

Status upgrade

EU recognition of China as market economy may come soon > p13

Taller but heavier

The height and waistlines of youth in China are increasing

> CHINA, PAGE 4



Literary dance

Drama based on author Pearl Buck's life will tour mainland

> LIFE, PAGE 8



CHINA DAILY

美国版
USA

THURSDAY, December 8, 2016

中國日報

chinadailyusa.com \$1

SECURITY

China, US to do more on cyber crime

By CHEN WEIHUA

in Washington
chenweihua@chinadailyusa.com

Chinese and US officials meeting in Washington on Wednesday for a bilateral cybersecurity dialogue have agreed to expand cooperation, according to Chinese officials.

Chinese State Councilor and Minister of Public Security Guo Shengkun joined US Attorney General Loretta Lynch and Secretary of Homeland Security Jeh Johnson in co-chairing the third China-US High-Level Joint Dialogue on Cybercrime and Related Issues.

The two sides reached a new consensus in deepening cooperation in cybersecurity. Achievements made in the meeting cover areas such as cracking down on cybercrimes, cooperation in cybersecurity, improving the hotline mechanism, cyber counterterrorism cooperation and information sharing, according to a press release from the Chinese delegation.

The two sides recalled the achievements made since the first dialogue and spoke positively of the importance and necessity of the mechanism, the press release said.

Guo was quoted as saying in the meeting that China and the US established the high-level dialogue mechanism based on the important consensus reached between President Xi Jinping and US President Barack Obama in September 2015.

He said the two leaders gave important input to the dialogue when they met in Lima, Peru, last month on the sidelines of

the APEC Leaders Summit.

"With the high attention and promotion by the two heads of state, the cooperation in cybersecurity between China and the US has advanced rapidly to become a new highlight in bilateral relations," Guo said at the meeting.

The two-day meeting from Dec 7-8 is attended by top officials from multiple government departments in both countries, including China's Ministry of Public Security, Cyberspace Administration, Ministry of Foreign Affairs, Ministry of Industry and Information Technology, Ministry of State Security and Ministry of Justice and the US' Department of Justice, Department of Homeland Security, Department of State and Federal Bureau of Investigation.

Guo said the two sides have achieved notable progress in areas such as cracking down on cybercrimes, protecting cybersecurity and sharing information. "(It) has made a positive contribution to ensuring the national security and the safety of the people in both countries," he said.

He noted that it has been an important period for the two countries in carrying out their law enforcement cooperation focusing on cybersecurity. He expressed that the dialogue mechanism should be the main channel for the two countries in communicating cyber-related issues.

Guo also emphasized the importance of focusing on cooperation, managing and controlling differences,

SEE "CYBER" PAGE 2



State Councilor Guo Shengkun (center), US Department of Homeland Security Secretary Jeh Johnson, and US Attorney General Loretta Lynch take a photo at the Third China-US High-Level Joint Dialogue on Cybercrime and Related Issues in Washington on Wednesday.

PROVIDED TO CHINA DAILY



Day of remembrance

Pearl Harbor survivor Delton Walling poses with a member of the military before ceremonies commemorating the 75th anniversary of the attack on Pearl Harbor in Honolulu, Hawaii on Wednesday. See story > p2 CRAIG KOJIMA / REUTER

DIPLOMACY

Pick for envoy to China praised

By CHEN WEIHUA

in Washington

US President-elect Donald Trump's pick of Iowa Governor Terry Branstad to be the next US ambassador to China has been well received in both countries.

Trump announced his intent to nominate Branstad for the job, according to a statement on Wednesday afternoon from Trump's transition team.

"Governor Branstad's decades of experience in public service and long-time relationship with President Xi Jinping and other Chinese leaders make him the ideal choice to serve as America's Ambassador to China," Trump said in the press release.

"He successfully developed close trade ties with China while serving as chief executive of the Hawkeye State. That experience will serve him well as he represents America's interests and further develops a mutually beneficial relationship with Chinese leadership."

The possible pick had been circulating for weeks, but Jason Miller, spokesman for Trump's transition team, confirmed it on Wednesday morning. He described Branstad as "someone who has a lot of experience and a great grasp of trade issues, agriculture issues, a tremendous understanding of

I am honored and humbled to accept President-elect Trump's nomination."

Iowa Governor Terry Branstad has been asked to be ambassador to China



China and Chinese people, and is someone who very much impressed the president-elect not just in their meetings on the campaign trail but also in meetings after the election."

"After long discussions with my family, I am honored and humbled to accept President-elect Trump's nomination to represent our great country as Ambassador to China," Branstad was quoted in the press release.

"I have known President Xi Jinping for many years and consider him an old friend. I look forward to building on our long friendship to cultivate and strengthen the relationship between our two countries

and to benefit our economy."

The announcement was made just days after Trump's controversial phone call with Taiwan leader Tsai Ing-wen on Dec 2, drawing much criticism both in China and the US for its break with decades of bilateral diplomatic protocol between China and the US since they established diplomatic ties in 1979.

The Chinese government reacted favorably to the choice. Foreign Ministry spokesman Lu Kang, when asked about news reports about the possible nomination, said on Wednesday that "Mr Branstad is an old friend of the Chinese people, and we welcome his greater contribution to the development of China-US relations."

Cheng Li, director of the John L. Thornton China Center of the Brookings Institution, said such a soon pick of US ambassador to China reflects the high attention Trump pays to China.

"By picking his own people to the position, Trump wants to lead the China-US relations according to his own thinking," Li said.

President Barack Obama nominated Jon Huntsman to be the ambassador to China on May 16, 2009, nearly five months after his inauguration, while Clark Randt was

nominated by President George W. Bush on April 30, 2001, three months after Bush took office.

Li also pointed to Branstad's close relationship with Xi, established in 1985 when Xi visited Iowa as a county leader in China's Hebei province during his first trip to the US.

"It's a clear sign for Trump to establish good interaction with Xi, so it's very positive in this regard. He not only pays attention to China, but also Xi himself," Li said.

Douglas Paal, vice-president for studies and director of the Asia program at the Carnegie Endowment for International Peace, said most people did not notice that at the last campaign rally in Iowa with Branstad as host on the eve of the election, Trump publicly commented that Branstad would make a great ambassador to China.

"So this is a political payoff for delivering Iowa big time. But it is also a recognition of Branstad's considerable investment of time and interest in China, including with a junior official named Xi Jinping," Paal said.

"While this is not related to the Tsai phone call, it ought to help balance it out. Trump gets a loyal friend in Beijing."

SEE "BRANSTAD" PAGE 3

CINEMA

Star Wars spinoff to star Chinese

By AMY HE in New York
amyhe@chinadailyusa.com

The last *Star Wars* film released in January 2016, *The Force Awakens*, earned a healthy \$125 million at the box office in China, but it paled in comparison to the record-smashing \$936 million it made in the US.

In an attempt to attract the Chinese audience to the *Star Wars* universe, Disney and Lucasfilms on Jan 2 will release in China a *Star Wars* spinoff — *Rogue One: A Star Wars Story* — that will feature two of China's big stars: Donnie Yen and Jiang Wen. Yen is one of the biggest action stars in Chinese cinema and Jiang has starred, written and directed action vehicles in the last several years.



Rogue One poster. COURTESY OF LUCASFILMS

In addition to Yen and Wen, the cast includes Felicity Jones as the lead hero, Diego Luna, Ben Mendelsohn, Riz Ahmed and Forest Whitaker.

The difference in box office receipts for the US and China for *The Force Awakens* has been attributed to the lack of cultural symbolism that the *Star Wars* franchise has in China. Disney promoted the movie heavily up to its release, including celebrity endorsements and various events across the country.

What also hurt the movie was that it wasn't able to secure a day-in-date release, coming several weeks after the North American release, during which pirated copies could be distributed.

Will using the Chinese stars increase the box office take in China?

Jonathan Papish, a film analyst who tracks the Chinese box office for China Film Insider, said that Chinese viewers have become sensitive to Hollywood "throwing in fluff parts for Chinese performers or hokey Chinese product placements" and can "smell the pandering from a mile away" since it has been happening for years.

Other blockbusters like *X-Men: Days of Future Past* and *Independence Day: Resurgence* featured Chinese actresses in small roles. But he said he's hopeful about Yen and Jiang's involvement in *Rogue One*: "Many people who saw *The Force Awakens* complained about the stale light saber battles, that they'd been seeing better fight sequences in Chinese mainland and Hong Kong cinema [and] television for years," he said.

"In *Rogue One*, Donnie Yen — and to a lesser degree Jiang Wen — has been given an integral role that utilizes his world class martial arts skills. This is a natural fit that organically makes sense in the *Star Wars* universe — far from sticking Angelababy in a fighter cockpit a la *Independence Day*," said Papish.

In the news

CHINA

Killer drug

China has yet to blacklist carfentanyl, a synthetic opioid and variant of the drug that killed pop star Prince, as a controlled substance. > p5

BUSINESS

Getting charged

China will further open up the segments of batteries of new energy vehicles and automotive electronics to foreign investment. > p14



SPACE

Astronauts describe food, fun on 33-day journey

By ZHAO LEI in Beijing
zhaolei@chinadaily.com.cn

Staying home for a whole week might seem unbearable to most people, but for astronauts Jing Haipeng and Chen Dong, staying in space for a month was not enough.

"We hoped that the mission could last longer because we had so much fun in space," said Jing, commander of the Shenzhou XI mission. "We had a very memorable journey."

Jing, 50, who is now China's most experienced

astronaut, and Chen, 37, a first-time space flier, met with reporters on Wednesday at the Astronaut Center of China in Beijing's northwestern suburbs.

Appearing in public for the first time since returning to Earth on Nov 18, following a monthlong mission in orbit, the two were kept at a safe distance from reporters because they were still in quarantine.

The astronauts embarked on the space trip aboard the Shenzhou XI spacecraft from the Jiuquan Satellite Launch

Center on Oct 17. They entered the Tiangong II space laboratory, which was launched in mid-September from the same center, on Oct 19.

Their 33-day journey was the longest space stay by Chinese astronauts. The longest previous space trip by Chinese astronauts was the 15-day Shenzhou X mission in June 2013.

"Though our schedules were tight, we very much enjoyed the work and life in space," Jing said. "We watched TV programs or listened to music while

having dinner. We tossed food toward each other and saw it float in the air, and we just opened our mouth to wait for it."

Chen said they had contests to see who could perform the most somersaults in the weightless Tiangong II.

"There were a lot of things in the mission that I will never forget. I observed the sprouting of seeds and watched silkworms spin a cocoon. I was often shocked by the magnificence of the universe when I looked out the windows," he recalled.



Astronauts Jing Haipeng (left) and Chen Dong meet with reporters in Beijing on Wednesday.

CHEN JIAN / FOR CHINA DAILY

Huang Weifen, deputy research head of the Astronaut Center of China, said Jing

and Chen are in good health and will finish a three-week medical quarantine on Friday.

2 ACROSS AMERICA

TRANSITION

Trump taps a general again for Cabinet

Retired Marine Corps general John Kelly is choice for Homeland Security secretary

By AGENCIES

US President-elect Donald Trump has selected retired Marine Corps general John Kelly to head the Department of Homeland Security.

He also chose Oklahoma Attorney General Scott Pruitt, whose policies have helped fossil fuel companies, to run the Environmental Protection Agency.

Separately, Trump named the former chief executive of World Wrestling Entertainment

(WWE), Linda McMahon, 68, to head the Small Business Administration. Trump has taken part in WWE events in the past and has close ties to the McMahons. He also is a member of the WWE Hall of Fame.

Trump also picked up the Time magazine "Person of the Year" distinction, it was announced Wednesday.

Trump's long presidential campaign was in large part defined by searing rhetoric and his steadfast promises to build an impenetrable wall on the

border with Mexico and crack down on immigrants living in the United States illegally. But he struck a softer tone in the interview published in Time for the annual feature.

"We're going to work something out that's going to make people happy and proud," Trump said. "They got brought here at a very young age; they've worked here, they've gone to school here. Some were good students. Some have wonderful jobs. And they're in never-never land because they don't know what's going to happen."

Chicago Mayor Rahm Emmanuel presented Trump a letter on Wednesday from 14

big-city mayors urging him to keep the program intact.

"They were working hard toward the American dream," Emmanuel told reporters in the lobby of Trump's skyscraper. "It's no fault of their own their parents came here. They are something we should hold up and embrace."

Trump moved toward making another addition to the collection of generals in his Cabinet, settling on Kelly, 66, to head Homeland Security, according to people close to the transition.

Trump has already picked retired Marine Corps general James Mattis for secretary of

defense and retired Army lieutenant general Michael Flynn as national security adviser.

Kelly, who joined the Marines Corps in 1970, retired this year after a final command that included oversight of the Guantanamo Bay detention center.

He has a reputation as a border hawk after a time in the Southern Command, which is based in South Florida and regularly works with Homeland Security on missions to identify and dismantle immigrant smuggling networks.

Trump also picked Pruitt, a longtime critic of the EPA, to head the agency, according to

a person close to Pruitt who was not authorized to speak publicly about the choice before it was announced.

The move came just after Trump met with former vice-president Al Gore, who is an environmental activist, and said he had "an open mind" about honoring the Paris climate accords.

"Mr. Pruitt's record is not only that of being a climate change denier, but also someone who has worked closely with the fossil fuel industry to make this country more dependent, not less, on fossil fuels," said Vermont Senator Bernie Sanders.

ENVIRONMENT

Chinese firm gets EPA nod

By AMY HE in New York
amyhe@chinadailyusa.com

Broad USA, which manufactures air conditioners powered by natural gas and heat waste, received recognition for its power generation product used by the University of Maryland Upper Chesapeake Medical Center to lower emissions and lessen its carbon footprint.

The company along with the hospital was one of four recipients of the Environmental Protection Agency's Energy Star CHP Award, which is given in recognition of facilities with high-performing combined heat and power (CHP) systems.

CHP systems generate electricity in a single, integrated system, where heat that is normally wasted in regular power generation is converted into useful energy instead.

"CHP makes sense economically for bigger facilities like schools and hospitals," said Sunny Wang, general manager of Broad USA, the US arm of Hunan-based Broad Group.

"That's why a lot of financial firms are willing to invest in these products, because it's economically feasible and the technology is mature," he told China Daily on the sidelines of the On-Site Power Conference, a clean technology industry forum hosted by the New York State Energy Research and Development Authority.

The technology makes even more sense in light of more erratic weather conditions that the US has experienced in the past decade, he said, such as Hurricane Katrina, which created electrical outages that had serious consequences in hospitals that lost power with hundreds of sick patients in-house.

“... If I use natural gas to create heating or cooling, it requires less energy than electricity does.”

Sunny Wang, Broad US general manager

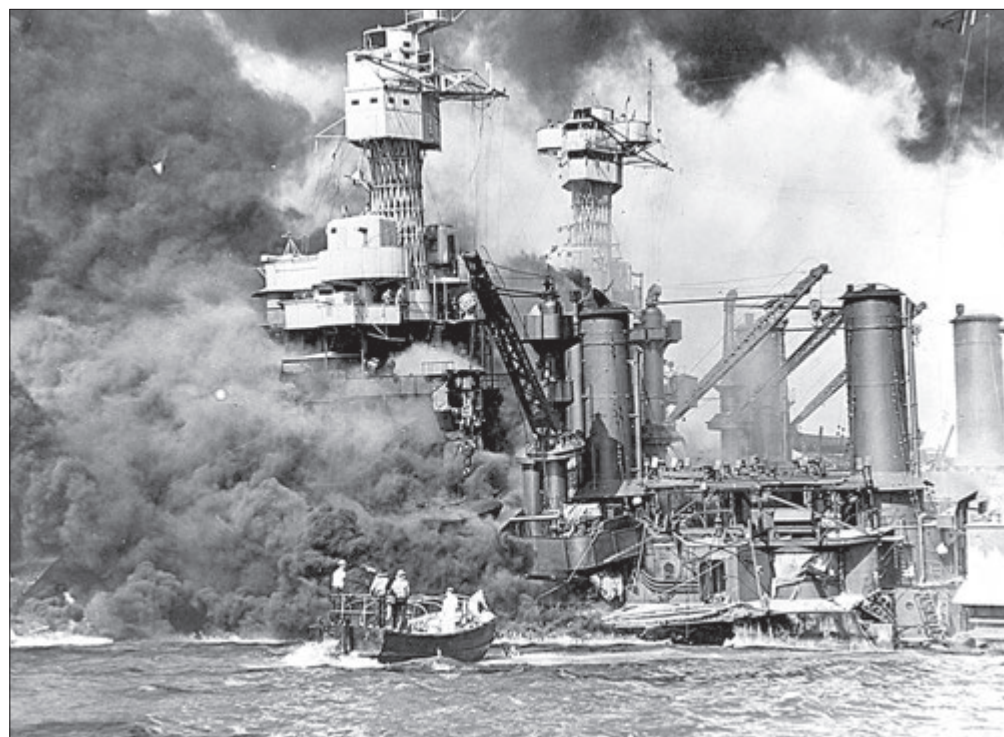
"The biggest advantage is that the amount of energy conversion [required] is much less," Wang explained. "For example, if I use natural gas to create heating or cooling, it requires less energy than electricity does."

Douglas Davis, the New Jersey-based company's director of sales in North America, said that resiliency is a big motivating factor for facilities that consume a lot of energy since "severe weather is a bigger issue these days".

CHP systems also lower the carbon footprints of the facilities that use them, which is a plus for lowering emissions, he added.

The majority of Broad USA's clients are located along the two coasts in the New York tri-state area and in California. Wang said that Broad's technology is used equally in the US as in China, though China — along with other parts of Asia and Southeast Asia — do so primarily because the economies are underdeveloped, with there being a higher chance that severe weather conditions may impact power generators in large facilities.

PEARL HARBOR



Sailors launch rescue alongside the sunken battleship USS West Virginia shortly after the Japanese air raid on Pearl Harbor on Dec 7, 1941. US NAVY VIA REUTERS

US reflects on Pearl Harbor Day

By XINHUA

These days are emotional ones for Pearl Harbor attack survivors as people across the United States mark the 75th anniversary of the Japanese assault.

In the coast of Florida, a retired SS American Victory left its dock on Saturday for a four-hour trip to remember the infamous surprise attack by the Japanese military against the US naval base at Pearl Harbor, Hawaii, in 1941.

In Tulsa, Oklahoma, Circle Cinema, a local nonprofit theater, plans to screen special documentary films on Wednesday to honor more than 2,400 US soldiers killed on the day 75 years ago.

In Los Angeles, an honor flight carrying surviving

veterans of Pearl Harbor took off, heading for Hawaii. Retired Navy Captain Bob Batterson along with 31 other were on that flight.

They were met with cheers, tears and gubernatorial welcome the moment they had landed. Although 75 years had passed, Batterson is still in shock of what had happened.

The attack on Pearl Harbor on Dec 7, 1941, had changed the course of history. Now, Pearl Harbor has not only become a reminder of the past, but also a token of peace.

"War continually serves as a reminder to the importance of peace, diplomacy, mutual respect and understanding," said Deidre Tegarden, executive director of the Nisei

Veterans Memorial Center.

