In China, we regard the conflicts between different groups as internal affairs - education and persuasion methods would be used to deal with such issues. Different from the internal conflicts, the July 5 incident reflected a combat between separatism and anti-separatism, terrorism and anti-terrorism. In order to maintain social order and safeguard people's assets and life, we arrested some suspects who had participated in the event by following others blindly. Educational methods would be used to deal with these people. As for those who took a direct part in beating, destruction of property, looting and arson crimes, we will implement severe punishment according to law.

Reporter from Malaysia: I wonder how Xinjiang's economy and other aspects will suffer from the incident under a global economic recession. As far as I know, some residents in Xinjiang have to leave their home to make a living in other provinces. Will this incident deepen ethnic conflicts? Besides, I want to know how much of the stimulus plan conducted by the central government has benefited Xinjiang as well improved the quality of local people's life.

Tiliwaldi: Originated from the United States, the on-going financial crisis triggered by subprime mortgage crisis has extended to all over the world since last July. China is no exception. In China, the current economic situation is far better than expected thanks to government's effective measures to deal with the negative influences of the crisis. Financial crisis will produce a temporary effect on Xinjiang's economy, especially on its tourism industry. But such an impact will disappear quickly. Covering a large space, Xinjiang enjoys vast economic potential. We are full of confidence of that.

As to those who work as migrant workers in other places, I think it is a process to understand and learn from each other between ethnic minorities and Han people. For the provinces that migrant workers move in, they resolved the shortage of laborers. For Uygur people, they not only learn advanced technologies but also earn additional income and improve their living standard. So it is a good measure that benefits both. I've visited 15 provinces, municipalities and autonomous regions since I worked with the National People's Congress one year ago. There are Uygur people working, dwelling, doing business and studying in every place I've visited.

**Tiliwaldi:** Xinjiang is a place bound of resources. Under the arrangement of the Central Government, Xinjiang's future is promising – its people will be more united and its economy and culture more prosperous. I'm confident of Xinjiang's progress in the future. ■

Under the arrangement of the Central Government, Xinjiang's future is promising – its people will be more united and its economy and culture more prosperous.



Two Uygur girls(CFP)









ince the establishment of the Tibet Autonomous Region on September 1, 1965, the People's Congress of the region and its standing committee have fully exercised the power of autonomy endowed by the Constitution and Chinese laws. Statistics indicated that a total of 255 local or separate regulations have been promulgated by the regional legislation organs, playing a key role in safeguarding the interests of Tibetan people as well as its harmonious social development.

Each spring, delegates from around the region would gather in Lhasa, the capital of the region, for the annual sessions of the region's People's Congress. They cast their votes on all the local regulations, resolutions, decisions, orders or directives of State organs in the region. The abolishment of an-

cient Codes as well as the progress of socialist legal system is leading Tibet to fulfill democracy.

### Tibetans enjoy democratic rights after scrapping the old Codes

Before the democratic reform in 1959, there were only the 13-Article Code and 16-Article Code, both had been applied in Tibet for several centuries in order to maintain the integration of church and State. Both Codes stratified people into three grades (including nine classes) and played as a protective umbrella for officials, nobles and high-ranking monks to oppress and exploit serfs and slaves through extremely savage punishment.

Tibetan deputies to the 2nd Session of the 11th NPC visit a photo exhibition displaying economic and social progress that Tibet Autonomous Region has achieved in the past five decades. (CFP)



Studying the archives of the 13-Article Code and 16-Article Code, one could easily draw a conclusion that people were not born equal in old Tibet, instead serf-owners enjoy unlimited ruling rights towards their serfs, said Suolangwangdui, a senior historian with the Tibet Autonomous Region Archives.

For example, a provision of the 16-Article Code ruled that a murderer could pay "compensatory damages for lost lives" — handing in money for forgiveness. Meanwhile, the prices of compensatory money were different on the basis of victims' social and economic status.

According to the Code, people were classified into three grades involving nine classes. The life value of top-class people was priceless, meanwhile the life of lowest people, such as outcast, blacksmith and butcher, only equaled to a straw string.

The 8th article of the 13-Article Code went like this: The blood of people from upper classes was 10 times than that of people from lower classes. If a civilian injured an official, he would be cut off hands or feet based on the degree of injuries. If a serf owner hurt a serf by accident, he would not be asked to cure the injury only with no further punishment or compensation for latter.