The 75th Commemoration on Pearl Harbor Attack is honored these days with an unprecedented series of events and ceremonial tributes on Dec 1-11, all geared toward "Honoring the Past, Inspiring the future".

Thousands of global visitors and Hawaii residents were expected to take part in the ceremonies and events with media coverage reaching millions of viewers worldwide.

It would provide us with a unique opportunity to honor those who experienced the emotional awakening triggered by the attack, said Admiral Thomas B. Fargo in a statement released by the anniversary committee.

Japanese Prime Minister Shinzo Abe announced on

Monday that he planned to visit Pearl Harbor in return for Obama visiting Hiroshima earlier this year. This will make Abe the first Japanese leader to visit Pearl Harbor since World War II.

However, Abe's top spokesman, Chief Cabinet Secretary Yoshihide Suga, has made it clear that during Abe's visit between Dec 26 and Dec 27, "no apology would be offered" for the Japanese attack on Pearl Harbor, which was a catalyst for the US to join World War II.

Some political experts however believe that the visit may be completely vacuous, considering the current uncertain global political climate and unclear foreign policy directions of the US under a Donald Trump presidency.

Cyber: Willing to make 'efforts'

FROM PAGE 1

and timely and effective responses to each other's concerns as well as the need of achieving no-conflict, no-confrontation, mutual respect and win-win cooperation.

"The Chinese side is willing to make continued efforts with the current US government team and the next government team to take the bilateral cooperation in cybersecurity to a new high and to make a contribution to the building of a new type of major country relationship," Guo said.



The Chinese side is willing to make continued efforts with the current US government team."

Guo Shengkun, US Department of Homeland Security Secretary Jeh Johnson

An official from the Chinese delegation, who prefers not to be identified, said US officials also agree that without such a dialogue mechanism, China and the US could still face confrontation and conflict in cybersecurity, as the situation appeared more than a year ago.

In the past year, China has requested the US for assistance in investigating 10 cybercrime cases while the US has made request for nine cases.

The official also praised the hotline mechanism for helping reduce miscalculation when serious cases emerge.

Both Lynch and Johnson expressed that two countries have shared interest in cracking down on cybercrimes and protecting cybersecurity, according to the Chinese press release.

They described the high-level dialogue mechanism as "a new highlight of China-US cooperation" and "playing an important role in protecting cybersecurity and cracking down cybercrimes" as well as "providing an important platform for the law enforcement departments in both countries to conduct candid exchanges and enhance mutual understanding and trust".

Both Lynch and Johnson hoped that the mechanism could be further developed and more practical cooperation will be carried out in cracking down on criminal activities such as cyber terrorism and email scams. Both sides proposed to hold the fourth round of dialogue in China in 2017.

A final salute to the chef who brought the world General Tso's chicken



William Hennelly
NEW YORK JOURNAL

Henry Kissinger, who is still active in US-China diplomacy, played the role of culinary diplomat in the 1970s.

Kissinger was a regular at the Hunan Yuan restaurant on Manhattan's East Side, not far from United Nations headquarters.

On the menu was General Tso's chicken, and there was no better place to indulge in it than at the restaurant of the chef who created the dish: Peng Chang-kuei.

Peng passed away on Nov 30 in Taipei at age 97 or 98,

depending on which account you read. His funeral will be held on Dec 15 in Taipei.

Born in Changsha, capital of Hunan province, Peng ran away at age 13 and apprenticed under noted Hunanese chef Cao Jing-shen. After the Japanese invasion in the 1930s, Peng moved to Chongqing, and during the Chinese Civil War, fled with the Nationalist government to Taiwan in 1949.

Legend (on Chinese-restaurant paper place mats) has it that the chef for the actual General Tso — Zuo Zongtang, who had helped put down a series of rebellions during the Qing Dynasty in the 19th century — called out sick one day, so the general himself had to cook something up for a dinner party. He whipped up his chicken dish,



Chef Peng Chang-kuei is pictured at his restaurant in Taipei in November 2014 with his signature dish, General Tso's chicken. CFP

and the guests raved about it.

But the real story is that Peng concocted the dish in 1953, for a visit by a US admiral during the Taiwan Straits crisis.

In America, General Tso's

chicken is almost always deep fried and smothered in a hot, sticky-sweet sauce, with dried chili peppers and broccoli flowers and served over rice. As Peng first prepared it, though, it was

neither crispy nor sugary.

In the early 1970s, a time when Chinese cuisine was flourishing on the New York dining scene, the Hunan (spelled with an "m") restaurant and its executive chef Tsung Tsing Wang claimed the dish as their own, but they called it General Ching's.

Wang had traveled to Taiwan in 1971 for inspiration as he was preparing to open his Manhattan restaurant. In Taipei, he came across Peng's restaurant and General Tso's chicken.

When Peng opened his own New York restaurant in 1973, he was furious to discover a sweeter, crispier version of his dish was being served, not only at Wang's place but at another New York restaurant run by David Keh.

The history of the dish was

featured in a 2014 documentary, *The Search for General Tso*, directed by Ian Cheney.

"We tasted the original General Tso's chicken in Taipei, and it was delicious; it was just different," Cheney told China Daily in 2015.

"It was a little more tart; it had more of a ginger-and-garlic profile, much less breading than you'd find on General Tso's chicken in the states," he said.

"This is all crazy nonsense," Peng says in Cheney's film, as he looks at how General Tso's is made in the US.

"The march of General Tso's chicken has been long and wide," Jennifer 8. Lee, author of *The Fortune Cookie Chronicles*, told The Associated Press.

"It's the most popular of Chinese dishes in America, because

it is sweet, fried and chicken — all things Americans love. It is easily a billion-dollar industry."

The elder Peng eventually returned to Taiwan in the 1980s and opened a chain of restaurants, where he worked nearly up to his death.

"My father thought other people's cooking was no good," his son, Chuck Peng, told AP. "The way he cooked was different; it was much better. General Tso's chicken is so famous because of Henry Kissinger, because he was among the first to eat it, and he liked it, so others followed."

"If we patented General Tso's chicken," he told Time. com, "we'd be extremely rich."

Contact the writer at
williamhennelly@chinadailyusa.com

TOP NEWS

3

DIPLOMACY

Gabon's infrastructure plans get major boost

Xi and African nation's president oversee signing of preferential loan agreements

By AN BAIJIE
anbaijie@chinadaily.com.cn

China agreed on Wednesday to provide preferential loans to Gabon to support the African country's infrastructure projects.

President Xi Jinping and Gabonese President Ali Bongo Ondimba oversaw the Beijing signing ceremony of four

bilateral cooperative documents, two of them including preferential loans.

China would provide preferential loans for a perimeter highway project to be built around Libreville, capital of Gabon, under one agreement. The 11-kilometer road, to be completed by the China Road and Bridge Corp, will be a key link between the new and old

downtown areas of the city. Zhang Ming, vice-foreign minister, told China Daily after the signing ceremony that the two agreements on loans mean China will provide major financial support to Gabon's infrastructure projects.

During the talks with Bongo, Xi said that China supports Gabon's efforts to speed up the country's industrialization and convert the country's resources advantages into development results.

China encourages domestic

companies to take an active part in infrastructure projects in Gabon, Xi said, adding that China hopes to support Gabon's development of industries such as tourism, finance and telecommunications.

Xi told Bongo that he was impressed by the African leader surpassing his father's record for visiting China. His father, Omar Bongo Ondimba, former Gabonese president, visited China 11 times from 1974 to 2009.

Bongo is paying his 12th vis-

it to China from Tuesday to Friday. Apart from Beijing, he will also visit Shantou in Guangdong province.

Xi said he was glad to see that Bongo chose China as the first country outside Africa to pay a state visit after he was re-elected as Gabonese president in August, which Xi said shows Bongo's firm resolution to develop ties with China.

Bongo expressed gratitude toward China's support, adding that Gabon wants to enhance cooperation with Chi-

na in areas including investment, agriculture, minerals, technology, tourism, finance and infrastructure.

China is Gabon's largest trading partner and an important investment source.

In December last year, Xi and Bongo met ahead of the Forum on China-Africa Cooperation in Johannesburg, South Africa.

Bongo told Xinhua News Agency this month that Gabon welcomes more Chinese investment, especially in man-

ufacturing, to create more employment for the country.

Some Chinese companies have already invested in the high-end wood processing industry in Gabon, and such manufacturing and processing industries are important for Gabon, he said.

Mentioning that Gabon's economy is facing difficulties caused by dropping oil prices, Bongo said that Gabon remains an attractive place for investors and has huge economic potential.

BUSINESS FORUM

China ready to aid in Iran's recovery

By ZHANG YUNBI
zhangyunbi@chinadaily.com.cn

Senior officials and trade association leaders from China and Iran have called for reinforcing Beijing's role in revitalizing infrastructure and trade in Iran.

China is well positioned for this since the country has been "a friend" during hard times, Iranian Foreign Minister Mohammad Javad Zarif said.

Zarif, in an official visit to China, made the remarks late Tuesday at the Iran-China Business Forum, a gathering of more than 300 corporate delegates.

Zarif said Iran is a "safe country" that is "now ready for more Chinese investment". Teheran will offer good terms to boost bilateral corporate exchanges, Zarif added.

The visit was made at a time when China's role has been highlighted in helping the oil-rich Middle Eastern country address the poor condition of its infrastructure after the lifting of international sanctions in January. The sanctions were imposed 10 years earlier over Iran's nuclear program.

In the latest measure of progress in energy cooperation, Iran's Deputy Oil Minister Abbas Kazemi said in Teheran on Wednesday that Iran and China will jointly launch a \$3 billion project to develop and improve Abadan Refinery, Iran's Mehr news agency reported.

Jiang Zengwei, chairman of the China Council for the Promotion of International Trade, said the two countries should "expand trade in crude oil and petroleum products and conduct technology transfers and personnel training". Also they should work together more closely in oil exploration and refinery and

“Chinese companies could shift some of their production operations to Iran.”

Gholam-Hossein Shafei, chairman of the Iran Chamber of Commerce, Industries, Mines and Agriculture

equipment manufacturing, he said.

China has become Iran's largest trade partner, largest oil buyer and one of its major sources of foreign investment, according to the Ministry of Commerce.

China imported up to 300 million metric tons of crude oil from the country last year.

Chinese firms are well situated to work on infrastructure projects such as railways, roads, ports and power plants in Iran, given that they possess leading technology and ample capital, Jiang said.

China's production capacity cooperation with Iran could also play an important role in the Belt and Road Initiative, according to Jiang Gholam-Hossein Shafei, chairman of the Iran Chamber of Commerce, Industries, Mines and Agriculture, said there are opportunities for the countries to work on financial exchanges, capital flow and visa procedures.

The two sides can boost manufacturing cooperation, given that "Chinese companies could shift some of their production operations to Iran" to make goods that could be exported globally, Shafei said.

Chen Qiqi and Chu Yi contributed to this story.



Warm welcome in Ice City

Young Russian athletes, who are in Harbin to attend the first winter games for teenagers from China and Russia, learn to color masks during a cultural exchange event in the capital city of Northeast China's Heilongjiang province on Wednesday. XINHUA

STATE COUNCIL

Five-year guideline to invigorate central provinces' growth issued

By ZHANG YUE and HU YONGQI

China issued a five-year guideline on invigorating development of its central region, aiming to build it into a key area for advanced manufacturing, modern agriculture, urbanization and ecological conservation. The guideline was approved on Wednesday at a State Council executive meeting presided over by Premier Li Keqiang.

"Our strategy to boost westward growth has not changed. Yet, recently, there has been a divergence in development between southern and northern China, and each of the six provinces in central China also has its own condition," Li said.

"It's necessary to improve development across regions so that the central region can truly play a supporting role in China's economy."

The six provinces in central China — Henan, Shanxi, Hubei, Anhui, Hunan and Jiangxi — have rich land and agriculture resources. The region contributes 20.3 percent of China's total GDP, up from 18.8 percent in 2005.

However, amid the ongoing restructuring and industrial upgrading, the region faces challenges in further retiring excess industrial capacity and reducing reliance on labor and investment, as well as in technological innovation.

The new guideline sets a

goal that the six provinces will account for a considerable proportion of China's production output, while people's livelihoods will be improved significantly.

The goals will be achieved through such measures as optimizing the regional economic structure, creating new economic drivers, encouraging industrial upgrading, improving modern transportation infrastructure and strengthening agriculture development.

"While building itself into a key area for advanced manufacturing and urbanization, the region should also spare no efforts in developing modern agriculture and promoting agriculture management

of scale," Li said.

"The region should fully grasp its current vigorous momentum of growth and take further steps in opening-up and absorb more modern industries moving westward from the east," the premier added.

Huang Qunhui, director of the Institute of Industrial Economics at the Chinese Academy of Social Sciences, said China is being transformed from a low-end to a higher-end development model, and the manufacturing sector is moving from the coastal east to the central region for lower costs and a large potential market.

Contact the writers at huyongqi@chinadaily.com.cn

CHINA DAILY USA

NEW YORK HEADQUARTERS
1500 Broadway, Suite 2800,
New York, NY 10036
Telephone: 212-537-8888
Fax: 212-537-8898
editor@chinadailyusa.com
readers@chinadailyusa.com
Subscription: 212-537-8899
Advertising: 212-537-8916
Follow us on:

twitter.com/chinadailyusa
facebook.com/chinadailyusa
Website: www.chinadailyusa.com
These materials are distributed by China Daily Distribution Corp. on behalf of China Daily Beijing, China. Additional information is on file with the Department of Justice, Washington, DC.

WASHINGTON
National Press Bldg, Suite 1108
529 14th Street NW
Washington, DC 20045
Tel: 202-662-7249
Fax: 202-662-7247

SAN FRANCISCO
575 Market Street, Suite 1875
San Francisco, CA 94105
Tel: 415-348-8288
Fax: 415-348-8388

SEATTLE
800 Fifth Ave, Suite 4100
Seattle, WA 98104
Tel: 206-922-2868

HOUSTON
10777 Westheimer Road, Suite 805
Houston, TX 77042
Tel: 832-767-0779

CANADA TORONTO
4711 Yonge Street, 10th Floor
Toronto, Ontario, M2N 6K8
Tel: 416-481-5706

中国日报

CHINA DAILY (ISSN 0748-6154) is published daily except weekends by China Daily USA, 1500 Broadway, Suite 2800, New York, NY 10036. Periodical postage paid at New York, NY and additional mailing offices. POSTMASTER: Send address changes to CHINA DAILY USA, 1500 Broadway, Suite 2800, New York, NY 10036.

© 2016 China Daily
All Rights Reserved
Vol. 36 — No. 11033

ANN
A member of
the Asia News Network

POLITICS

Trump's pick for defense secretary called worrisome

By ZHANG ZHIHAO
zhangzhihao@chinadaily.com.cn

US president-elect Donald Trump's choice of James Mattis, a retired general with a reputation as a hard-liner, as secretary of defense might lead to more uncertainty and confrontation in China-US military ties, Chinese experts said.

Trump has officially nominated the former four-star Marine Corps general as head of the Pentagon, making him the first general to run the Pentagon since George Marshall in 1950.

Mattis adds another staunch conservative to Trump's list of Cabinet nominees and high-

Since Trump has not been inaugurated yet, he might take advantage of this "safe period" to keep pushing China and breaking traditions without a major political backlash.

level advisers, including Jeff Sessions as attorney general, Michael Flynn as national security adviser and Mike Pompeo as CIA director.

Mattis has been critical of the Obama administration's security policies toward China, according to his testimony before the Senate Armed Services Committee in 2015.

"While our efforts in the

Pacific to keep positive relations with China are well and good, these efforts must be paralleled by a policy to build the counterbalance if China continues to expand its bullying role in the South China Sea and elsewhere," Mattis said, adding that the US should build more naval power and warships.

By law, however, the Penta-

gon chief needs to be retired from active service for at least seven years, a measure meant to ensure civilian control of the military. Mattis retired in 2013, so he would need a special waiver from Congress, which is likely to be granted with Republicans controlling the Congress and Marshall setting a precedent.

Trump is "running the United States like a company", building a Cabinet full of loyal conservatives "capable of pushing a US-centered agenda against the interests of other nations," said Teng Jianqun, the director of US studies at the China Institute of International Studies.

Since Trump has not been

inaugurated yet, he might take advantage of this "safe period" to keep pushing China and breaking traditions without a major political backlash, Teng said. China must take Trump's incoming administration more seriously and be prepared for anything, Teng added.

Ma Gang, a professor from the People's Liberation Army National Defense University, called Mattis a man with brawn and brain, but who also is famous for holding decadelong grudges against Iran and other US adversaries. His appointment as the US military's second in command may lead to more friction with China, Ma said.

Branstad: First met President Xi in 1985

FROM PAGE 1

Beijing gets an ambassador with clout in the White House," Paul said.

Branstad, who is in his sixth term as Iowa governor and the longest-serving governor in US history, supported Trump during the presidential race. His son, Eric, ran Trump's general election campaign in Iowa.

In an interview with China Daily in September 2015 before Xi's state visit to the US, Branstad fondly recalled his time with Xi. When Branstad received Xi's five-person group in 1985 in the Iowa State Capitol, he was serving his first term as governor.

It was at Branstad's invitation that Xi made a return trip to

Iowa in 2012 as China's vice-president. "We're very honored and very proud to have the president of China call us old friends," Branstad told China Daily in the interview.

Branstad has led several trade missions to China over the years. China is a key trade partner for Iowa, a major agricultural state and producer of soybeans, corn and pork.

Branstad, who turned 70 on Nov 17, said in the interview that he understands there are differences that need to be worked out by the two countries.

"But nevertheless, I have an old friend whom I trust and respect, and I want to build on that long-standing relationship of friendship and trust."

CHINA

中国日报 CHINA DAILY USA » CHINADAILYUSA.COM

HEALTH

Youth in China are taller, fatter

Changes in lifestyle and reluctance to give up study time are factors

By TANG YUE
tangyue@chinadaily.com.cn

Chinese youth have become taller, but they are also fatter and have worse eyesight, according to a report released on Wednesday.

The average height of kids aged 7 to 18 increased from 2000 to 2014, according to the Annual Report on Development of Youth Sports in China 2016.

The average 18-year-old male stood at 1.72 meters in 2014, up from 1.70 m in 2000, while females grew from 1.58 m to 1.59 m.

However, the obesity rate of males aged 7 to 22 in urban areas increased 25-fold from 1985 to 2014, reaching nearly 15 percent, while males in rural areas increased 45-fold. The rate for females in both rural and urban areas increased 12-fold.

In addition, more young Chinese have had vision problems since 2000, with more than 86 percent of college students affected in 2014.

"That Chinese youth are getting taller is simply because living standards have been improving," said Liao Wenke, a senior official with the Ministry of Education.

"Meanwhile, the problems of obesity and poor eyesight have a lot to do with lack of exercise, which is associated with the heavy study burden and changing lifestyle, such as the popularization of electronic devices at an early age," Liao said.

The report suggests that Chinese students' physical

abilities, indicated by speed, strength and lung capacity, among other measures, fell steadily between 1985 and 2005.

It has picked up slightly since the issue was given attention by government and the public.

"But it is still far from the level in the 1980s," Liao said.

"Fear of using up study time" was the top reason for students not to engage in sports activities among 13 choices given, according to the report. More than 30 percent of those aged 13 to 15 have such concerns.

Access to sports facilities also remains a bottleneck in some remote and less-developed areas. Nationwide, sports equipment in 35 percent of primary schools, 21 percent of middle schools and 13 percent of high schools are not sufficient to implement the sports activities required by the nation's school sports plan.

Due to the family planning policy, many children are often spoiled and self-centered, and they also tend to be lonely. As such, youth sports activity in China is more crucial for social interaction and psychological health, the report said.

It also pointed out that the physique of youth in the country is the foundation for its competitiveness at international sports events.

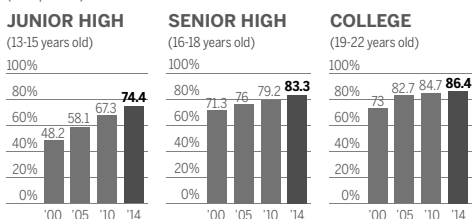
At the Rio Olympic Games, China slipped to third place on the gold medal tally with 28 golds, after the United States and the United Kingdom, the worst performance since 2004.



Students attend a soccer training session at a primary school in Lianyugang, Jiangsu province, in November.

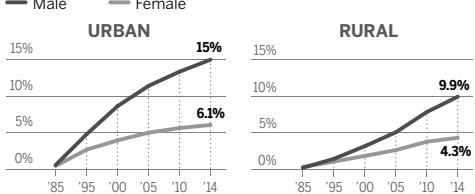
GENG YUHE / FOR CHINA DAILY

Poor eyesight

Prevalence of poor eyesight in students from 2000-14
(Unit: percent)

Obesity rates

Percentage of obese people ages 7-22, from 1985-2014



Source: Annual Report on Development of Youth Sports in China (2016) CHINA DAILY



Feeding frenzy

A worker spreads feed for swans at the Yellow River Wetland Nature Reserve in Sanmenxia, Henan province, on Wednesday. More than 10,000 swans stay at the reserve through the winter every year. LI AN / XINHUA

SUPERVISION

Energy sector facing more safety inspections

By XU WEI
xuwei@chinadaily.com.cn

China's work safety watchdog will step up checks and supervision in the energy sector, including coal mines, and oil and gas production and transportation, as rising energy prices drive up the motivation for illegal production.

The country saw five major work safety incidents, including four involving coal mines, in the past three months, with at least 179 people losing their lives, according to the State Administration of Work Safety.

In the wake of the incidents, the authority said at a work conference on Monday that it will crack down on illegal coal mine production and activities

that exceed designated mine capacity, and step up the phasing out of small coal mines to prevent major accidents, according to a statement released on Wednesday.

The country's intensified effort to cut overcapacity has led to huge rises this year in bulk commodity prices, especially for thermal coal.

The rising price has fueled illegal production in some areas, with some local authorities and companies failing to conduct timely safety checks and assume work safety responsibilities, the watchdog said on its website on Wednesday.

The fact that China's overall economic situation is picking up, coupled with rising energy demand in winter, has

resulted in the restoration of factory activities and over-loaded production.

"We are expecting even bigger pressure for work safety in the coming period," the authority said in the statement.

The recent major coal mine incidents were all cases involving gas explosions and have been found to have violated work safety regulations, the watchdog said. At least 86 miners were killed in recent incidents in Chongqing, Heilongjiang province and the Inner Mongolia autonomous region.

In another incident, 74 workers were killed and two injured after a work platform in an unfinished cooling tower collapsed in Fengcheng, Jiangxi

province, on Nov 24. The incident is the most deadly of its kind in the country's electric power construction industry.

The authority said it will also strengthen the patrolling and supervision of closed and suspended mines, and set up strict standards for reopening mines.

It also warned of road safety hazards and the transportation of dangerous chemicals in the winter, which could be vulnerable to blizzards, fog and cold snaps.

According to the authority, the country saw 4,804 work safety incidents in November, which led to the deaths of 3,479 people. The number of incidents and that of people killed were down by 4.5 percent and 6.3 percent year-on-year.

COURTS

Apple argues for ban on iPhone 6 to be lifted

By CAO YIN
caoyin@chinadaily.com.cn

Tech giant Apple argued in a Beijing court on Wednesday that its iPhone 6 and iPhone 6 Plus mobile designs do not copy a Chinese product and should be allowed to be sold on the Chinese mainland.

On May 10, the Beijing Intellectual Property Office halted sales of the iPhone 6 and iPhone 6 Plus because it was believed that the Apple mobile phone models infringed the design patent of a Chinese cell phone model called 100C, produced by Shenzhen Baili Marketing Service Co.

Yang Anjin, attorney of the Shenzhen-based company, said that it applied for the

"Average consumers can distinguish them easily."

Yang Pu, Apple's attorney

ban after finding that the iPhone models too closely resemble the 100C. The company had been given a patent for the 100C in July 2014, two months before the iPhone 6 and iPhone 6 Plus were issued in China, according to Yang.

The intellectual property

office said at the time that the differences are too tiny to be noticed by average consumers, and ordered Apple and a reseller of its products in Beijing to stop selling the two models.

Yang Pu, Apple's attorney, said during the hearing at the Beijing Intellectual Property Court that the design of the iPhone 6 and iPhone 6 Plus has 13 differences compared with the 100C.

"Average consumers can distinguish them easily."

For example, the curvature of the iPhone model's two sides is symmetrical, "which is completely different from the Chinese product," she said. "On this occasion, we don't think we infringed any

IP right of the Shenzhen-based company."

It was not reasonable to halt sales of the iPhone models, she added.

The court did not announce a verdict after hearing the case for almost eight hours on Wednesday.

The IP dispute is the latest faced by Apple over the design of its products in China.

Earlier, Apple also sued a Chinese government department and a local company over a patent dispute relating to Apple's Siri product.

In 2012, Apple paid \$60 million to a Shenzhen-based maker of computer screens and LED lights to settle a dispute over the iPad trademark on the Chinese mainland.

TRANSPORTATION

Shanghai trucks fueled by recycled edible oil

By ZHOU WENTING
in Shanghai
zhouwenting@chinadaily.com.cn

Some trucks in Shanghai are, for the first time in the country, fueling up on recycled cooking oil, commonly known as "gutter oil", as part of efforts to promote environmental sustainability and keep the inferior oil out of kitchens.

Since the beginning of this month, more than 100 logistics trucks of Swedish furniture maker Ikea have been running on fuel composed of biodiesel derived from cooking oil. The amount of gutter oil the fuel contains varies from five to 10 percent.

Shanghai Zhongqi Environment Technology Co, one of Shanghai's two licensed gutter oil processing companies, partnered with Ikea and Shanghai Bus Logistics Ltd for the biodiesel project.

100 buses

in Shanghai have started using biodiesel since early last year.

"The project is in line with our energy-saving goal and brings benefits to society," said He Jianjiang, general manager of Shanghai Bus Logistics.

Shanghai Food Safety Committee said the project means that vehicles have now joined the recycling drive, and the process of recycling waste kitchen oil is now well developed.

Yan Zuqiang, deputy head of the committee, said at the project's launching ceremony on Dec 1 that it is a giant step toward Shanghai's goal of becoming a great global city, which is included in its 2040 development plan.

He added that the newly amended Shanghai Food Safety Regulations, which will be unveiled next year, will further support the recycling of oil through local legislation. Enterprises using biodiesel will receive subsidies.

"Biodiesel is more expensive than traditional oil by 1,000 yuan (\$145) to 2,000 yuan per ton," said the head of technology at Zhongqi Environment Technology in Fengxian district. He only gave his surname as Cao.

"Currently, the trucks can only fill up on site at their company. In the future, more specialized stations, like the ones for traditional gasoline, will be built to facilitate the usage of biofuel," Cao said.

For years, the authorities have focused on converting waste oil. Using cooking oil-derived biofuel cuts carbon dioxide emissions and is a productive way to clamp down on the illegal gutter oil trade.

Biofuel has been used to power airplanes and buses in China. In Shanghai, more than 100 buses on 10 routes have used biodiesel since early last year.

Wu Yiwei contributed to this story.



Court convicted Li Zicheng, former vice-mayor of Huaihua, of accepting bribes between 2008 and 2014 when he held several positions in the city. Li sought benefits for others in return for bribes, the court said.

XINHUA—CHINA DAILY

Briefly

BEIJING

Poverty alleviation efforts to increase

The central government has called for greater support from the country's more developed eastern regions to help alleviate poverty in remote western regions, according to a guideline recently issued by the State Council. Assistance from the country's eastern regions to help rural western areas should be increased through cooperation

in industry development, labor services and training as well as greater financial support.

YUNNAN

Drug trafficker arrested on highway

Police in Lincang on Monday arrested a drug trafficker, local authorities said on Wednesday. Frontier police in the city arrested a man driving a vehicle on a highway at about 10 am after

receiving a report that the man was transporting drugs from Myanmar to China. Police seized 35.6 kilograms of methamphetamine from the vehicle. An investigation into the case is underway.

HUNAN

Ex-vice-mayor gets 10 years for graft

A former vice-mayor has been sentenced to 10 years in prison for accepting bribes totaling 4.7

million yuan (\$680,000), according to a local court.

Yiyang Intermediate People's

FINANCIAL SUPPORT

Funds for scientific promotion insufficient

By CHENG YINGQI
chengyingqi@chinadaily.com.cn

China has been gaining international recognition for its scientific research thanks to significant government investment, though authorities seem not as generous in promoting science to the general public.

Survey results released on Wednesday by the Ministry of Science and Technology show that last year, special government funding for science promotion was 4.63 yuan (\$0.67) per capita, a 0.05 yuan drop from the previous year.

"When we talk about the special fund, we are referring to the financial allocations aside from infrastructure spending, such as the cost of building science and technology museums. As the infrastructure projects can last for a few years after one-time funding, excluding it will ensure the continuity of the data," said Qiu Chengli, a researcher at the Ministry of Science and Technology's Department of Policies, Regulation and Supervision.

“The amount spent on science promotion is surprisingly low, but I think new media can fill the gap.”

Huang Yongming, science writer

The fund is mainly spent on sponsoring government organs or semiofficial organs to carry out science promotion projects such as publishing books, holding lectures and organizing exhibitions.

"There has been momentum growth in the past five years, and we have reason to expect more government support in the coming few years," he said.

The total financial budget for science promotion in 2010 was 6.81 billion yuan, which was increased to 10.67 billion yuan last year, according to the ministry.

Regional disparity in science promotion is also significant. In 2014, for example, per capita spending was 69.72 yuan in Shanghai and 46.01 yuan in Beijing, while in less-developed provinces like Jilin it was only 0.36 yuan per person.

"The amount spent on science promotion is surprisingly low, but I think new media can fill the gap," said Huang Yongming, a science writer and the head of the science journalism lab under The Intellectual, a new media science communication platform in China.

"It has been demonstrated by the past decades of practice that private capital has better vigor in science promotion," he said.

Huang suggested the government encourage private capital to get involved in promoting science, while maintaining supervision to prevent the public being misled.

Top per capita spending regions

- Shanghai 69.72 yuan
- Beijing 46.01 yuan
- Fujian 7 yuan
- Chongqing 5.63 yuan
- Jiangsu 5.39 yuan

MINISTRY OF SCIENCE AND TECHNOLOGY



Religious replica

A man paints a replica of a reclining Buddha statue, which weighs 3 metric tons and took eight days to assemble. Cultural relics from Dunhuang, Gansu province, have been transported to join an exhibition at Chengdu Museum in Sichuan province. The exhibition will be held at the end of this month. CHEN YUXIAO / FOR CHINA DAILY

RELIC PRESERVATION

Tibet Museum to be renovated

By DAQIONG in Lhasa and PENG YINING in Beijing

The Tibet Museum in Lhasa will undergo a massive renovation that will more than double its current size.

The project, set to begin in April, will take three to five years, expanding the 28,000-square-meter building to 60,000 square meters. The project's cost has not been disclosed.

The museum has been closed since Thursday to prepare for renovation.

The highlight of the project will be a main exhibition hall in traditional Tibetan style.

The new museum will have a relics preservation center for the study and protection of Tibet art treasures including thangka,

“The museum will become Lhasa's new landmark,” said Tang Congli, the museum's curator.

Tang Congli, curator, Tibet Museum

Tibetan Buddhist paintings on cotton or silk applique.

Solar energy will be used in the new museum, taking advantage of the city's abundant sunlight, according to the museum administration.

An auditorium, a restaurant, a bookstore and a 4-D theater — in which a 3-D film is enhanced by synchronized physical effects

in the theater — will also be built.

"The museum will become Lhasa's new landmark," said Tang Congli, the museum's curator.

The museum, which opened in 1999, is the first and largest in Tibet, attracting 400,000 visitors each year. But the increasing number of visitors has put the museum's capacity to the test.

Tang added that the aging facilities in the museum, such as security and fire-fighting systems, put exhibits at risk.

The museum's collections include a pottery cup made 4,000 to 5,300 years ago, a century-old Buddhism sutra written on birch bark — the only one of its kind in the world — as well as edicts on gold foil that were issued

by emperors in the Qing Dynasty (1644-1911).

During the renovation, the museum will organize four exhibition tours outside Tibet.

The first one, a display of 156 cultural relics co-hosted by the Potala Palace, Norbulingka Summer Palace and the city of Nyingchi, will be launched by the end of this year in Shenzhen, Guangdong province. The places and dates of the other tours have not been decided.

During the 13th Five-Year Plan period (2016-20), China will invest no less than 2 billion yuan (\$290 million) on relics preservation in Tibet, according to Xinhua News Agency.

Contact the writer at pengyingning@chinadaily.com.cn

MEDICINE

TCM on the horns of a moral dilemma

By XINHUA

The traditional Chinese medicine industry is facing a dilemma: Should it replace tiger bones and rhino horns used in its medicine to please animal-rights activists at the cost of reducing potential healing effects?

China issued its first white paper on TCM on Tuesday, highlighting both the development of the modern TCM pharmaceutical industry and the traditional roots of ancient therapies.

Animal-rights activists have long raised questions over TCM because many traditional formula contain animal parts or elements extracted from them.

Zheng Jin, head of the Yunnan provincial TCM administration, said that with increased public awareness of animal protection, the TCM industry is promoting the use of substitutes for wild animal parts.

There are generally two ways for making substitutes of animal products in TCM — either finding alternative animals or artificial synthesis, Zheng said.

In January, the scientific development of synthetic muskone to replace that extracted from musk deer won first prize at the China National Science and Tech-



ZHANG KE / FOR CHINA DAILY



XU KANGPING / FOR CHINA DAILY

The uses of bear bile and rhino horn in making traditional Chinese medicine is protested against by animal-welfare activists.

“Tongrentang ... aims to return to using traditional TCM methods to preserve the essence of ancient therapy.”

Tian Ruihua, chief engineer of Beijing Tongrentang (Group), one of China's most prestigious TCM pharmacies

nology Progress Awards. The element is widely used in TCM drugs to help blood circulation and treat minor strokes.

Zheng said a number of companies in Yunnan are conducting experiments focused on raising rhinos, as rhino horns are one of the components used in both TCM and medicine in countries in the Middle East and Asia. It is said to help treat typhus and snake poison.

Zheng said that through artificial feeding, companies

demning it for raising bears and extracting bile from their gall bladders.

Fujian Guizhentang Pharmaceutical, based in Southeast China's Fujian province, has stuck to the use of bear bile in making traditional medicine.

The company has its own bear farm for the extraction of bile from live caged bears via catheters in their bodies. The practice is considered cruel and painful.

Beijing Tongrentang (Group), one of China's most prestigious TCM pharmacies, said it has set up 130 overseas subsidiaries in 25 countries and regions since 1993.

At present, many Tongrentang medicines use synthetics to replace animal elements, including tiger bones and musk.

"The technology for making artificial substitutes is now very mature. The substitutes provide a good supplement," said Tian Ruihua, chief engineer of the company.

"However, as TCM culture is becoming increasingly popular in the West, Tongrentang — as a century-old TCM pharmacy — aims to return to using traditional TCM methods to preserve the essence of ancient therapy," Tian said.

NARCOTICS

Lab drug ‘not cause of US deaths’

Powerful opioid is variant of chemical that killed musician Prince in April

By SHAN JUAN and ZHANG YAN

China hasn't blacklisted carfentanil, a synthetic opioid, as a controlled substance, thus it can still be legally produced by qualified chemical companies, according to a senior official at the Ministry of Public Security's Narcotics Control Bureau, who declined to be named.

He spoke to China Daily in an exclusive interview, responding to recent media reports in Western countries such as the United States and Canada alleging that China-exported carfentanil had caused a rise in overdose deaths there.

"There is no convincing evidence or scientific statistics to show that the China-exported substance has been widely abused in the US or Europe, leading to deaths there," he said.

Carfentanil, one of the most potent opioids known, is a variant of fentanyl, a prescription painkiller that killed US musician Prince earlier this year. US experts said it's 100 times stronger than fentanyl and thousands of times more deadly than heroin.

An National Public Radio report on Sept 2 said carfentanil is being sold on streets in the US, either mixed with heroin or pressed into pills that look like prescription drugs.

That has deadly consequences, it said. The US Drug Enforcement Administration said much of the carfentanil being sold on the streets is illicitly imported from China, without giving further details.

"It is mere speculation, as there is no solid evidence to prove the source, the exact number of victims, or the severity of the problem in these countries," the official said. "There have only been some individual cases of drug addicts in the US dying from using it."

However, he added that the ministry would further tighten management and control over such substances.

"It stimulates the human nervous system and does harm to people's health, while having no medical value," he said.

Melvin Patterson, a staff coordinator with the congressional and public affairs

department at the US Department of State, told China Daily in an email that the DEA and China have a sound working relationship.

"The DEA has offices in China and the agents there do a great job working with Chinese law enforcement officials to prevent illegal substances from being shipped to the US," Patterson said.

100 times

The comparative strength of carfentanil in relation to fentanyl

Facing public health and social stability challenges caused by narcotic and psychotropic drugs, widely known as "lab drugs," the Chinese government issued a regulation last year to improve control and surveillance of such substances, according to Wei Xiaojun, a senior official at the China National Narcotics Control Commission.

"Such 'lab drugs' have become the second-largest abused substance, following marijuana, in Europe and North Africa," he told China Radio International last year.

Under the regulation, China added another 116 synthetic drugs to the controlled-substance list, including acetylfentanyl, a less potent fentanyl variant, previous reports said.

Once "blacklisted," the manufacture, sales, transportation, import/export, stocking and use of a substance is strictly prohibited and severely punished.

Xiao Yingxia, a division director at the Ministry of Public Security's Narcotics Control Bureau, told CRI that some of the newly added substances had, so far, not been found to be abused within the country.

"But they had been found being produced and marketed in China, and were confirmed to be leading to abuse and overdose deaths abroad," Xiao said, adding that the move to blacklist such substances highlights the global cooperation and responsibility adopted in fighting such issues.