Both Codes stipulated that the serf owners could carry out extremely savage punishments towards serfs, including gouging out eyes, cutting off ears, tongues, hands and feet, throwing people into rivers or off cliffs and death penalties. If they like, serf owners were allowed to peel off the skin of slaves to decorate utensils or to make accouterments. Besides, the Codes also ruled that serfs were not permitted to argue with nobles; Civilians who cried their grievances before the noble's palace would be whipped for breaking the law; People who participated in rebellion would be hanged to death—all his wealth be confiscated and his wife demeaned as a slave.

Tibet was liberated peacefully in the year of 1951. A democratic reform was conducted after cracking down a riot in 1959. More than one million serfs had become the masters of the regions for the first time by shaking off their serfdom and enjoying equal participation into political affairs.

In April 1961, general elections were conducted at the township level, with the involvement of 1 million serfs, who finally became the masters of their destiny. Such a change was unbelievable in the past. In March 1963, the Standing Committee of the National People's Congress approved the Regulations

A democratic reform was conducted after cracking down a riot in 1959. More than one million serfs had become the masters of the regions for the first time by shaking off their serfdom and enjoying equal participation into political affairs.

of the People's Congresses at all Levels in Tibet Autonomous Region on Election. All the Codes were abolished and serfs gained the rights of election as well as of being elected. They warmly took part in the elections and selected candidates for self-government organs at all levels. A great number of "serfs" then became leaders in Tibet after the elections.

Regarding the voters' card as "masters' identification," voters in Gyangtse County joined voluntarily into the qualification examinations of voters and follow-up election activities. More than 93 percent of the voters cast their votes in Ali Prefecture. In the city of Chamdo, 100 percent voters in the Xiaoritong Township cast their votes. Renzenglamu, a serf-turned female voter from Doilungdeqen County, said, "I used to be an old donkey, who was deprived of the right of speaking in the past, carrying a heavy burden on my back. Under the leadership of the Communist Party of China, I am the master of the destiny."

Nimaciren, who worked as a serf for Suokang Waqinggele'fazenda, was selected as the director of First Peasants' Association in Tibet. Suoqinggele, the serf owner, claimed that, "Nimaciren is a part of my wealth. I would press and put him into my pocket or wear him as a waistband, if I like." After being emancipated, Nimaciren said proudly, "Guaranteed by the law, I'm no more the private asset of somebody else. I really feel relaxed."

During the democratic reform, all the old Codes have been abolished once for all. According to the Constitution and Chinese laws, Tibetan people enjoy human freedom right and other civil rights as other peoples do.

With the convening of the 1st People's Congress of Tibet Autonomous Region and the establishment of the Tibet Autonomous Region in 1965, China's

#### Nationality

fundamental system —the people's congress system —was implemented in the region. In 1984, China promulgated the Law on Regional National Autonomy, making regional autonomy a basic political system. The law has made specific regulations on autonomous regions' political, economic and cultural rights as well as the relations between the regional governments and the central government. It has served as a powerful guarantee to ensure Tibetan people to enjoy their self-government rights as well as the stability and development of the region.

Legqog, who is the chairman of the Standing Committee of the People's Congress of the Tibet Autonomous Region, said the Tibet autonomous body plays the functions that other provincial organs do. The local organs of self-government in Tibet fully exercise the power of autonomy bestowed by the Constitution and laws. According to the Constitution, the organs of self-government of the Tibet Autonomous Region not only exercises the functions and powers of the local organs at the provincial level, but also implements the laws and policies in light of local situations.

Statistics indicate that the People's Congress of the Tibet Autonomous Region and its Standing Committee has worked out 255 local laws, regulations and decisions concerning politics, economy and culture. In recent years, the region has formulated the Regulations of the Tibet Autonomous Region on the Protection and Management of Cultural Relics, the Regulations of the Tibet Autonomous Region on Environmental Protection, Regulations of the Tibet Autonomous Region on the Administration of Mountain Climbing in Tibet by Foreigners, the Regulations of Tibet Autonomous Region on Correspondence and Visitation, the Provisions

According to the Constitution, the organs of self-government of the Tibet Autonomous Region not only exercises the functions and powers of the local organs at the provincial level, but also implements the laws and policies in light of local situations.

of the Tibet Autonomous Region on the Study, Use and Development of Tibetan Language, Resolutions on Safeguarding Unification of the Motherland, Strengthening Ethnic Unity and Combating Separatist Activities, and Decision on Severely Cracking Down on Illegal Imposition of "Compensatory Damages for Lost Lives."

After the Party adopted the socialist market economy system during the 3rd Plenary Session of the 11th Central Committee of the Communist Party of China, Tibet People's Congress and its Standing Committee sped up the draft of economic laws and regulations. A number of regulations and measures, such as the Regulations of the Tibet Autonomous Region on the Administration of Commodity Transaction Market, the Regulations of the Tibet Autonomous Region on the Administration of Cultural Market and the Measures of the Tibet Autonomous Region on the Management of Crops and Seeds, were hammered out. The promulgation and implementation of above-mentioned regulations and decisions not only escalated Tibet's social and economic development but also enriched the People's Congress system in this region.

In the year of 1999, the People's Government of Tibet Autonomous Region passed the Decision on Strengthening Administration by Law. It marked another step that the region has enhanced law enforcement in dealing with self-government affairs and management.

Following the principle of "administration by law in Tibet," a unique legislation characteristic and mechanism has taken shape in the region. The Regulations of Tibet Autonomous Region on Legislation was adopted during the 4th Session of the 7th People's Congress of Tibet Autonomous Region. It has made it clear the principles, legislative limit and process, autonomous decrees as well as city regulations by Lhasa. The legislation in Tibet has entered a process of standardization and institutionalization.

### Safeguarding Tibetan people's special interests by law

After China adopted reform and opening up policy, former Chinese leader Deng Xiaoping pointed that the realization of national autonomy lies in the development of ethnic regions. Deng's remarks en-

abled the Tibetan people better implementing their self-government rights in the region.

Bai Zhenming, a consultant-director with the Standing Committee of the People's Congress of Tibet Autonomous Region, said the legislative organs in Tibet paid special attention to protect the special interests of its people when drafting local regulations as well as decrees and supplementary rules. Local situations are also fully considered during the process.

For example in 1981, the Standing Committee of the People's Congress of Tibet Autonomous Region passed the adapted regulations in carrying out the Marriage Law in the region. Based on the principles of the Marriage Law, the regulations also give full consideration to the unique situations of marriage and family relations as well as the special customs of ethnic minorities in Tibet. The marriage age is lowered 2 years younger in the region; The special marriage relations existed before the promulgation of the Marriage Law are permitted to go on; Full respects are also given to the classic marriage ceremonies. Such regulations are welcomed by local Tibetan people.

Adopted by the People's Congress of the Tibet Autonomous Region in 1987, the Provisions of the Tibet Autonomous Region on the Study, Use and Development of Tibetan Language got fully implementation in the region. According to the Constitution and the Law on Regional National Autonomy, ethnic minorities have the rights and freedom to use and develop the languages of their own.

Adopted in 1990 by the Standing Committee of the People's Congress of the Tibet Autonomous Region, the Regulations of the Tibet Autonomous Region on the Protection and Management of Cultural Relics has played a positive role in preserving cultural relics produced in the past. It has adopted the administration of cultural relic protection into a process of law and regulation.

The legislative organs also promulgated regulations on the protection of forest, mineral resources and wild animals with the aim to protect, develop and use local resources according to the region's demand. A total of 17 national and regional natural reserves have been set up in Tibet, accounting one third area of the region. Such regulations play an effective role in protecting the fragile ecological environment on the "Roof of the World" and maintaining a sustainable development.



Seven slaves turned NPC deputies are excited after they have heard the government work report delivered by the then Premier Zhou EnLai, on December 26, 1964. (Photo by: An Kang)

On the basis of carrying out the national holidays, the region also adopts Tibetan New Year, Yogurt Festival and other traditional festivals as holidays in Tibet. So far, Tibetan people could enjoy additional 10-day holiday than people living in other places. Considering unique natural and geological situations, the legal working hours for its employees in Tibet are 35 hours a week, which is five hours shorter than the national standard.