Contact the writers at shanjuan@chinadaily.com.cn

Chemist on trial over prohibited substance

By CHINA DAILY

An associate professor of chemistry and three others stood trial on Monday at Wuhan Intermediate People's Court in Hubei province on a charge of manufacturing and smuggling strictly-controlled psychotropic drugs.

The professor, surnamed Zhang, who taught at a renowned university in Wuhan, allegedly started a drug company with his friend to manufacture psychotropic drugs, according to a report by Chutian Metropolis Daily.

The drugs were exported mainly to Europe and the United States, and brought in monthly revenue of about \$600,000, it said.

Zhang and the other three, arrested last year, are facing charges of manufacturing and smuggling prohibited drugs and the contraband was intercepted by Wuhan Cu-

tombs at Tianhe airport in 2014. The prohibited drugs smuggled by the four amounted to 31.9 kg, the paper reported.

Founded in 2005, Zhang's company began to manufacture psychotropic drugs and develop new forms of drugs, notably methylone, a strong stimulant that can cause delusions, nose bleeds, nausea, skin rashes, anxiety or even death, experts said.

It has been included on China's list of strictly-controlled psychotropic drugs, but tempted by huge profit margins, the group continued to illegally manufacture and smuggle the drug.

The raw materials were obtained through irregular channels and they faked the name of the goods to pass customs inspection. The four have admitted their crimes.

The verdict has yet to be announced.

Central government targets to boost SOEs' profitability

Despite progress, problems in management and internal control pose risks and need to be solved



SHI YU FOR CHINA DAILY

By HU YONGQI
huyongqi@chinadaily.com.cn

The central government has reiterated its determination to improve competitiveness and profitability for State-owned enterprises, especially for those directly administered by the State Council.

This was one of the decisions made at a State Council executive meeting, presided over by Premier Li Keqiang on Nov 29. The meeting also aimed to further adopt reforms within SOEs by strengthening internal management, such as establishing a stricter rewarding and punishment system, as well as more stringently monitoring overseas investments projected by these major companies.

At the meeting, the premier and other high-level officials listened to reports by the Supervisory Board of Key Large State-owned Enterprises, a watchdog under the

State Council to monitor SOE management and profitability.

The board's figures showed that these SOEs reversed a 20-month decline in operating income in September and the increase continued in October, which a statement released after the meeting said has effectively supported the country's steady and healthy economic and social development. Statistics for November were not yet available.

"SOEs are the backbone of the national economy and must keep operating income and net profits increasing to contribute to the increase of fiscal revenues and social development," the premier said.

Meanwhile, the statement also said that the board found some of these SOEs are having problems in financial management, operations and internal control, which posed a risk of losing State-owned assets.

The premier urged SOEs to improve their competitiveness by perfecting internal management and raising efficiency in utilizing capital. "SOEs, especially those administered by the central government, should set an example for transforming from the traditional model of growth to a new and high-end one," Li told the meeting.

Last year, the central government released guidelines on SOE reforms, and the recent meeting was the latest move to achieve the goal that demands SOEs keep and add value to State-owned assets. Since 2013, the premier has presided over several meetings each year to oversee these entities.

The move also came a month after the State-owned Assets Supervision and Administration Commission released a list of more than 2,000 SOEs that have become economically unviable "zombie companies" in industries with severe overcapacity, kept

“SOEs should be cautious when the renminbi faces depreciation pressure.”

Liu Zhenghong, professor at Anhui Normal University

alive only with aid from the government and banks.

Figures given by the State Council demonstrated that private enterprises realized a double-digit increase in profits from January to October, which was far higher than SOEs.

During the first 10 months, the gross income for SOEs increased by 1.5 percent compared with the same period last year, including 0.4 percent for SOEs administered by the central government,

said Kuang Xianming, director of the economic institute at the China Institute of Reform and Development.

However, net profits for central SOEs still declined during this period, while the country's SOEs combined together saw an increase of 0.4 percent in net profits, Kuang said.

The economy still faces downward pressure on growth as exports and private investment, two drivers for the past few decades, are slowing down and even declining. Experts said SOEs are key players in providing steady employment opportunities and momentum for China's economic development.

Major economic indicators showed that SOEs are improving the status quo in terms of gross income and net profit this year, but still lag behind private enterprises in profitability and rate of return, said Liu Shengjun, vice-president of CEIBS Luji-

azui Institute of International Finance in Shanghai.

But improving management quality and efficiency cannot be achieved in one or two years. It is a long-term goal as the country proceeds with SOE reforms, Liu said.

The meeting also decided that the board, on behalf of the State Council, will tighten supervision on overseas investments made by central SOEs.

Recent years have seen a surging number of cases of Chinese SOEs acquiring or merging with foreign companies in deals worth billion of US dollars. However, Chinese companies going global means a large amount of foreign exchange reserves will be spent, said Liu Zhenghong, a professor of foreign relations at Anhui Normal University. "However, SOEs should be cautious when the renminbi faces depreciation pressure, as US dollars are becoming stronger against other major currencies," he added.

POLICY RESPONSE

Ministries responded to inquiries

By ZHANG ZHOUXIANG
zhangzhouxiang@chinadaily.com.cn

Ministries have responded to a series of concerns from the public and media outlets.

Spring Festival travel

On Jan 13, the annual Spring Festival travel rush, or the wave of people returning home for family reunions, will start. The National Development and Reform Commission (NDRC) and the China Railway Corp, together with some other ministries, jointly required local agencies and government departments to ensure the safety of passengers during that season.

In 2017, the number of passengers is expected to reach 2.97 billion during the Spring Festival season, 2.2 percent higher than this year. As the rush comes 11 days earlier than this year, college students will travel home at almost the same time as migrant workers, which will add to the peak crowds.

Weather could possibly be more of a factor during that period, with it being extremely cold in northern regions and heavy smog a possibility.

The ministries required local agencies to check capacity deficiencies and fill in the blanks to help all passengers arrive safely.

Stable yuan

Yi Gang, vice-governor of the People's Bank of China, the Central Bank, responded to public concerns over the yuan's exchange rate in a recent interview with Xinhua News Agency. Yi said that the yuan, which is about 6.9 against the US dollar, has continued to show characteristics of a robust, stable currency in the global currency system, even though its exchange rate against the US dollar has depreciated recently.

2.97 billion

the expected number of passengers during the 2017 Spring Festival season

6.9

the rough exchange rate of the yuan against the US dollar after the latter appreciated sharply in recent months following an improvement in US economy

The US dollar has risen quickly in value because of the country's accelerating economic growth and rising inflationary expectations, Yi said, adding that the yuan depreciated against the US dollar mainly because of unexpected reasons, including Donald Trump winning the US presidential election. The yuan has actually appreciated in value against several other main currencies, such as the euro, the Japanese yen, and the UK pound. It remains a stable currency in the world system.

Outbound investment

The NDRC, the Ministry of Commerce, the central bank and the State Administration of Foreign Exchange responded to media concerns about outbound investment. A spokesperson said that China's outbound investment has seen stable growth for the past several years, which helped deepen China's cooperation with other countries and upgrade its domestic economy.

China's policies and principles for outbound investment are clear, namely, it sticks to the strategy of "going out" and managing outbound investment in accordance with global rules and global market standards. It will combine the efforts of promoting convenience of outbound investment and preventing risks. It will also regulate market order and examine outbound investment programs to prevent cheating.

Policy digest

Cabinet made three decisions

On Nov 29, the State Council, China's Cabinet, held an executive meeting, presided over by Premier Li Keqiang, and made two major decisions. The meeting heard reports on the reform that lowers the tax burden of businesses by comprehensively replacing business tax with value-added tax, and decided to return a certain amount of the new tax to local governments to help local development; it also heard reports on the supervision of central State-owned enterprises, and decided to strengthen regulatory measures to raise the efficiency of central SOEs.

Support given to rural businesses

The State Council issued a guideline on encouraging those who start businesses in rural regions. According to the document, those who return to their rural hometowns, as well as those who go to rural areas, will get policy support when they start businesses.

Culture, health and tourism to get aid

The State Council issued a document on further expanding and upgrading consumption in industries includes tourism, culture, sports, health and care for the elderly. More support will be rendered to expanding consumption in those industries.

Holiday budget announced

The State Council announced the public holidays for 2017, which include New Year, Spring Festival, Tomb Sweeping Day, May Day, Dragon Boat Festival, Mid-Autumn Festival and National Day holidays. The last two, namely Mid-Autumn and National Day, are combined because they are close to each other, meaning employees can enjoy a holiday of eight days in total.

Police assistants better regulated

A guideline was issued on regulating the behavior of police assistants, who help police officers in their duties. Dis-



Tax cuts a boost for enterprises

Premier Li Keqiang said at a Nov 29 executive meeting of the State Council, China's Cabinet, that the reform to replace corporate business with value-added tax will help enterprises grow. LI MIN / CHINA DAILY

putes have arisen concerning police assistants because they were not "true" police officers yet their job required them to enforce the law. The new guideline requires the police officers who recruit police assistants be responsible for their actions.

Management of education subsidy

The Ministry of Education and the Ministry of Finance co-issued a regulation on the

management of subsidies for compulsory education in both urban and rural regions. It listed the principles of management, namely that rural regions should be the key, fairness shall be upheld, and transparency should be pro-

moted. The two ministries will decide which programs get priority subsidies.

Incentives given for Stock Connect

The State Administration of Taxation the Ministry of Finance, and China Securities Regulatory Commission jointly issued a notice on Dec 1, which clearly stated that the pioneering Shenzhen-Hong Kong Stock Connect should enjoy tax incentives. According to the policy, private investors from the Chinese mainland will get personal income tax exemption for what they obtain via the price gap between the two markets for three years.

Food standards to be improved

The National Health and Family Planning Commission published its 13th Five-Year Plan for food safety standards and supervision. The ministry will further improve the food safety standards and regulatory system during the 2016-20 period and draft or revise 300 national standards for food safety.

ZHANG ZHOUXIANG



Breaking out of poverty



Cotton farmers check a smartphone in Aksupa village, the Xinjiang Uygur autonomous region. Eighty percent of the villagers now own high-tech devices, such as computers and smartphones. PHOTOS BY PENG YINING / CHINA DAILY

Isolated community surfs the web to net new customers and profits

The introduction of e-commerce is helping to raise the living standards of poor families living on the edge of the Taklimakan Desert. **Mao Weihua** and **Peng Yining** report from Aksupa, the Xinjiang Uygur autonomous region.

Editor's note: This is the third in a series of special reports China Daily will publish in the coming weeks focusing on efforts to eradicate poverty and raise living standards in the country's rural areas, especially among members of the nation's ethnic groups.

The journey begins at Aksupa village, an ancient Silk Road outpost in the Xinjiang Uygur autonomous region, and ends four days later in Beijing and other major cities, where long-lasting flatbreads baked in the village are sent to customers by air.

Awahan Osman, a 49-year-old Aksupa resident and skilled baker, sells more than 3,000 flatbreads across the country every month, 10 times the number two years ago.

When asked about the secret of her success, the Uygur woman, who doesn't speak Chinese, uttered one word in English: "Internet." The Uygur language has absorbed many loanwords from English, and most of them relate to technology, such as "internet," "computer" and "telephone."

As the latest weapon in the fight against poverty, "internet" has become a popular word in Aksupa, the township from which the village derives its name, in the Beyinguleng Mongolian autonomous prefecture, which borders the 323,750-square-kilometer Taklimakan Desert.

Since 2014, the local government has been collecting the villagers' products, including bread, eggs and honey, to sell via an online store it founded and operates. Although revenue was small initially, it has grown and is now a major provider for poor local families.

When Osman's carpenter husband fell sick five years ago, the family lost its sole means of support. Now, she can make 2,000 (\$290) to 3,000 yuan a month by supplying flatbread, or *nang*, a famous Xinjiang cuisine, to cities nationwide. "I used to sell my bread in our village to make a living," she said. "But now it's sold in big cities like Beijing and Shanghai."

Environment and poverty

According to Zhu Ren, director of the government of Aksupa township, the area's arid environment and remote location



Aksupa villager Awahan Osman prepares flatbreads that will be sold online to customers nationwide.



force people into poverty.

In 2013, many harvests were ruined by a hurricane, leaving about one-third of the population of 3,000 living below the national poverty line of 2,800 yuan a year.

"People's lives slid to the bottom of a hole, so we started thinking of a way out," Zhu said.

He recognized the business potential of local products — including home-produced bread, eggs and honey — and realized that the internet could connect villagers with customers thousands of kilometers away.

"Aksupa village has low levels of industrial pollution, so our organic products are exactly what people living in cities want," he said.

This year, the village's online store, supplied by nearly 100 local families, has earned

200

number of counties that made efforts to develop e-commerce last year, according to the Ministry of Commerce and Ministry of Finance

15,000 yuan through the sale of more than 10,000 eggs, and three families have opened their own online outlets.

Liu Jianguo, a 51-year-old resident, said he can make more than 10,000 yuan a year selling eggs online. "We used to give away dozens of eggs to friends because there was no place to sell them," he said. "Who knew we could sell eggs online? It's a miracle!"

Patigul Halik, an official with the local township administration, said almost

every family in Aksupa village keeps chickens to provide eggs and meat, and the online store provides a channel for the sale of surplus eggs.

When an order is received, Halik visits local families to collect fresh produce. Each egg is stamped with the supplier's name, so it can be traced back to the family.

"We don't have chicken farms in Aksupa. All the eggs and bread we sell are the same as those eaten by people here," Halik said. "That's why our products are so popular online."

In November, a two-story e-commerce service center was established to collect, store and process produce before it is packed and sent to cities nationwide.

According to Zhu, the township director, every resident will be above the poverty line by the end of next year.

Effective policies

In 2014, the State Council Leading Group Office of Poverty Alleviation and Development, listed e-commerce as one of a number of effective policies. A year later, the use of e-commerce to alleviate poverty became one of "10 Targeted Poverty Alleviation Projects", along with improved vocational training and microfinance.

Last year, the Ministry of Commerce and Ministry of Finance listed 200 counties nationwide that had made praiseworthy efforts in the development of e-commerce. This year, Lopnuv, the county in which Aksupa village is located, applied to join the list, but has yet to hear if its application has been successful, according to Wang Yuanming, vice-director of Beyinguleng Mongolian autonomous prefecture.

Smart Daxi, the online business platform of Daxi village, is bigger than the operation in nearby Aksupa. Last year, it had sales worth more than 10 million yuan, the most popular being famous local products such as cotton quilts and dried fruits. Meanwhile, almost half of the 350 families in Daxi run their own online stores.

The central government has vowed to eradicate poverty by the end of 2020 and build what President Xi Jinping has called "a moderately well-off society", but the challenges facing Xinjiang are huge, Wang said, not-

ing a report by Xinhua News Agency last month, which stated that 2.6 million people in the region live below the national poverty line.

"E-commerce is certainly a powerful tool, but it still has limits," he said, adding that most poor families can't afford digital equipment to start online businesses, and for those living in remote mountainous areas, where there is no electricity supply, the internet does not exist.

Language barrier

Language also presents a barrier, according to Wang. Many of the region's ethnic groups, predominantly Uygur people, use their own languages. As a result, they find it difficult to surf the internet because Mandarin is used almost universally.

"That's why we are building online stores for villagers and teaching them how to use the internet," said Li Xinyun, director of the Aksupa village e-commerce service center, who added that the authorities have invited owners of successful online stores to lecture in the town.

People in big cities regard online business as a part of life, but it's a brand new world for people in Aksupa village, he said. Now, when Li and his colleagues visit local families, they always take a laptop with them.

"We let the farmers touch it and use it. Then we open the online store on our smartphones to explain how we sell their bread and eggs to other places," he said. "The internet is a strange concept for them, and it's easier to believe in something you can actually see."

With the money she has made by selling her bread online, Osman, the baker, has bought a refrigerator and electric bike — things she never thought her family could afford.

"I don't have a computer and I don't know how the internet works," she said. "But I can see the changes brought by the internet very clearly."

Contact the writers through pengyining@chinadaily.com.cn



Online See more by scanning the code.

Earning money and dignity online

By MAO WEIHUA AND PENG YINING

Ahmat Gopur lost his legs in a car accident in 2012.

As a cotton farmer, the 36-year-old from Daxi village, Yuli county, the Xinjiang Uygur autonomous region, made 40,000 (\$5,800) to 50,000 yuan a year, but the accident stripped him of everything.

In 2014, desperate to make his own living, he started learning how to use a computer. The training provided him with the skills to set up an online store in August, selling dried fruits and nuts.

"My life was in ruins before I started my online business," he said. "I make 2,000 to 4,000 yuan a month, not as much as I made before, but better than nothing," he said. "For a disabled person, having a stable income means being independent and having a decent life."

Because adults with disabilities are more likely to live in poverty, Daxi village's e-commerce service center provides preferential treatment for people in Gopur's situation.

He manages his store from an office built and provided by the center, and although he sometimes needs help reading Chinese, his language skills are improving through frequent contact with his customers.

The office provides a base for 10 disabled internet entrepreneurs. Because they have mobility problems, delivery teams visit the office to pick up their products — another preferential service.

One of Gopur's peers, Zhou Yuexia, had polio as a child. Since the 46-year-old opened an online store in January, she has made about 3,000 yuan a month. "The service center provides us with a free office, computers, technology training and subsidies," she said.

After her store made 3,000 yuan in its first month



“For a disabled person, having a stable income means being independent and having a decent life.”

Ahmat Gopur, an online store owner in Yuli county, Xinjiang, who was a cotton farmer before he lost his legs in a car accident

3,000 yuan

monthly income of Zhou Yuexia, an online store owner in Daxi village, Yuli

of business, Zhou took her 11-year-old daughter to eat hotpot, a rare luxury for the family.

Zhou used to work as a nurse at a local hospital, but one day, a patient refused to be treated by her because of her condition. "He made fun of me and then imitated the way I walk," she said. "Not long after that, I quit."

Later, she tried a number of small business ideas, including selling fried chicken on the street.

"However, my disability always haunted me. I couldn't bear the way people looked at my legs," she said. "The online store has solved my problem; I've not only earned money, but also dignity."



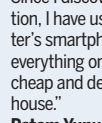
Zhou Yuexia displays her online store on her smartphone in Daxi village, Yuli county.

What they say: Aksupa villagers



"I have more than 20 chickens, and sell the eggs through the township's online store. But I find that there's far more than just eggs for sale on the internet. Online shopping is amazing. Since I discovered this function, I have used my daughter's smartphone to buy everything online. Clothes are cheap and delivered to my house."

Patam Yunus, 50



"I moved to Xinjiang from Chongqing in the 1990s and kept sheep and chickens with my husband. He got sick several years ago, though, so we have to depend on my father-in-law's pension. Selling products online brings extra income and gives us hope for our lives in the future."

find their own food in the field and only come back to



Zhang Yougui, 50

DANCE DRAMA

BRIDGING TWO CULTURES



A troupe of 30 Chinese and American dancers present a theater production about the life of Pearl S. Buck. The dance drama will kick off its China tour next year. PHOTOS PROVIDED TO CHINA DAILY

A theater production based on the life of Pulitzer Prize-winning author Pearl S. Buck, who spent a significant part of her life in China, is set to tour the mainland next year. **Chen Nan** reports.