Besides, reporters are told that the region has launched five large-scale publicity campaigns to promote legal education. More than 20 million people participated in the campaigns, which enabled that over 90 percent students have adopted legal education. During the swaps of county and township people's congresses, more than 90 percent voters attended the voting. Through the learning of legal knowledge, people's sense of law kept improving. In the past, Tibetans preferred to settling disputes in private or seeking help from monks. Nowadays, more and more people would go to a lawyer to seek a legal solution.

Qiangba Puncog, chairman of the Tibet Autonomous Region, told reporters that governments at all levels in the region should improve legal concepts and enhance administration by law when dealing with regional affairs. Besides, governments are urged to strengthen their capabilities in handling economic, social and complicated affairs by law with the aim to maintain stability.

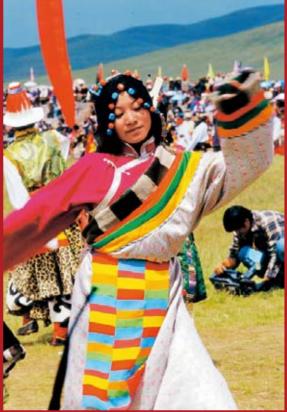


NPC deputies from Tibet, Qinghai, Qiangba Puncog, chairman of Gansu, Sichuan and Yunnan visit an the government of the Tibet Auexhibition to mark the 50th anniversary tonomous Region, interviewed by of democratic reform in Tibet on March journalists. (CFP) 8, 2009. (CFP)





The Potala Palace in Lhasa of Tibet .(CFP)



A dancing Tibetan girl .(CFP)



Dancing Tibetan girls .(CFP)



NPC deputies visit a photo exhibition marking the 50th anniversary of democratic reform in Tibet. (CFP)



A Tibetan woman and her child .(CFP) A Tibetan woman. (CFP)



# When the G20 summit being held in London

hen the G20 summit being held in London, China Daily journalist Fu Jing has talked with Jean-Pierre Lehmann, Professor of International Political Economy at world-renowned business school IMD, on his expectations to G20, protectionism and other related topics. Following goes the script.

The G20 Financial Summit held at the ExCel Center in London on April 2, 2009, (CFP)



**Q:** Let's talk about your petition to Gordon Brown first. Have you already submitted it? How many business leaders have already joined in the efforts? Any Chinese business leaders joined and how do you mobilize their efforts?

A: So the petition to Gordon Brown has not yet been submitted. It will be submitted shortly before the G20 meeting which will be on the 2nd of April. But his office has been made aware of the petition and it has been seen. It has been given to Lord Mark Malloch Brown, who is the Undersecretary of the Foreign Office for Asia, Africa and the UN and who is the Chief Coordinator of the Agenda of the G20 Meeting. So they are aware of the contents and they know it is coming.

At this moment about 200 business leaders have joined in the effort, which is weaker than I had hoped for, but I will be chasing up in the course of the next couple of days. I have not looked yet in detail at the names of people who have signed up. There are a good number of Chinese business leaders that I know of from Hong Kong, also from Taiwan and from the mainland, and also overseas Chinese in Southeast Asia. I do not have the names yet, but this will be made public once the petition has been submitted.

**Q:** Regarding to protectionism, how do you comment on the performance of the developed countries especially the US? How about other economies such as EU and Japan?

There is a rise of protectionism that has been occurring in the course of the last 12 months that is taking many different forms. There is conventional protectionism, which is raising barriers, tariff or non-tariff, on the import of goods, agricultural goods or manufactured goods. There is financial protectionism — which is to block overseas investments or to discourage national banks from lending to foreign clients. This is taking place in a significant way in Europe for example. Then there is the protectionism that emanates from stimulus plans.



Leaders to the G20 summit pose for a group photo. Chinese President Hu Jintao (4th from left, 1st row) and British Prime Minister Gordon Brown (Center, 1st row) attended the summit, which was kicked off on April 2, 2009 in London.(Photo by: Richard)

So for example in the case of the US, there is this buy American clause that was included as part of the stimulus package and insisted upon by Congress. It has been watered down, but nevertheless it is reflective of the protectionism which is gripping this particular period. What you are having is what has been described in a recent ebook by Richard Baldwin and Simon Evenett entitled Murky Protectionism, which is protectionism that takes different kinds of forms. One thing which the Chinese will obviously be aware of is green protectionism, which is when environmental or climatic change issues can be used as means to try to discourage imports.

In so far as the EU and Japan are concerned, the worrying thing in the EU is not just the rise of protectionism vis-a-vis non EU members, but also internally. So for example, the best example (or the worst example) is that of President Sarkozy who stated in a television interview that French cars made in the Czech Republic should not be allowed entry into the French market, which of course is in complete violation of the principles of the single market. You have had the outburst of British workers over the gas project that was awarded

to an Italian company which is using Italian workers and have resulted in quite ugly demonstrations. Again this of course is in violation of the principles of the single market which is supposed to allow not only the free movement of goods but also the free movement of people. The World Bank identified that of the G20 countries who are committed to reducing protectionism (or at least not allowing it to increase) as announced at the Washington G20 meeting in November last year, 17 of the 20 have taken various forms of protectionism measures since then.

**A:** China has done a lot in encouraging trade openness. What other else China can do in your opinion?

China's record on trade over the course of the last couple of decades is indeed quite remarkable. Unilaterally, China has reduced barriers by a very significant amount and it has become a major global trading power and also therefore a major import power as well as an export power. The fact that it has become a member of the WTO in 2001 is very important. What concerns people about China at this stage is not so much protectionism in the conventional sense of the terms (i.e – impediments to the

imports of goods) but in terms of finance. China has been discriminated against when its companies have sought to make foreign acquisitions but it is also blocking acquisitions being attempted by foreign companies in China. This is a form of protectionism. What else can China do in this context? Probably the most important thing is to play a more decisive role in the WTO trade negotiations. China tends to be rather silent and reactive. As a major trading power, it should be ideally more vocal and proactive.

**Q:** What role China will play in rebuilding new global financial order? Why is that and how it comes? How much contribution China should make to IMF? Why?

**A:** It is clear, firstly, that we need a new global financial order. The question assumes that there is going to be one. There should be one. Whether this materializes or not remains to be seen. We have the WTO, there is no WFO – no World Finance Organization that is based (as the WTO is on trade) on a rules-based, multilateral and quite transparent system.

The global financial I would say disorder that we have now is the result, among other things, of the very rapid innovation of new financial technologies without a similar phenomenon taking place in terms of human capacities or indeed of the regulatory framework. Many people who were engaged in the financial activities of this last decade didn't really understand what they were doing or what they were supposed to be regulating. So there is a new need for that as well as the fact that there are a number of new actors, major actors, on the financial environment. China with its 2 trillion dollars of foreign exchange reserves is obviously a very major player as are a number of countries for example in the Gulf that have accumulated vast sums. What we are seeing in the capital markets, sovereign wealth funds are becoming increasingly important. So in order to either prevent chaos or financial conflict over for example exchange rates (as we know there

We have two things that we need to do — one is immediate — to stop the global system from sinking and the second is longer term — to work on a robust architecture for the 21st century.

is tension between China and the United States over the exchange rate of the yuan), there is a need for an institutional structure that is going to reflect these different developments that have occurred in the first decade of the 21st century. China should be a very, very active player in that respect for many obvious reasons. And the world financial system, which was very Atlantic including Japan, is now moving into a very different kind of environment and China has to lead in this situation.

China's contribution to the IMF is obviously welcome. At the same time China is concerned, justifiably, about the voting rights that it has at the IMF in comparison to European countries. I think one of the things that need to be reflected upon is whether some of the institutions set up 60 years ago on the wake of World War II when it was a very different planet from what it is now, are the right institutions to take us into the next 60 years. The IMF – maybe. But it should be subject to the kind of reflection which I just indicated. So I think one of the things China should push for is another so called Bretton Woods but another so-called Bretton Woods that would really be serious. In other words, so we have two things that we need to do —one is immediate —to stop the global system from sinking and the second is longer term -to work on a robust architecture for the 21st century.