A dance drama based on a Chinese story but made with an international audience in mind can be seen by audiences on the mainland. *Pearl: Spring, River, Moon, Flower and Night*, based on the life of Pulitzer Prize-winning author Pearl S. Buck, had its China premiere in Nanjing, Jiangsu province, on Nov 23 and will kick off its China tour next year.

The show had its world premiere from Aug 27-30, 2015, at the Lincoln Center for the Performing Arts in New York. It was staged in Montreal and Vancouver in Canada in June 2016 and later toured the United States, including Boston, Chicago and Los Angeles, which attracted over 126,000 people.

The theater production, which combines dance, film, music, multimedia and music, was the brainchild of Chinese producer Tang Xiaolei, American dancer-choreographer Daniel Ezralow. It's performed by a troupe of 30 Chinese and American dancers.

"This dance drama was created four years ago. We were thinking

about producing a show with a Chinese story, but which could also be understood by an international audience," says Tang, whose company, Legend River Entertainment Co, Ltd, operates in Beijing and New York.

"We chose the Pearl S. Buck story from several Chinese stories because she is a bridge between two cultures, and provides an enlightened understanding of East and West."

Tang, who brought Beyonce, the late Whitney Houston and German rock band Scorpions to China, adds the story of Buck not only speaks about the past but also delivers a message for today, telling us about how to live together in the world.

Born in West Virginia, Buck (1892-1973) lived in China with her missionary parents at the turn of the 20th century, overcoming a difficult childhood and numerous obstacles on her path to self-discovery.

Buck spent the first half of her life in China and the later part in the United States. Her unique perspective lives on today in the more than

60 books that she wrote, including her 1932 Pulitzer Prize-winning best-selling novel *The Good Earth*, which became an Academy Award-winning film in 1937.

She also created the concept of international adoptions and advocated for women's rights.

Over the past couple of decades, memorials and museums dedicated to Buck have been created in China.

For Tang, the biggest challenge when producing this dance drama was to create a production that would be accepted overseas.

She recalls when she first took the script of *Pearl: Spring, River, Moon,*

Flower and Night to American dancer-choreographer Daniel Ezralow four years ago, Ezralow was not very interested.

However, after Tang split the story into five chapters, which parallel the poem, *Spring, River, Flower, Moon, Night*, by Chinese poet Zhang Ruoxu of the Tang Dynasty (618-907), Ezralow, who is interested in Chinese culture, agreed to join in.

She also fed him with ideas of Chinese elements, such as calligraphy, tai chi and traditional folk music.

Ezralow, choreographer and director of the show, has also created original works for the London Contemporary Dance Theatre and the Cirque du Soleil, and choreographed

the opening ceremony of the Sochi Olympics in 2014. "I did not want to do a narrative show. I wanted to do an impressionist show," he says.

He also says that working with a creative team, which is half Asian and half Western, was a challenge.

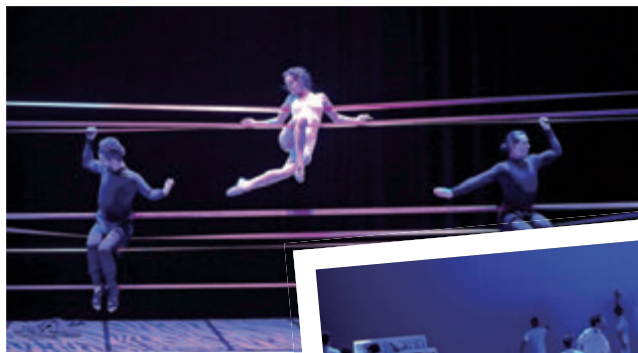
"With the cross-cultural society we live in today, I started psychologically to understand the cultural differences," he says.

Tang also traveled with Ezralow to Zhenjiang, Jiangsu province, where Buck lived and spent most of her life before 1934.

This is the first collaboration between Tang and Ezralow, who both agreed that this show tells Buck's story not from a Chinese angle, but from an international perspective.

"Ultimately, we wanted to produce a show, which could help an international audience discover China more," says Tang.

Contact the writer at chenan@chinadaily.com.cn



UPCOMING RELEASE

Tom Hanks relives pilot's horror and heroism on the water

By XU FAN
xufan@chinadaily.com.cn

Many people will remember the moment when a powerless airliner was forced to land on the frigid waters of New York's Hudson River on Jan 15, 2009.

Thankfully, all 155 aboard were saved thanks to heroic pilot Chelsey Sullenberger's flying skills.

But Sullenberger was then investigated by National Transportation Safety Board as the latter thought his water landing was a mistake.

That became the attraction for Oscar-winning director Clint Eastwood to make *Sully*, based on the real incident.

Nearly three months after its United States premiere, Chinese audiences can see the biographical feature, starting from Friday.

"It was a positive outcome in a bad situation," says Eastwood, who's known to Chinese moviegoers for his 1995 romance *The Bridges of Madison*



Left: Tom Hanks stars as the hero in *Sully*, which will hit Chinese mainland theaters on Friday. Right: Director Clint Eastwood (left) with Hanks. PHOTOS PROVIDED TO CHINA DAILY

County (1995), in a promotional material tailored for the Chinese market.

Before the incident, the US was a different place, says Eastwood. "It was post-9/11. We had troops in the Middle East. There was the 2008

financial meltdown ... people were worried," he says.

"That happened in Manhattan and we survived it, well, I think it gave people hope."

When serving in the US Army at



21, Eastwood had a particular experience connecting him with the movie. He caught a free naval flight from Seattle to Alameda, but the plane went down off Point Reyes, California. And he found himself in

the waters of the Pacific and had to swim a few miles toward the shore.

Sully has a glittering cast: Tom Hanks stars as the hero, and Aaron Eckhart plays Sully's co-pilot Jeff Skiles.

As one of only two actors in history to win back-to-back Best Actor Academy Awards, Hanks again shows why he deserves his accolades.

"At some points I forgot he's Hanks but took him to be the real Sullenberger. His authoritative performance is amazing," says Wang Xiaoyang, a viewer who was at the Beijing preview last week.

Hanks won his first Oscar in 1994 for *Philadelphia*, and in the following year he took home his second Oscar for *Forrest Gump*.

But even Hanks, who has the talent to take audiences into the character's world, says he felt intimidated to play a real-life hero. "Sully is an accomplished pilot from every perspective ... No one has ever trained for an incident like that," says Hanks.

HOLLYWOOD

Moonlight, La La Land separate from award season pack

By ASSOCIATED PRESS
in New York

In Hollywood's early but rapidly solidifying awards season, two films radically different in tone and tune have separated themselves from the pack: *Moonlight* and *La La Land*.

Moonlight, Barry Jenkins' lyrical coming-of-age tale, added to its already hefty haul on Sunday, taking best picture from the Los Angeles Film Critics Association. The group also gave best director to Jenkins, best supporting actor to Mahershala Ali and best cinematography to James Laxton.

Those three awards mirrored the picks last week by the LAFAA's East Coast corollary, the New York Film Critics Circle. But the New York critics ultimately chose Damien Chazelle's *La La Land* as the year's best film, whereas the LA critics had *La La Land*, a colorful ode to the group's hometown, as runner-up for best picture and best director.

Which film will have the edge in the coming weeks when the more crucial industry groups begin ringing in with their awards is an open question. *Moonlight*, which also triumphed at the Gotham Awards, is perhaps the year's most critically celebrated film. Across three chapters, it follows a boy growing up black, gay and poor in Miami.

But *La La Land*, starring Emma Stone and Ryan Gosling, is only just hitting theaters. (It opens Friday.) It has widely been seen as the best-picture front-runner since winning the audience award at the Toronto International Film Festival. While *Moonlight* is bracingly intimate, the song-and-dance *La La Land* is a starry, show-stopping crowd-pleaser.

La La Land is also likely to dominate in sheer number of nominations, thanks to its lead performances, high-level of craft and original songs. It was honored by the LA critics for the musical work of Justin Hurwitz, Benj Pasek and Justin Paul.

The only film that has rivaled either in the early awards is Kenneth Lonergan's *Manchester by the Sea*. The National Board of Review bestowed its top award on the New England drama, and the film's star, Casey Affleck, has been the most common pick so far.

And despite a crowded best-actress field, including Stone for *La La Land* and Natalie Portman for *Jackie*, the early favorite has been French actress Isabelle Huppert, star of both *Elle* and *Things to Come*. She was the choice of the LA and New York critics, as well as the Gotham Independent Film Awards.

Next week, the Golden Globe and Screen Actors Guild nominations will be announced, likely giving the current favorites additional momentum.



Actress Emma Stone attends the premiere of Lionsgate's *La La Land* on Tuesday in Westwood, California. AFP

SCREENING

Tharlo is Pema Tsenden's fifth feature film, yet is his first to be screened in movie theaters for what is technically known as a theatrical release.

The reason is simple: Pema Tsenden makes personal films with no car chases, explosions or special effects. They are all stories he knows intimately about people in the Tibetan area of Northwest China's Qinghai province, where he grew up.

The characters speak mostly Tibetan, and the new film is even presented in stark black and white, with the rich texture of a quality photography album.

There is nothing touristic in *Tharlo* or Pema Tsenden's other movies. The Potala Palace makes only a cameo appearance as the backdrop in a photography store, together with Beijing's Tian'anmen Rostrum and New York's Statue of Liberty.

The only characters donning traditional Tibetan garb are a pair of walk-on roles in that photo lab, and they are soon asked to change into Western suits to fit the backdrop of a New York skyline.

One is tempted to read various meanings into such details.

But the Tibetans in Pema Tsenden's lens live ordinary lives. Actually, the male lead carries on a life of monotony as a shepherd in the mountains, punctuated only by the howls of wolves. He tends to hundreds of sheep, some of which are placed in his care by a customer.

When *Tharlo*, the protagonist, is sent to the county town to take a photo for a new ID, the proprietor of the photo lab is not amused by his disheveled hair. He is sent across the street for a hair wash and it ends in a fateful encounter with the beautiful and scheming hairdresser who eventually runs away with his life saving of 160,000 yuan (\$23,500).

Although he does not seem to be an educated man, *Tharlo* ponders big, philosophical questions: Is he a good man or a bad one? Will he die with the weight of a mountain or the weightlessness of a feather?

The audience may ask these questions of the femme fatale, but one gets enough room — and time — to direct one's thinking in any way one wants.

The title character is played by Shide Nyima, a master comedian locally known as "Tibet's answer to Zhao Benshan".

In the movie, he strips every comedic trace and imparts an air of authenticity as a weather-beaten single man, who suffers not so much from poverty as from work-related hardships such as loneliness. One wonders what kind of transformation he would go through in the face of urbanization.

Yangshik Tso plays the mystery woman whose



Tharlo, starring Shide Nyima, reveals a weather-beaten man's loneliness in the face of transformation. PHOTOS PROVIDED TO CHINA DAILY

Authentic appeal

A Tibetan filmmaker focuses on life in his hometown, **Raymond Zhou** reports.

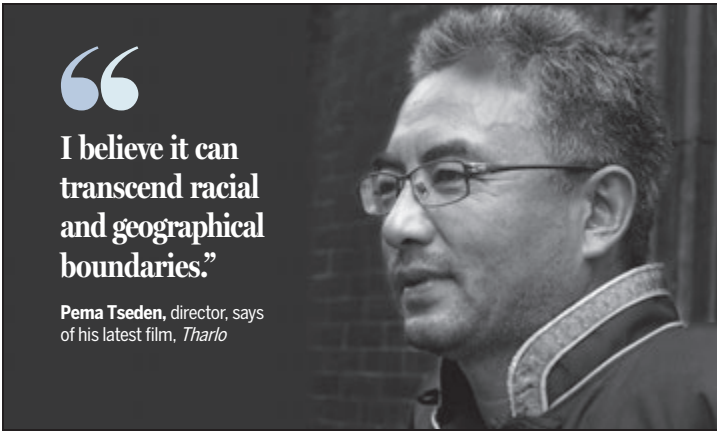


Yangshik Tso plays a seductress hairdresser in *Tharlo*, a black-and-white feature film directed by Pema Tsenden.

“

I believe it can transcend racial and geographical boundaries.”

Pema Tsenden, director, says of his latest film, *Tharlo*



seduction of *Tharlo* we hope would include a modicum of tenderness. In the hair-cutting scene reminiscent of Samson and Dalila, she conveys the complexities of her inner world, possibly her moral conflicts, with nothing but facial expressions.

Though it has Pema Tsenden's trademark glacial pacing and static shots, *Tharlo* embodies fascinating details in both its visual compositions

and its sound design. The singing alone by various characters suggests an era of fast changes and cultural fusion, with folk songs, rap and other music styles sharing space on the soundtrack.

"This movie is about ethnic Tibetans, but I hope people of all ethnicities can relate to it because I believe it can transcend racial and geographical boundaries," says Pema Tsenden, a graduate of the famous

Beijing Film Academy.

Pema Tsenden started making movies in 2002. He is also the writer of the scripts of all his movies, many of which are adapted from his own novels and short stories.

Last year, *Tharlo* entered the Horizons section of the Venice Film Festival and was nominated in six categories at the Golden Horse Awards held in Taiwan, winning best screenplay for Pema Tsenden.

It opens on the mainland on Friday.

Jia Zhangke, a forerunner in China's art-house cinema, said at the movie's premiere on Dec 5: "I won't feel lonely with Pema Tsenden and his work as we continue on the journey of giving voice to the same age and the same country."

Contact the writer at raymondzhou@chinadaily.com.cn

AWARDS

Jimmy Kimmel to host Oscars

By AGENCE FRANCE-PRESSE in Los Angeles



Jimmy Kimmel, television host. REUTERS

Late night television presenter Jimmy Kimmel ended months of speculation on Monday over who would host the Oscars in February — announcing that he has been tapped to front the glitzy ceremony.

It will be the first time for the comedian, who has hosted *Jimmy Kimmel Live!* on ABC since it launched in 2003 and garnered praise for his work as host of this year's Emmys television awards.

"Yes, I am hosting the Oscars. This is not a prank. And if it is, my revenge on @TheAcademy will be terrible & sweet," the 49-year-old New Yorker jokes on Twitter.

His selection was later confirmed by Michael De Luca and Jennifer Todd, the multiple Oscar- and Emmy-nominated duo producing the 89th Oscars ceremony, which airs live on ABC television on Feb 26.

"Jimmy's ability to connect with people is what makes him a singular choice for this job," they said in a joint statement.

"His frank observations,

relatable persona, wry humor and love of all kinds of film make him a natural fit for the Oscars stage."

Academy president Cheryl Boone Isaacs says she is thrilled to have a host who "knows who he is — he knows the audience," while CEO Dawn Hudson describes Kimmel as "razor sharp, funny and unpredictable."

ABC, which pays the Academy a reported \$75 million a year to broadcast the Oscars, struck a new deal in August giving executives more creative input.

"Jimmy is the perfect choice for us. He is deeply rooted in the Hollywood community and gifted at connecting with an audience as the consummate emcee," says ABC Entertainment president Channing Dungey.



FANTASY

Latest Monkey King movie to explore female-ruled kingdom

By XU FAN xufan@chinadaily.com.cn

Changsha's sky was dark above. But a stadium in Hunan's provincial capital glowed in the company of beautiful young women on Dec 4.

It was a ceremony announcing 12 winners, who'll appear in *The Monkey King 3* — a film adapted from a chapter on a female-ruled place in the 16th-century Chinese classic *Journey to the West*.

The actresses are among 1,000 chosen from more than 30,000 hopefuls through a national campaign launched in August. The 12 will play supporting roles, while the others will serve as extras — that is, as the kingdom's subjects.

It was announced the kingdom's ruler — the main female role — will be played by A-list actress Zhao Liying, whose hit TV series has received more than

100 billion views on streaming sites.

The film's Hong Kong-based director Cheang Pou-soi explains Zhao's temperament — dynamic, yet calm — makes her the perfect fit for the character description in the original work.

"She will experience an unlikely romance. I believe the emotional scenes will be the most appealing parts. But considering modern tastes, we added some comedic elements," says Cheang, who also directed the franchise's previous two installments.

The novel by Wu Cheng'en, which fictionalizes Tang Dynasty (618-907) monk Xuan Zang's travels to India — largely by giving him three powerful, but demon-like apprentices as escorts — is among China's most celebrated.

Mainland actor Feng Shaofeng plays the monk. Hong Kong megastar Aaron Kwok



Lead actress Zhao Liying (center, in white) and supporting actresses appear at an event on Dec 4 in Changsha to promote the upcoming *The Monkey King 3*. PROVIDED TO CHINA DAILY

continues as the Monkey King. Comedian Xiao Shenyang returns as the pig apprentice.

In the third installment, the quartet stumbles upon the

Kingdom of Women, where Xuan Zang is tempted by its empress.

He's torn between the monarch's proposal and monastic propriety in an

almost Shakespearean dilemma.

Sacrificing personal romance for the greater good is a common trope in Chinese culture.

The theme is typical of films from the country, including Jet Li's 1982 martial arts drama *The Shaolin Temple*.

The question is whether it can, literally, make the journey to the West, where it doesn't have as strong a historical foundation, since the big-budget tentpole has high hopes to plant a stake overseas.

The film, slated for release during the 2018 Spring Festival, is expected to cost 500 million yuan (\$73.5 million), going by the latest investment figures.

The crew is already more than 1,000 members and another 1,500 will be hired for postproduction. It will be shot in Jiangsu, Sichuan and Zhejiang provinces, and in Taiwan.

The scriptwriter, Wen Ning, revealed in an earlier interview with China Daily that the story will build upon a structure that's empathic with overseas viewers.

He says the tale, which develops multiple threads that interweave palace conspiracies and lots of action, will depict the ancient story in a new way.

Some industry watchers believe the film may prove to be another Chinese-language movie that makes a successful foray into the North American market.

"The Monkey King story is probably the ancient Chinese story that's best known in the West," says Jiang Yong, a Beijing-based film critic.

"All of its screen adaptations combined make it the one of highest-grossing franchises in Chinese cinema, despite mixed reviews."

The previous installments of the new franchise each surpassed 1 billion yuan — in 2014 and 2016, respectively — but weren't as warmly welcomed by the North American box office.

DRINK

‘Extreme’ Japanese winemaker is a natural

Former chemist makes most organic product he can

By SANDRA LAFFONT
in Cornas, France
Agence France-Presse

Hirotake Ooka does not do anything by half. For nearly two decades the former Japanese chemist has been on a quest to make the very best and most natural French wine possible.

But he hasn't made it easy for himself.

His modest vineyards on a hill near Cornas, where the mountains of the Ardeche drop into the Rhone valley, is not so much steep as vertiginous.

Which means not only that his grapes must be picked by hand but that he and his pickers are often forced to perform the backbreaking task on their knees, grape by grape.

With most parcels of land in this dry corner of south central France passed down from father to son, Ooka had to carve his vineyards out of a wooded hillside, before planting his syrah vines in the granite soil.

But it was perhaps destiny that Ooka should land there — his surname means “big hill” and he duly named his estate “Domaine de Grande Colline”.