**Q:** What are your expectations to the upcoming G20 summit?

**A:** Frankly not very much. We saw that the G20 summit in Washington ultimately produced words. It was probably a good thing that the meeting was held although I

have to say here that one of the problems is that the G8 as it lies or the G7 before that, doesn't really have any legal standing. It is not an institution set up with any sense of legitimacy as far as global governance is concerned. It was more a result of ad hoc developments. Clearly the G8 was no longer relevant to the global economy of the 21st century. But then jumping from G20 to G8 to G20 and having countries selected, in some cases perhaps obviously so, in other cases, perhaps one wonders now that the G20 has increased to the G22 with the addition of Spain and Netherlands, that there is far excessive European domination in the G20 at a time when Europe's position in the world is declining. So I think that the G20 is a funny and not entirely legitimate gathering. Therefore this impedes its ability to deliver something really substantial. Furthermore, given the spirit that we are in right now, it is very unlikely the G20 will be difficult to do something. Yes the IMF will be getting some more income - but do you really need a G20 Summit in order to achieve that? Beyond that, I don't think there will be very much. I hope that I am wrong. But I think that there is an insufficient degree and spirit of cooperation for the really critical issues like climate, like trade, like global finance, like labour, to be addressed in the G20 (or G2) meeting.

What counts, and this point has been made very often, is the G2 and that is the relationship between the United States and China. That is the most important element in this period we are living in. Perhaps there is a fear that the G20 could be a distraction from what is really the two key players and this is as I said is the United States and China.

## China's progress sets a good example to the world

— An exclusive interview with Hernan Andrade Serrano, president of Columbian Congress and Columbia senate

By Xu Yan

earing a fuscous woolen sweater, a blue jean and a pair of black leather shoes, the interviewee sitting before the reporter preserved a tranquil mind, but his eyes kept shining all the time during the interview. The dazzling bright red and golden yellow in the presidential suite of Grand Hotel Beijing, together with the Chinese classic furniture, china and lacquerwork as well as the double-faced embroideries on the desk, created a dizzy atmosphere under the light of Chinese lanterns hung in the room.

After being seated, hot tea in a teabowl with a lid was served by hotel waitress, whose footsteps were silenced by the thick carpet on the ground.

Hernan Andrade Serrano, the president of both Columbian Congress and Columbian senate, has taken an active part in promoting bilateral exchanges and political understanding between Columbia and China since coming into power in July 2008. Invited by his Chinese counterpart Wu Bangguo, chairman of the National People's Congress Standing Committee, he led a delegation to Beijing on January



Wu Bangguo, chairman of the NPC Standing Committee of China, meets with visiting President of Colombian Congress Hernan Andrade Serrano on January 9, 2009. (Photo by: Zhong Sheng)



President of Colombian Congress Hernan Andrade Serrano (Photo by: Xu Yan)

8, 2009. He also paid a visit to Xi'an and Shanghai.

We began our interview at 6:00 pm on January 10, the second day of the president's official visit in Beijing. "One purpose of my visit is to illustrate and reiterate the friendship between the two peoples of Colombia and China," Andrade said.

"Both the Chinese government and its people always pay a full respect to our internal affairs, especially some domestic conflicts. As you know, China never interferes with our domestic affairs. Hereby, I want to express my gratitude to China's position." The following is a dialogue between NPC reporter and the Columbia official."

**Reporter:** The year of 2010 marks the 30th anniversary of the establishment of bilateral ties between China and Colombia. Would you please make a comment on it?

Andrade: The relationship between Colombia and China has developed smoothly. Thirty years are not long enough to understand another nation. Generally speaking, we showed respect to each other, built close relationship and achieved fruitful achievements, especially in the area of trade and economy. Both the Chinese government and its people always pay a full respect to our internal affairs, especially some domestic conflicts.

"Both the Chinese government and its people always pay a full respect to our internal affairs, especially some domestic conflicts. As you know, China never interferes with our domestic affairs. Hereby, I want to express my gratitude to China's position."

As you know, China never interfered into our domestic affairs; Hereby, I want to express my gratitude to China's position. The people in Columbia have lived a hard time in dealing with guerillas and opposition forces at home. The Chinese government has showed respect toward us, that's why I want to express my appreciation once more.

**Reporter:** The China Central Television yesterday reported the meeting between you and Chairman Wu Bangguo.

As you know, communications between congresses are important part of the bilateral relations. What is your opinion on the relationship and cooperation between our congresses?

Andrade: First of all, I want to stress that China has attached great importance to bilateral diplomatic and political relationship. I met Chairman Wu Bangguo yesterday and exchanged ideas in a friendly way. What Chairman Wu impressed me deeply is his passion and profound knowledge as well as his gentle and cultivated manner. I think he is an experienced person as well as an outstanding representative of Chinese people and congress.

**Reporter:** The year of 2008 marked the 30th anniversary of China's adoption of reform and opening-up policies. During this period, China has undergone tremendous changes under the leadership of the Communist Party of China. Both China and Colombia are developing nations with the common task to develop our countries and improve people's welfare. In this regard, we can draw lessons from each other by exchanging experiences.

Andrade: Yes. As I've mentioned before —it is a modest attitude that China regards itself as a developing country. In fact, China has already become a world power, guiding the development of the other nations as a beacon light. With an open-minded and world-oriented attitude, Chinese people made great achievements on the international arena. Besides, China also achieved the objective of becoming the best country of sports —the Beijing Olympic Games in 2008 had provided a good opportunity to realize this dream.

This (the Olympic Games) reflected the energetic and daring spirit of the Chinese people. Today, we visited the Olympic venues, which have become the milestones and symbols of China's sports development. China has realized the goal of becoming a sports power. I also notice that you have another objective in mind—to eradicate poverty before 2049. I am sure that China will achieve the target.

**Reporter:** Why are you so sure?

Andrade: China's progress set a good example to the world, winning esteem for itself. I perceive that as soon as a target has been set up; the Chinese people would spare no efforts to achieve it by following strict disciplines. I admire this very much.

Reporter: I know it's the first time you visit China. There are still a number of activities you will attend. Now two days have passed since your arrival. Would you like to share your feeling about the nation?

Andrade: China and Colombia, far away in space, are close brother nations in heart. I've been looking forward a visit to China. Though I just kicked off my visit here, I'm still touched by the Chinese people, who are earnest, diligent, devoted and well-disciplined in their work. This impression is important for us.

**Reporter:** What impressed you most in China?

Andrade: Let me give you an example. When visiting the Imperial Palace this afternoon, I was surprised by its grandeur. From the buildings to the history of dynasties, I can sense the richness of Chinese culture. I was told that it takes a whole week to look around the palace. It's pity that we just spent there a short period. In general, my impression is that China is a great country with profound culture tradition.

"Under the impact of financial crisis, we've turned our eyes to the Asia-Pacific region, especially China."

Reporter: The financial crunch initiated from the US in 2008 has spread all over the world, including China and Colombia. How do you deal with financial crisis in Colombia?

Andrade: In 2007, Columbia's GDP growth rate reached 8 percent year on year. Because the US is our biggest trade partner, the financial crisis in 2008 produced a direct impact towards Columbia's economy. The economic growth rate plummeted to that between 3-3.5 percent (last year). If the crisis continues, the growth rate will go down further. But it's an important

"Under the impact of financial crisis, we've turned our eyes to the Asia-Pacific region, especially China."

strategic change that we have turned our eyes to the Asia-Pacific region, especially China.

**Reporter:** How do you suggest that China and Columbia should do to strengthen bilateral ties while handling the ongoing financial crisis?

Andrade: China serves a model for Columbia, which needs to diversify its foreign trade channels. We will not only enlarge import from China but also attract more investment from the nation. I am confident of the Chinese Vice-President's upcoming visit to Columbia. He (Xi Jinping) will lead a big delegation of entrepreneurs with the aim to stimulate investment in Columbia. During my visit in China, I'll also invite Chairman Wu Bangguo to visit Colombia. I hope the two sides would exchange more information. It is our mutual

expectation and task to combat financial crisis as well as to enhance the bilateral relationship between the congresses of the two nations.

### A brief introduction of Columbian Parliament and a resume of Andrade:

The Columbian Parliament is composed of the Senate and the Chamber of Representatives. There are 102 senators and 166 representatives in the parliament, who are elected through direct election. After the expiration of a four-year term, members of the parliament could seek reelections. Both presidents of senate and of the Chamber of Representatives are elected by the congressmen. The tenure of both president is one year. The parliament were set up in July 2006.

Hernan Andrade Serrano was born on May 7, 1960. He is the lawyer of Colombia Freedom University. He studied public law and the political legislation system in the National University of Colombia and another university. He served as the Secretary-general of the Audit Bureau of Huila Province, the Chairman of City Council of Neiva, MP of the Huila Province, Vice Chairman of the First Committee of the Chamber of Representatives, and senator. In July 2008, he was elected as the president of the senate for one-year term.









National People's Congress of China