An old French maxim has it that to make good wine, the vines must struggle.

And just like them, Ooka has suffered in his almost fundamentalist pursuit of *vin nature*, the most organic wine possible.

Yet despite the worst that nature could throw at him — he lost 90 percent of his harvest in 2013 to “black rot” and nearly two-thirds this year to mildew — Ooka has become one of the most respected natural winemakers in France.

“My philosophy is to make a wine just with the grapes, without yeast, sugar or sulfites. In the vineyard as well, I like to do the most natural things possible,” he adds, letting the grass grow under his vines and encouraging as much biodiversity as possible.

Lashed to a harness

Part of his quiet, maniacal dedication to the precision and authenticity means he crushes his red grapes himself with his bare feet, lashed to a harness in case he drowns in the vat.

“Crushing them with my feet I learn a lot about their aroma, temperature and the speed of fermentation,” he said.

“I wear the harness because it's dangerous with all the carbon dioxide that escapes — it would only take



Japanese winemaker Hirotake Ooka works in his vineyard in Saint Peray near Valence in southeastern France. PHOTOS BY PHILIPPE DESMAZES



From left: Hirotake Ooka tastes wine in his cellar; Ooka presses grapes in a tank.



a little for me to pass out and drown.”

Ooka, 42, discovered wine on his first visit to France 20 years ago. “In Tokyo I drank beer, I thought wine was too snobby,” he says.

But his road to Damascus came with the opening of a bottle of claret he bought for his father.

He returned to France and

trained to be a winemaker among the great wineries of Bordeaux.

But he soon realized that the wine he wanted to make was not possible amid the monoculture of villages given over totally to wine.

He wanted his vines to benefit from the biodiversity of being next to trees and vegetable patches.

‘More extreme than us’

“He is a lot more extreme than us in the way he looks after his wines — he's a real noninterventionist,” says Thierry Allemand, one of the pioneers of the *vin naturel* or *vin nature* movement, with whom Ooka also trained.

Some of the other local winemak-

ers “do not understand his way of doing things”, Allemand admits.

But few dispute the quality of his wine. Allemand describes it as “very well made, fresh and long in the mouth”, even if Ooka is still searching for the perfect equilibrium after only five harvests at Cornas.

Half of the 30,000 bottles a year

he produces are exported to Japan, although with this year's poor harvest he is having to buy in some of his grapes from his organic neighbors in Saint Peray and Saint Joseph.

Ooka is one of just a handful of Japanese winemakers in France, with the young Kenjiro Kagami also beginning to make a name for himself — also with *vin nature* — in the Jura region.

But his success has also come at a personal cost. His wife and three children are moving back to live in Japan, although he intends to divide his time between the two countries.

And one day he hopes to found his own domain in Japan.

But until then his commitment to making his wine in France is total. When he first decided to give up chemistry for winemaking, he initially thought about going to California.

“But the Americans learned how to make wine from the French, so I decided to go straight to France, even though I didn't speak French,” he says.

“All the great wines are there and it is beautiful too.”

RECIPE

Tomatillo salsa offers fresh approach to poaching salmon

By SARA MOULTON
Associated Press

The French love to cook fish by poaching it in a flavored liquid, usually a combination of white wine and water, leeks or onions, and some herbs. It's a notably lean way to roll because there's no fat involved. And the finished product is reliably tender because it's been cooked at a low temperature.

So, it's lean, tender and ... quite boring. I crave more flavor and texture. So here's a recipe for poached salmon that adds the missing elements.

Typically, poaching calls for a lot of liquid. The fish is supposed to be submerged as it cooks, after which the liquid usually is tossed. I wanted a way to poach the fish in a small amount of liquid, which then could do double duty as a sauce. Given that fish generally requires a spritz of acid to brighten it up, the ideal liquid needed to be acidic and intensely flavored. Green salsa — that is, tomatillo salsa with chilies and lime juice — struck me as a likely candidate.

The salmon wouldn't have to

swim in a vat of the salsa. I made a modest batch and cooked the salmon in a smallish skillet with the salsa rising halfway up the sides of the fillets. I covered the pan tightly to trap the heat and flipped over the salmon halfway through its cooking time to make sure it cooked evenly.

How do you know when the salmon is finished cooking? If you slide a knife into it and the blade sails through the fillet with no resistance, it's done. And be sure to pull it off the heat when there's still a tiny bit of resistance left, which will allow for carry-over cooking time.

For crunch, I sprinkled tortilla chips on top; they are salsa's classic partner. But these were my own healthy baked tortilla chips, which take only 15 minutes to prepare. On the whole, this recipe is pretty quick and easy to make, but you can streamline it even further by picking up green salsa and baked tortilla chips at the supermarket.

By the way, there were leftovers the second time we tested this winner. When we polished them off the next day, we discovered that this dish is just as delicious cold as hot.



Salmon poached in green salsa and topped with baked chips. MATTHEW MEAD / AP

SALMON POACHED IN GREEN SALSA AND TOPPED WITH BAKED CHIPS

Start to finish: 40 minutes
Servings: 4

For the tortilla strips:
2 tablespoons vegetable oil
1 teaspoon chili powder
1/2 teaspoon ground cumin

Four 6-inch corn tortillas
Kosher salt

For the salmon:
8 ounces fresh tomatillos, husked, rinsed and quartered
1/2 cup coarsely chopped scallions (white and light green parts)
1/3 cup coarsely chopped fresh cilantro
1 tablespoon lime juice
1/2 jalapeno or serrano chili, seeds

removed if desired
2 cloves garlic, finely chopped
2 tablespoons vegetable oil
1/2 cup finely chopped red onion
Kosher salt and ground black pepper
1 1/2 pounds center-cut salmon fillet, cut into 4 equal portions

To make the tortilla strips, heat the oven to 400 F.

In a small bowl, stir together the oil, chili powder and cumin. Brush the oil mixture over both sides of each tortilla. Using a knife or pizza wheel, cut the tortillas into thin strips. Arrange the strips in a single layer on a rimmed baking sheet. Bake the strips on the oven's middle shelf for 6 to 8 minutes, or until crispy. Sprinkle with salt, let cool completely, then break them up slightly. Set aside.

To prepare the salsa, in a food processor, combine the tomatillos, scallions, cilantro, lime juice, chili and garlic. Pulse until the ingredients are almost smooth with a few small chunks.

In a medium skillet over medium, heat the oil. Add the onion and cook, stirring, until softened, about 5 minutes. Add the tomatillo mixture and simmer gently, stirring occasionally,

for 10 minutes. If the mixture gets too dry, add 1/2 cup of water. Season with salt and pepper. Add the salmon to the skillet, skin sides down, then cover the skillet tightly and simmer gently for 5 minutes.

Turn the salmon over, cover tightly and simmer gently until the salmon is almost cooked through, about another 5 minutes. Remove the pan from the heat and let the salmon stand for 3 minutes, covered, before serving.

To serve, transfer a portion of salmon to each of 4 plates, then top each with sauce and tortilla strips.

Nutrition information per serving:
470 calories; 240 calories from fat (51 percent of total calories); 27 g fat (3 g saturated); 0 g trans fats; 110 mg cholesterol; 370 mg sodium; 18 g carbohydrate; 3 g fiber; 4 g sugar; 40 g protein.

Sara Moulton is host of public television's *Sara's Weeknight Meals*. She was executive chef at *Gourmet* magazine for nearly 25 years and spent a decade hosting several *Food Network* shows, including “Cooking Live.” Her latest cookbook is *Home Cooking 101*.

Now on iPaper, Kindle and SmartEdition \$4.99 per month

Read China Daily Online in Its True Printed Format From Anywhere in the World

App Store Smart Edition kindle fire AMAZON KINDLE FIRE

COMMENT

EDITORIAL • OPINION

中国日报
China Daily USA
chinadailyusa.com

EDITORIAL

More provocations by Trump will jeopardize Sino-US ties

Close attention will be paid to Taiwan leader Tsai Ing-wen's transit via the United States when she travels to Guatemala in early January, for it will shed light on what direction Sino-US relations will take when Donald Trump enters the White House.

Despite Beijing's opposition, the US insists it is a "long-standing practice" since it has given the nod to such transits by leaders of the island many times before.

However, Tsai's transit is taking place soon after she and Trump held a phone conversation, breaking with decades of precedent.

No incumbent or incoming US president has spoken by phone with a Taiwan leader since 1979, when Beijing and Washington established diplomatic relations.

The incident, if indeed by design as reported, could indicate a major US policy shift that would threaten relations, since they are built on the long-standing acknowledgment by the US of one China, which is the sine qua non for healthy relations.

So far Beijing's response to the conversation has remained restrained. It has taken a wait-and-see attitude, giving Trump the benefit of the doubt since he is a novice in foreign policy and won't take the helm until the Jan 20 inauguration. Beijing has demonstrated calmness and confidence again after Trump, in a twitter tirade, lambasted China for its trade, currency and South China Sea policies on Sunday; and even after his economic adviser Stephen Moore went so far as to say "screw them" in a vulgar verbal attack against China.

Such prudence is laudable for the time being, for a good Sino-US relationship serves not only the best interests of people in both countries, but also peace and stability in the Asia-Pacific and beyond.

However, with separatist-minded Tsai due to set foot on US soil, further provocative moves by the US president-elect and his team cannot be ruled out given the reckless and impulsive style of leadership that Trump displays. Especially, as hawks in the US have never given up hope of using Taiwan as part of the US' pivot to Asia aimed at containing the mainland's rise.

Although Beijing has shown that it is willing to keep the bigger picture in mind, this attitude should not be mistaken for weakness.

China has to prepare for the worst, even though it will continue to do all it can to maintain a healthy bilateral relationship. What has happened over the past weeks tends to suggest that Sino-US relations are facing uncertainty as never before, as Trump's words are not necessarily more bark than bite.

TO THE POINT

Renzi's failed reform gambit

The resignation of Italian Prime Minister Matteo Renzi following the rejection of his Cabinet-backed constitutional reform package by a large majority of voters in a referendum on Monday has sent another shockwave through the European Union.

Since taking office in February 2014, Renzi has sought to raise administrative efficiency through reducing the seats for senators and retaking more power from local governments.

Different from former British prime minister David Cameron who initiated a referendum on whether the United Kingdom should leave the EU to appease the euro skeptics in his party, which was a personal political gamble that failed, Renzi's referendum push to a large extent reflects his political aspiration to change Italy's status quo.

During his election campaign, Renzi lashed out at the incumbent administration's postponement of reforms, slow decision-making, and its lack of political courage to tackle key issues at home.

However, despite some reforms over the past two years, Renzi's government has failed to fundamentally reverse a lingering economic slump and resolve complicated social contradictions.

Accompanying Renzi's resignation is not only the dissolution of the Italian government led by its youngest prime minister, but also the evaporation of hopes for accelerated reforms.

The heavy blow suffered by Italy's reform-minded political faction will likely affect the country's long-term political trend. The failed constitutional reform package means Italy will have to slow its reform steps, which will further worsen its woeful economic situation, shake its financial system and cause its already high unemployment to rise. Such scenarios will further fuel the rise of radical political forces in Italy.

Thus the failed referendum in Italy may open Pandora's box wider on the continent by emboldening those forces in European countries that advocate a divorce from the EU.

— BEIJING YOUTH DAILY

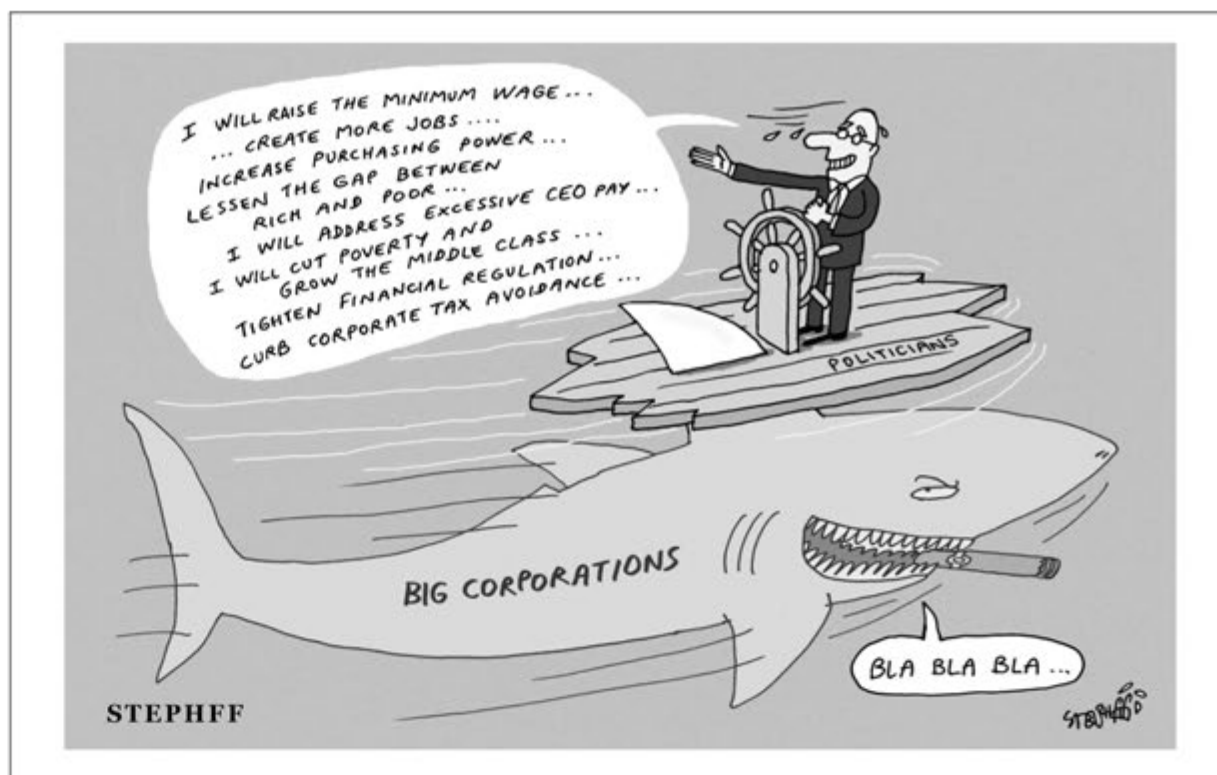
Correction

China Daily USA inadvertently published the same Comment page on Dec 6 and Dec 7. We regret the error.



If you want to get even closer, follow us on Facebook

www.Facebook.com/ChinaDaily



OPINION LINE

Environmental targets set bottom line for local officials

ON MONDAY, the 13th Five-Year Plan for Ecological and Environmental Protection (2016-20) was officially released, which listed eight new legally binding targets. That's an important move that will make the plan more effective, says Beijing Youth Daily:

Anybody who has read the plan will immediately realize how strict it is. Besides the four existing targets with legally binding force, it has introduced eight more, covering the air, water, and the earth.

The introduction of the eight targets is rather important because it makes clear the responsibility of local officials. Many local enterprises pollute the environment but the local economy relies upon them for growth; the process of fighting pollution might thus curb local GDP growth, which would reflect badly on the performance of leading officials. Only targets with legally binding force will be effective in prompting local officials to truly fight pollution.

The eight new targets have obviously been made after careful deliberation, because they are neither too high nor too low — 78.4 percent of all cities nationwide will need to improve their air quality and many cities need to improve the standard of their drinking water.

The targets set a bottom line for the ecological

environment, which cannot be challenged.

Although the eight targets are not easy to reach, for example, the plan requires cities beyond the prefecture-level to lower their PM2.5 density by 18 percent, and raise the percentage of days with good air quality so that they account for over 80 percent of the total. The targets can be realized if a local government works hard, so they give leading local officials achievable targets for good performance evaluations.

Of course, a good regulation is only effective if it is well implemented. There have been instances of local officials fabricating data to cheat environmental inspectors, and they must prevent this in implementing the plan.

That in turn requires the higher authorities to send more environmental inspection teams to supervise local officials, so that they do not dare to falsify the data. More importantly, the process of fighting pollution should be made more transparent, and the public be given a bigger say in it, so that local officials cannot possibly cheat.

Vanity for promotion distorts realty markets

A BEIJING-BASED DEVELOPER was recently forced to abandon its plan to expand into Zhengzhou, the capital of Central China's Henan province, as its successful bid for the land in the city was later nullified by the local land and resources bureau. China Youth Daily commented on Wednesday:

With a focus on developing high-end properties, the Beijing company "stirred up" the local market and more importantly, broke certain hidden rules embedded in the local companies' "home field advantages".

In other words, albeit auctioned, the land that the Beijing company attempted to bid for in Zhengzhou was actually unavailable, because it was part of an urban renovation project earmarked for local real estate developers.

Despite their great ambitions in urban renovations, some local governments do not have enough money to cover the costs of demolition and the relocation of residents, and often turn to the developers to bear the costs by making early promises. As a result, many property developers are involved in a relocation project even in the planning stage.

In Zhengzhou, to buy such land, property develop-

ers reportedly start working on issues, such as those involving the building of apartments for the relocation of residents, about three years before they actually purchase the land. This could involve an outlay of around 1 billion yuan (\$145 million), but it basically guarantees that the developers are offered the land they want as well as some compensation by the local authorities.

Thus the highest bidder will not necessarily get the land if other competitors already have a huge stake in it.

That may explain why the Beijing property developer's successful bid for the land in Zhengzhou was later nullified by the local land and resources bureau.

Governments at all levels should not use renovation projects, which are designed to improve citizens' well-being, as vanity projects, especially when they cannot afford the costs.

Strict standards can ensure purity of TCM herbs

AFTER THE RELEASE of the first white paper on traditional Chinese medicine, the government must now focus on protecting the quality of the herbal sources used in traditional Chinese medicine treatments. Beijing Youth Daily commented on Wednesday:

Soil contamination, water pollution and the overuse of chemical fertilizers and pesticide all threaten the quality and purity of the plants used in TCM, most of which are now commercially grown instead of being collected from the wild. The deteriorating quality of the plants used for treatments means it is difficult even for the most experienced TCM practitioners to prescribe the correct quantities required for a treatment to be effective.

TCM treatments are based on the accumulated experience passed from one generation to another according to the medicinal effects of the wild plants used in the past. Today, the commercial farming of these plants means their potency may not be the same as those found in the wild.

TCM attaches great importance to the purity of the plants used in treatments, some of the rarest and thus most valuable plants traditionally were only found in a certain place because of the local climate and soil. But the commercial farming of these lucrative plants means that is no longer the case.

Some businesspeople plant the expensive herbs irrespective of local natural conditions, and boost the output through excessive uses of chemical fertilizers and pesticide, in disregard for the herbs' true medical effects.

As Wang Guoqiang, head of the State Administration of Traditional Chinese Medicine, said in Beijing on Tuesday at the launch of the first white paper on TCM, the weakening of the effectiveness of plants used in TCM treatments, if it is not curbed, will harm the credibility of TCM.

In this sense, publishing the first white paper on TCM is only the beginning of the efforts needed to protect and spread TCM.

Now what is needed are national standards for the quality and purity of plants used in TCM treatments.

HOT WORDS

Lowering leverage

降杠杆 (jiàngànggǎn)

The Ministry of Finance and the State Administration of Taxation have jointly issued an announcement of preferential tax for companies engaged in debt-reducing corporate restructuring.

Reducing corporate leverage has been listed as one of the five major tasks of supply-side structural reform. According to the announcement, eight tax measures are being launched

to support reorganization aimed at reducing corporate debt.

The Bank of International Settlements has estimated that China has \$18 trillion in corporate debt, which is equivalent to about 169 percent of its GDP.

Enterprises engaged in reorganization and mergers may be eligible for various preferential taxes. Value-added tax will not be imposed on some reorganization activities including transfers of fixed assets and land-use rights. And enterprises' non-monetary asset investments may enjoy tax installment payments over five years according to the regulation.

The announcement is regarded as significant policy support for both the reform of State-owned enterprises and supply-side structural reform.

Officials of the two departments said the preferential tax policy will enable taxation to play a role in lowering corporate leverage.

Local governments are required to strictly implement the new policy.



Online
Scan it for more hot words.

CHENGXIN PAN

Is Trump the savior for US working class?

In January Donald Trump will be sworn in as the 45th president of the United States. Despite his unpredictability so far, his performance in governing might be a bit easier to speculate. And for his voters who are eager to see him delivering on his promises, disappointment may be in store.

Riding the high tide of populism to victory, Trump tapped into the anger and resentment of a growing number of disfranchised American white working class. When US manufacturing enjoyed comparative advantage worldwide, trade deals good for American business were also good for American workers. But increasingly outsourcing and off-shoring have allowed transnational capital to move freely around the globe in search of better returns. The promised better and higher paying jobs as a result of globalization and trade liberalization do pop up, but they rarely trickle down to the millions of blue-collar workers in the US' Rust Belt states. The annual American Values Survey of 4,500 Americans

finds that nearly half of them no longer believe in the American Dream.

In comes the self-appointed "greatest jobs president", promising a sweeping shake-up to revitalize US manufacturing, create new jobs, rebuild infrastructure and change domestic regulations. In keeping with these inward-looking objectives, Trump has also promised to renegotiate trade and alliance deals and tighten border control. Which explains why many of those people voted Trump on election day.

But will Trump be their savior?

The truth is, Trump's "America First" agenda is easier said than done. For a start, which America should come first now that America remains bitterly divided?

Despite some cautious optimism, uniting the country alone would be an uphill battle for the incoming Trump administration, not least because Trump himself has fanned the flames of hatred and xenophobia. Although he pledged to be "president for all Americans" in his acceptance speech, a

The truth is, Trump's "America First" agenda is easier said than done. ... Soon enough his working class supporters will find out that Trump's America will not be a working class' paradise.

quick glance at his tax plan, for instance, suggests otherwise. Despite his campaign pledge to provide tax relief for "the middle class" and "the forgotten people", his tax cuts overwhelmingly favor the wealthiest few.

Also, it is extremely difficult for the Trump administration to implement the reforms he has promised while trying to wall off his country with protectionist measures. For example, the disappearance of US manufacturing jobs, and indeed many such jobs worldwide, is largely due to tech-

nological advances and automation. No amount of punitive tariff on Chinese or Mexican imports would likely bring the lost jobs back soon.

If Trump does follow through on his tariff threats, the prices of many imports will go up and a trade war may ensue. And transnational corporations are likely to put up a good fight against Trump's measures that would add costs to their businesses and eat into their profits.

His aspiration to rebuild US infrastructure is laudable, but he may quickly realize that such a gigantic task needs to heavily rely on foreign finance and materials, such as from China, the very target of his 45 percent tariff threat. In 2013, the New York Metropolitan Transportation Authority outsourced \$34 million worth of steel to China for the upper deck replacement of the Verrazano-Narrows Bridge. Answering critics, MTA Chairman Thomas Prendergast blamed an "absence of domestic steel fabricators capable of satisfying the requirements for a project of this scope and

complexity". With such challenges, one wonders how Trump will balance the practical needs of his massive infrastructure plan and his staunch mercantilist stance, let alone how he will finance his trillion-dollar plan with massive tax cuts.

The president-elect may have correctly sensed some of the American (and to some extent, global) ills, but he does not have the necessary cures for them. So, together with his backflips on prosecuting Democratic presidential candidate Hillary Clinton, building a wall on the US-Mexico border, and climate change, even the most erratic US president might turn out to be a lot more conventional than he appears to be. Soon enough his working class supporters will find out that Trump's America will not be a working class' paradise.

The author is senior lecturer in International Relations at Deakin University, Australia, and is currently an Endeavour Research Fellow at Peking University. The views expressed here are his own.

STUART GIETEL-BASTEN

Has two-child policy had the desired effect?

As the two-child policy approaches its first birthday, commentators and the Chinese government are looking for evidence to see whether it has had the desired effect: an increase in the birth rate in order to mitigate some of the effects of aging population.

At first glance, the evidence seems to be promising. It is estimated that there will be around 17.5 million births in 2016. At over one million more than in 2015 one might say the two-child policy has been a success. Without doubt, many couples have seized the opportunity to have a second child, realizing both a personal dream and a favorable outcome for the country. However, there are a few words of caution.

Firstly, as the Year of the Sheep, 2015 was widely perceived to be a not-so-good year to have children. Numerous studies have said the influence of the zodiac is still strong among the Chinese. It is likely, then, that many would-be parents may have simply postponed having children in 2015, choosing instead to have babies in the more favorable Year of the Monkey. Indeed, if we look at the longer-term trends, the number of births in 2015 actually fell from 2014.

Secondly, we still do not know the total impact of what demographers call the "tempo effect". As countries develop and, especially, as educational and employment

opportunities for women grow, childbearing tends to be postponed. As this has happened in most low fertility countries, we can expect this to have happened in China, too. The problem, however, is that this effect tends to distort the total fertility rate, usually exaggerating both baby busts and baby booms. Also, simply counting the number of births tells us very little about the birth rate, as this is going to be affected by the number who are "at risk" of having children. In China, of course, this is going to be related not just to being of reproductive age, but also to marital status.

Taking these elements together, therefore, we have to conclude that

it is just too soon to say whether or not these changes in family planning are having the desired effect. We will know more in a few more years when we have better period data with which we can identify a trend. In reality, though, it is only when the cohorts born in the 1980s and 1990s have completed their childbearing will we see the true demographic impact of the policy change.

Two final notes of caution. The evidence seems to suggest that changing the family planning pol-

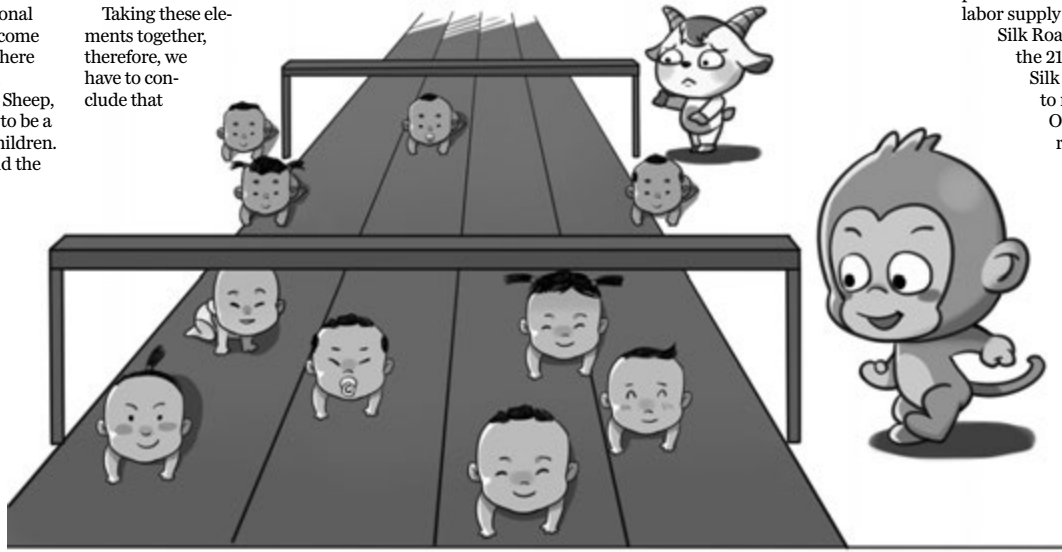
icy alone will not be enough to make a significant difference to the fertility rate. As elsewhere in East Asia, concerns about jobs, social welfare, cost of living, housing, kindergarten access, gender equity and so on have as much impact upon the decision to limit childbearing as family planning policy. Alleviating these concerns is critical to increasing China's low fertility rate.

Secondly, it is critical to remember that raising the birth rate alone is not the only answer

to managing China's aging population. Indeed, in the short term, it would increase the burden on the working age population by necessitating an increased number school places and the withdrawal of parents from the labor market to care for these children. Rather, China needs to take a holistic approach to this demographic challenge, and will have to deal with both the denominator and the numerator. On the one hand, improving labor productivity, moving up the value chain of innovation, increasing labor force participation, further reforming the State-owned enterprises and developing the global labor supply chain through the Silk Road Economic Belt and the 21st Century Maritime Silk Road will be critical to maximizing output. On the other hand, reforming and developing better social welfare systems for the elderly as well as making progress in active aging policies will not only decrease the dependence of the older population, but could also free up the monies accrued as a result of high personal savings rates and, hence, spur domestic consumption.

The author is associate professor of Social Policy at the University of Oxford.

LIU XINYI / FOR CHINA DAILY



FRASER CAMERON

Simplistic slogans of no benefit to EU

Another referendum and another shock for the European Union. By linking his political future to a successful outcome of a plebiscite to amend the constitution, Matteo Renzi was playing for high stakes. Perhaps if he had waited to see the results of the Brexit referendum and the surprising Donald Trump election victory he might have taken a different course. Now Italy and the EU have to deal with the impact of his reckless gamble.

On the plus side, fears of a sharp drop in the euro proved groundless. There was a slight fall after the results then the euro recovered. And Italians are used to short-lived governments. President Sergio Mattarella has asked Renzi to stay on until the budget is passed. Then he will either appoint a caretaker prime minister or call new elections.

The opposition parties including the Northern League and Five

Star Movement are pushing for new elections and calling for a further referendum on whether Italy should remain in the eurozone. Most Italians dislike the government's austerity program which they see as being imposed on Italy by German Chancellor Angela Merkel. They are also angered at the lack of solidarity from other EU members in dealing with the massive inflow of refugees in the past 18 months.

Italians have always been among the most pro-European citizens of the EU but now attitudes are changing. Italy is a founding member of the EU and in a different category from the UK which has always been Eurosceptic. But no one can predict how Italians would vote if there were to be a referendum on keeping the euro. This is what worries other eurozone member states along with the huge debts of Italian banks.

Elsewhere in Europe the populist forces will have been hearten-

But no one can predict how Italians would vote if there were to be a referendum on keeping the euro. This is what worries other eurozone member states along with the huge debts of Italian banks.

ed by Renzi's defeat. Marine Le Pen, the leader of the French National Front, said that the result was a blow to the "absurd austerity policy of the EU". She is likely to make it to the second round of the French presidential elections in May but is unlikely to defeat Francois Fillon, the center-right candidate who has been

moving steadily to the right and stealing some of her policies.

In Germany the populist Alternative for Germany will certainly make it into the Bundestag following the September elections but both major parties, the Christian Democratic Union and the Social Democratic Party, have excluded the possibility of having them as a coalition partner.

Renzi's defeat means that there are now only a handful of socialist leaders in government in Europe. Although millions of workers are calling for social protection against globalization, the traditional socialist parties are struggling to deliver winning policies. Indeed many working class voters are moving to populist right-wing parties such as UK Independence Party in Britain and the National Front in France.

But these parties offer simplistic slogans for dealing with globalization just like Trump's campaign promise to "bring back 25 million

jobs" to the US. If Trump does take the US down the protectionist road this will have major implications for the rest of the world, including the EU and China.

Most likely Italy will remain in the eurozone and muddle through as usual. With so many elections in 2017 there is no prospect of any major new initiatives by the EU. The 28 will gather for muted celebrations in Rome at the end of March. There could hardly be a worse time to call such a celebratory gathering as British Prime Minister Theresa May plans to trigger article 50 that same week thus setting Brexit in motion.

The EU will remain in a weak situation until 2018 or 2019 when the UK is due to leave. The question then is whether EU leaders can muster the political will to move the European project forward.

The author is director of the EU-Asia Centre in Brussels.

XIN ZHIMING

Rule-based market can end the up-and-down cycle in stock market

Despite frequent corrections, China's stock market indexes have unexpectedly kept moving up in recent months. The benchmark Shanghai composite index rose to 3,301 points in late November from as low as 2,638 points early this year.

Looking forward, the domestic stock market may become more turbulent in 2017 given the many uncertainties posed by changes in both the domestic and international economic and financial landscapes.

The International Monetary Fund's latest report says the world economy may grow by 3.4 percent in 2017, up from 3.1 percent this year. Even if the forecast proves right, which is not often the case, the world economy will continue to struggle to come out of the low-rate growth cycle it has been trapped in for long.

Domestically, some analysts have predicted that China's annual year-on-year GDP growth could fall to below 6.5 percent next year. Although policymakers remain confident of keeping growth at a stable level, it will be more challenging for the country to use fiscal and monetary tools to keep the economy rolling.

The stock market trend may not closely follow the changes in economic fundamentals, but given the weak, low-rate growth prospects, the possibility is not high that the stock indexes will increase impressively. Worse, the global financial markets seem to have become more turbulent thanks to the frequent occurrence of "black swan" incidents.

The regulatory authorities should therefore focus on maintaining a clean and rule-based market. If that task cannot be achieved, the domestic stock market will hardly be able to get out of the cycle of drastic ups and downs.

Donald Trump's victory in the US presidential election has unexpectedly boosted the US stock market, but under his administration, the US economic policy may be quite different from that under incumbent President Barack Obama's. For example, Trump has vowed to use trade measures to protect US interests, which, if implemented, will create a lot of uncertainties in the global trade system, possibly affecting global growth.

Besides, the possible interest rate hike by the US Federal Reserve is a sword of Damocles over the global financial markets. Although in recent months such hikes have been priced in, global investors will have to remain alert over the impact of capital flows as a result of the strengthening of the US dollar after the hikes.

The strengthening of the dollar has often been accompanied by a massive flight of capital from the emerging markets, triggering financial and economic turmoil. The Asian financial crisis in the late 1990s, in which countries such as Thailand, the Republic of Korea and Indonesia suffered the most, is widely attributed to their unrestrained financial liberalization and the organized speculative attacks by some major international investors, but drastic international capital flows were also blamed for the crisis.

Facing such uncertainties, the domestic A-share stock market may undergo severe fluctuations next year. But for China Securities Regulatory Commission, the top priority should not be to keep the indexes stable — as it did last year. Instead, it should focus on systematic build-up to create a level playing field that rewards long-term investors.

To be more specific, the commission should make more efforts to prevent dishonest information disclosure and ensure listed companies do not refuse to "split dividends" among investors.

False information disclosure is like a cancer that has frequently damaged investor confidence in the domestic market for many years. The regulators have punished some wrongdoers, but the punishments are often criticized as being too lenient to root out the problem. And most listed companies have refused to share their dividends with investors, discouraging long-term investment and contributing to market fluctuations caused by short-term speculation.

Few stock market indexes in the world remain constantly stable. The regulatory authorities should therefore focus on maintaining a clean and rule-based market. If that task cannot be achieved, the domestic stock market will hardly be able to get out of the cycle of drastic ups and downs.

The author is a senior writer with China Daily. xinzhiming@chinadaily.com.cn

BUSINESS

中國日報 CHINA DAILY USA » CHINADAILYUSA.COM

PROJECTS

Leung finds big HK role in Belt and Road plan

By ALFRED ROMANN
in Hong Kong for China Daily

Three years after the official launch of the Belt and Road Initiative, there is much greater understanding of the opportunities that it could generate, Hong Kong Chief Executive Leung Chun-ying said on Wednesday.

"People understand the whys and the whats... we are now very much at the 'how' stage. How do we grab the opportunities for all?" said Leung. "People who see opportunities under the Belt and Road Initiative are probably in the silent majority."

"It is such a vast initiative with such wide ramifications and ample opportunities for Hong Kong," Leung said during the China Daily Asia Leadership Roundtable in Hong Kong.

The event focused on "Hong Kong Super-Connecting the Belt and Road" and was attended by around 270 executives and opinion leaders.



Leung Chun-ying (center), Hong Kong chief executive, speaks at the China Daily Asia Leadership Roundtable discussions in Hong Kong on Wednesday. EDMOND TANG / CHINA DAILY

"Hong Kong can play a pivotal role in the implementation of the Belt and Road Initiative," Leung said.

At a time of slowing growth, Hong Kong can leverage its strength in financing, services, logistics and education to act as a connector of the 60-plus Belt and Road countries and regions and the rest of the world.

A key area of focus is financial services, the openness of which has allowed Hong Kong's economy to be named the freest in the world for 22 years in a row, said Leung.

In practical terms, Hong Kong has been moving forward in each of what Leung called the "five connectivities" of policy, infrastructure, trade and investment, financial cooperation and integration, and people and culture.

"Hong Kong could work as a

team to help 'Hong Kong Inc' to bring this connective force to bear," said Leung.

Other speakers at the leadership roundtable agreed with the importance of leveraging the Belt and Road Initiative to boost growth.

"Hong Kong's own success relies entirely on trade flows and open markets. Hong Kong has become too inward-looking and less open in recent years. Almost protectionist, sometimes," said Stephen Ng, chairman of the Hong Kong General Chamber of Commerce.

"The implementation of the Belt and Road Initiative has caught the attention of the business community in Hong Kong," said Jonathan Choi, chairman of the Chinese General Chamber of Commerce.

POLICY

Forex reserves decline by 2.2% in November

Govt moves to rein in risks associated with overseas investments in hotels, real estate

By WANG YANFEI
yangyanfei@chinadaily.com.cn

The recent strengthening of the US dollar played a key role in the drop in China's dollar-dominated forex reserves last month, but capital outflow pressure will not persist for long because market speculation is expected to wane after the US Federal Reserve makes its interest rate decision, said analysts.

Official data on Wednesday showed that the foreign exchange reserves fell by

\$69.1 billion to \$3.05 trillion in November.

The monthly dollar-dominated reserve drop came amid a strong US dollar rally, with a potential interest rate hike in the United States expected to come in the near future, according to Yan Ling, an economist with China Merchants Securities Co.

The yuan depreciated by 1.7 percent against the greenback in November, during which the trading volume in the foreign exchange market increased for the third consecutive month, up by 9.3 percent month-on-month.

"But the decline in forex reserves is expected to slow in December when the market is expected to calm down after the US decision to raise its interest rate or not," said Yan.

A string of measures on strengthened supervision for outbound investment rolled out by the central authorities aroused concerns over the government's strong intention to curb capital outflows.

Four top regulatory bodies decided to tighten screening of overseas investment projects earlier this month. The National Development and Reform Commission and three other financial regulators on Tuesday said that China will rein in risks in outbound investment, targeting speculative behavior trying to move money out of China.

Four fields of investment will be strictly monitored, including real estate and hotels, according to a Xinhua News Agency report.

Ivan Chuang, vice-president of Moody's Investors Service Inc's Asia-Pacific Regional Management Group, regarded stricter supervision as a necessary move as the nation steps up the opening of its economy.

Chuang said that he did not see the necessity for the government to control only outflows without regulating inflows.

"The government should be more willing to see balanced capital flows," he said.

"Although investors' appetites do become uncertain as weaker yuan leads them to diversify their assets, it is understandable to see the government tightening control to fend off risks in outbound investment," he added.

BEVERAGES

Moutai takes fiery spirit to Europe

By ANGUS MCNEICE
in Hamburg, Germany
angus@mail.chinadailyuk.com

China's iconic liquor brand Moutai chose the northern German port city of Hamburg, famed for its bars, restaurants and entertainment venues, to launch its campaign to bring the fiery spirit to Europe.

Tuesday's launch was part of a global campaign to make Moutai part of the world's drinking culture.

The event was touted as Moutai's official entry into Europe. While Moutai is a mainstay at formal celebrations across China, its exposure among Westerners is largely limited to businesspeople or foreign dignitaries on trips to China.

Moutai ramped up its international operations in earnest in 2014 when it held a banquet in San Francisco and promotional efforts saw hip bars in New York add Moutai cocktails to their menus.

Export revenue increased by 69.46 percent in the first half of this year, according to Yuan Renguo, chairman of

Kweichow Moutai Group, with total annual sales on course for \$6.4 billion across 60 countries and regions. The brand is currently focusing on Europe, taking out ads in major publications, including the Financial Times, and scheduling another gala for early 2017 in Paris.

149 euros

price tag for a 500ml bottle of Moutai in supermarkets in Europe

At the Grand Elysee hotel in Hamburg, 300 guests were served the sorghum-derived liquor in three cocktails designed by a German bar catering service.

"We had a lot of fun, but it was the most difficult time we've had making a new cocktail because it's such a different taste. It's really complex and really strong," said Alexander Brittnacher, founder of Next Level Cocktails.

"Moutai has a smell and taste of cacao, so in one cock-

tail we combined it with a chocolate vodka and chocolate bitters," he said. "In another we looked for food pairing partners and we found that blackberries were a good combination."

Moutai is in talks with a Paris-based cocktail manufacturer to sell pre-mixed drinks on the international market, and the company is scouting a location in Frankfurt for its own cocktail bar.

Moutai's European strategy will also focus heavily on Chinese restaurants, according to An Huailun, managing director of Moutai's imports and exports company.

The company is in talks with European retailers and the liquor will sell off the shelf for 149 euros (\$160) per 500ml bottle. In the United Kingdom, a good 750 ml bottle of single malt Scotch whisky costs at least 30 pounds (\$38).

Yuan said it made strategic sense to launch Moutai's European ambitions in Hamburg, given Germany's strong brewing culture and the city's status as one of the continent's major ports.



Chinese fans of the AC Milan soccer team sing during a friendly match in Shenzhen, Guangdong province. BOBBY YIP / REUTERS

AC Milan buyers given 3-month delay

By BLOOMBERG

Former Italian premier Silvio Berlusconi granted a three-month delay to the Chinese investment group seeking to buy his AC Milan soccer team, after the buyers failed to get authorization for the deal from local authorities, according to people familiar with the matter.

Advisers to Berlusconi's Fininvest SpA holding company and the Chinese group, Sino-Europe Sports Investment, agreed to delay the closing until as late as the end

of February in exchange of an additional, non-refundable deposit of 100 million euros (\$107 million), the people said, asking not to be identified because the talks are private. The deposit will have to be paid by Dec 13, the original closing date, otherwise the deal falls apart, the people said.

The delay marks a new twist in an odyssey that started in August, when Fininvest agreed to sell AC Milan to a little-known group of Chinese investors for 740 million euros including debt.

The group, which made an initial deposit of 100 million euros, didn't have all the financing in place when it agreed to purchase the Italian club, people familiar with the matter said in September. The group led by Chinese businessman Li Yonghong hasn't revealed its full list of investors.

The purchase agreement includes a requirement to provide 350 million euros of added funding to AC Milan over a three-year period. Li's group allegedly provided a false bank report during its

initial deal negotiations. A spokesman for Sino-Europe said Sept 23 that speculation about fake documents is "groundless" and that the group was considering legal action.

Sino-Europe would consider building a new stadium as part of its expansion plans. The consortium has been telling potential partners they could earn outsized returns if AC Milan eventually lists on a Chinese stock exchange, where companies trade at a premium to Western markets.

TRADE

Former WTO chief says EU likely to grant China market economy status soon

By CHEN YINGQUN
chenyingqun@chinadaily.com.cn

The European Union will likely grant China recognition as a market economy soon, former World Trade Organization head Pascal Lamy said.

He made the prediction as the 15th anniversary of China's accession to the WTO approaches on Sunday.

Lamy, who was the WTO director-general from 2005 to 2013, said in Beijing that while the EU is likely to recognize

China's market economy status, it will also probably change its anti-dumping regulations in a non-discriminatory way.

As a condition for being admitted to the WTO, China agreed in 2001 that other members could treat it as a "non-market economy" for 15 years ending on Dec 11, 2016. This status has made it relatively easy for aggrieved parties to prosecute anti-dumping claims against China.

Lamy said that changing anti-dumping regulations has long been a subject of debate in the EU, and changes that are made are likely to affect not only China but all other countries that trade with the EU.

"I think the EU will recognize (China's market economy status), but in some way anti-dumping measures will be reformulated."

Lamy, who is now honorary president of the Paris-based think tank Notre Europe, played a key role in negotiat-



Pascal Lamy, former director-general of the World Trade Organization

ing China's admission to the WTO.

Reviewing the past 15 years, he said China has fulfilled the

commitments it made. As globalization has proceeded it has also increased the value it adds to the goods it produces, and that has been important in the country's economic growth, he said.

The country has pledged to open up more and wants to proceed with more economic reform, and that is a good signal, Lamy said.

He said he hopes more action will be taken soon, particularly regarding the services sector.

"Better service will come from more competition in the services industry. And, more competition in the services industry will come with more services being imported or foreign service providers establishing themselves within the Chinese system."

The opening up of trade is still the main trend in the world, he said, even if there is opposition in the EU to Chinese steel imports, and there is an anti-free trade backlash in the United States. Protection-

ism cannot guarantee people's livelihoods and social well-being but is in fact destructive and will not make a return, he said.

"Trade remains open. If you look at trade today, it is more open than yesterday, when it was more open than the day before, so the direction is right," he said.

Reducing obstacles to trade, whether multilaterally, bilaterally or regionally, should be the common goal for all organizations, he said.

Talking Business

Treat yourself in festive spirit, but focus on value for money

By BAI PING

I'm a platinum member of a popular Chinese booking site, spending the equivalent of thousands of dollars on travel for the past 11 months this year alone. Yet I've been excluded from its private club — I may not be able to join it in my lifetime.

Last week, I searched the site for the best affordable package trip I could buy for my family of five for the coming Chinese New Year, a ritual my colleagues and friends do every year around this time. Our destination is Southeast Asia where sun, beach and tropical breeze beckon to people who live in constant worry about smog.

However, finding bargain deals was difficult. As a parent of two young children, aged 7 and 1, I'm picky about flights, connection times and hotels. So hoping against hope, I clicked on the *dingjiyou* or "top-class tour" button and was directed to a micro site devoted to the rich

travelers. I was dumbfounded by how much they pay for their breaks.

While I shied away from an offer of more than 63,000 yuan (\$9,150) for a five-night family vacation on Bali Island during the holiday, a luxury four-night package would cost almost four times more.

The perks for the wealthy include business-class flights, upscale hotels, bespoke activities and sweeteners like a massage or a welcome cocktail "Rock My World". In comparison, the deal I was looking at featured red-eye flights, stopovers in Manila and a basic itinerary interspersed with compulsory shopping tours arranged between tour guides and stores.

The eye-popping prices don't seem to have deterred well-heeled travelers with much of the inventory sold out weeks before the traditional Chinese holiday. In recent years, Chinese tourism operators and researchers have gone gaga over luxury travel that caters to a niche demographic, roughly defined as those



A tourist takes a photograph at a beach in Bali, Indonesia. BLOOMBERG

who make at least 1 million yuan per year and spend more than 50,000 yuan on a single trip.

My booking site, of which I've been a loyal customer for more than a decade, screens potential travelers from its massive member database,

offering private tours to tens of thousands who book five-star hotels and travel in business or first class several times a year.

As a frugal traveler, I'm not one of them. Whether I go alone or with my family, I'd put a lot of planning into it

and try to get more bang for my buck. For longer leg room, I try to get a first-row seat or one near the emergency exit. We don't dine in luxury hotels abroad. There are many serendipitous discoveries in small restaurants, food courts or even deli shops.

But rich and young Chinese travelers aged 18-36 can now go abroad every 3-4 months, mainly for leisure, with an annual spending of 420,000 yuan and an average hotel budget at 3,100 yuan per night, according to findings by the Hurun Report better known for its annual China Rich List.

Surely, such extravagant travel isn't necessarily a rich man's folly. And not all prestige-seeking travelers ignore the intrinsic utility of their money. In many cases, privileged travelers seek unique experiences that impress their friends and colleagues on WeChat.

Two rich parents from my son's kindergarten class recently wowed us, with updates on their expensive family tour in the US, including a

picture of them kissing their two young children, under a giant statue depicting a famous New York Times Square kiss that celebrated the end of World War II.

Yet, these costly experiences often smack of ostentatious spending common among China's nouveau riche. The Hurun Report says about half of rich Chinese Millennials' tourism spending is still on luxury shopping, primarily clothing, bags, watches and jewelry.

We've heard stories about how Chinese tourists abroad have become more discerning and sophisticated, with shifts from snapping up bags to having a coffee or stroll on the beach. Perhaps the luxury travel craze is a phase.

Even the discounted Bali tour looks ridiculously costly to me, since I really don't care what other people think of us.

Contact the writer at dr.baiping@hotmail.com

What's news



GOVTS & POLICIES

Coal-rich province restructures mines

Shanxi province, which supplies about a quarter of China's coal, shut down or restructured 25 coal mines this year, cutting 23.25 million tons of coal production capacity. The results surpassed the target of closing or restructuring 21 coal mines and reducing 20 million tons of production this year, set in August as part of a plan to cut overcapacity between 2016 and 2020, according to local land and resources authorities. At the end of October, Shanxi's coal enterprises had inventories of 30.84 million tons, 4.91 million tons lower than a month previously.

Goldman sees 2017 growth slowing

Goldman Sachs expects China to register lower annual growth in 2017 as property and auto sales are likely to slow down. The bank forecasts a slight slowing in China's GDP growth to 6.5 percent in 2017, from a forecast of 6.7 percent in 2016. Although Goldman Sachs only expects a modest slowing in real estate investment in 2017, it sees both price and transaction growth slowing significantly, meaning a much lower contribution to China's GDP growth from the housing sector in 2017. In a report to clients, the bank noted auto sales growth may slow sharply to 3 percent in 2017, from an estimated 15 percent this year, as the government is likely to cut tax rebates for auto purchases in half.



COMPANIES & MARKETS

China Mobile links up with Alibaba

China Mobile and Alibaba Group Holding Ltd inked a comprehensive strategic partnership on Wednesday, as the world's largest telecom carrier by subscribers and China's largest



Robots serve manufacturing

A manufacturing robot is demonstrated at the World Intelligent Manufacturing Summit on Tuesday in Nanjing, capital of Jiangsu province. The three-day event attracted 285 exhibitors from home and abroad.

CUI XIAO/ FOR CHINA DAILY

e-commerce firm joined hands to boost growth. Under the agreement, the two sides will work closely in basic telecommunication services, information infrastructure, marketing and emerging sectors, China Mobile said in a statement. The move came shortly after Alibaba inked a similar deal with China Unicom, the country's second largest telecom carrier, last month. China Mobile is stepping up efforts to expand presence in the internet industry, and China Unicom also wants to arrest its continuing profit decline by partnering with internet giants.

BoC committed to Belt & Road

Bank of China Ltd has held its New Year's Reception 2017 in Beijing. Nearly 300 representatives from foreign embassies, multinational companies and international financial institutions in China and top executives from domestic financial institutions that are closely affiliated with the Belt and Road Initiative attended the reception. Tian Guoli, chairman of BOC, said the bank puts great emphasis

on exchanging ideas with friends from all sectors of the community. It is devoted to the Belt and Road Initiative and is looking forward to grasping the opportunities along with entrepreneurs and financiers from various countries.

Alipay teams up with European banks

Alipay, the most popular digital payment tool run by China's Ant Financial Services Group, announced a partnership with three European banks on Tuesday. The payment service with 450 million active users inked deals with financial institutions BNP Paribas, Barclays, UniCredit, and SIX Payment Services, a major payment service company, in an aim to allow more European merchants to accept using Alipay as a payment tool in Europe. Ant Financial, which is the internet finance affiliate of Alibaba Group, has been gearing up in its global expansion. Making more Chinese outbound travellers use Alipay in countries outside China is one of the major steps for the internet finance major to expand business overseas.



AROUND THE WORLD

Tax rise lowers auto imports of Vietnam

Vietnam imported around 97,000 automobiles in the first 11 months of 2016, down 12.9 percent year-on-year, due to tax rise, according to the General Statistics Office. From January to November, the country spent \$2.1 billion on auto imports, down 19.6 percent year-on-year. The declines in auto imports were attributed to the changes in Vietnam's tax policy. Specifically, from Jan 1, 2016, a new special consumption tax on cars with 24 seats and below has been imposed, based on the importers' price, instead of the previous calculation based on cost, insurance, freight value and current import tariff.

Tourists boost Australian economy

Chinese tourists are helping boost

Australia's economic growth, the nation's tourism minister said on Wednesday. After releasing the results of the latest International Visitor Survey, Steve Ciobo said Chinese visitor expenditure had exceeded growth targets by almost four years, while better-than-expected tourist numbers from other Asian markets such as Japan and South Korea was fueling massive growth in Australia's tourism industry. "The latest International Visitor Survey shows growth across key Asian markets has resulted in a \$9.8 billion contribution to the Australian economy in the last year," Ciobo said.

Exchange rate hurts New Zealand exporters

An unfavorable currency exchange rate caused a big drop in New Zealand's exports, which drove down total sales of businesses in October, the New Zealand Manufacturers and Exporters Association said on Wednesday. Total sales were down 6.81 percent from October last year, with export sales down by 20.72 percent and domestic sales up by 20.14 percent, the NZMEA said. In the three months to October, export sales fell an average of 7 percent and domestic sales rose 13.9 percent on average. The survey sample covered NZ\$288 million (\$205.57 million) in annualized sales with an export content of 56 percent. A longer view showed export sales had been flat at an average year-on-year monthly decrease of 0.3 percent over the last 12 months, said Dieter Adam, CEO of the NZMEA.

Brazil retirement age may rise to 65

Brazil's President Michel Temer on Tuesday submitted a bill to Congress that would raise the retirement age to 65. The draft bill, part of a pension reform plan, would apply to all men under 50 and women under 45, following 25 years of contributing to social security. "Men over 50 and women over 45 will be included in a transitional system, under which they will be subjected to a 50 percent increase on their remaining contribution time," according to the government news website. Government figures show the average age of retirement in Brazil is 58, among the lowest in the world. Those who have already retired and are receiving a pension will not be affected if the bill passes.

Philippine inflation up 2.5 percent last month

Philippine inflation rate rose to 2.5 percent in November due to the increase in the prices of major non-food commodities, the National Economic and Development Authority said on Tuesday. Inflation in November last year was at 1.1 percent, while in October, it was 2.3 percent. Year-to-date, inflation was at 1.9 percent, within the government's official target of 2.0 to 4.0 percent. "The increase in inflation can be attributed to the increase in domestic prices of petrol products, which comprise the bulk of the nonfood commodity basket usually purchased by the average Filipino household," said Socioeconomic Planning Secretary Ernesto M. Pernia.

Bulgarian gross domestic product up

Bulgaria's gross domestic product grew by 3.4 percent year-on-year in the third quarter of 2016, official data showed. The GDP at current prices was \$14.465 billion, or about \$2,000 per person, according to preliminary data released by the country's National Statistical Institute. Exports and imports of goods and services increased by 9.5 percent and 7.5 percent respectively compared with the same period of last year, the NSI figures showed. Bulgaria's GDP grew by 3 percent year-on-year in 2015, 1.6 percent in 2014, 1.3 percent in 2013, and 0.2 percent in 2012.

Nation's Q3 GDP down by 0.5 percent

Australia has recorded its biggest economic fall since the global financial crisis and its first quarter of negative economic growth in recent five years, the nation's treasurer, Scott Morrison, confirmed on Wednesday. The Australian Bureau of Statistics figures showed the economy slowed by 0.5 percent in the September quarter and the annual growth rate had fallen to 1.8 percent, well below the already-pessimistic expert predictions. In a statement accompanying the figures, the ABS attributed the decline mainly to the lower output in the construction industry.

CHINA DAILY-AGENCIES

POLICY

China further opens auto batteries, electronics to foreign investment

By JING SHUIYU

jingshuiyu@chinadaily.com.cn

China will further open up the segments of batteries of new energy vehicles and automotive electronics to foreign investment, to level the playing field in the world's largest auto market, according to a revised guidance by the National Development and Reform Commission and the Ministry of Commerce released on Wednesday.

"Such a policy shows that the government is working to level the playing field and encourage fair

economic activity. Local battery manufacturers will have more incentives to innovate and improve the quality of their products," said Wang Binggang, an expert working on the new energy vehicle research project led by the Ministry of Science and Technology.

Wang also said local governments need to strike a proper balance when implementing relevant policies.

"It's a positive signal that the government has gradually opened up the industry. Local governments, however, should avoid overreacting to such an adjustment. They shouldn't come

up with policies much more preferential to foreign companies than local counterparts. Otherwise, it would hamper the efforts toward creating a fair and competitive environment," Wang said.

The ministry of commerce is seeking public opinion until January 2017 on the revised guidance on industries open to foreign investment. Besides the manufacturing sector, the guidance also offers more foreign investment access to the services sector and the mining industry, and reduces the number of restrictive measures from 93 to 62.

In recent years, the growing new energy vehicle industry has been attracting the attention of manufacturers both in China and overseas.

Mercedes-Benz, a unit of the German company Daimler AG, plans to build a battery plant and make electric cars in China, Bloomberg reported on Wednesday.

"It's our strategy to localize production in China, and that goes for electric cars too," said Hubertus Troska, head of Chinese operations at Mercedes parent Daimler AG on Monday. "China's government has a

strategic goal to fire up electric vehicles, aimed at improving air quality but clearly also at lessening dependence on oil imports."

Carmakers from Volkswagen AG to General Motors Co are boosting production in China as sales make up an increasing share of their bottom line. Mercedes already builds most of its vehicles sold in China locally, including longer versions of the E-Class and the C-Class that are popular among domestic buyers. It also makes a plug-in hybrid C-Class, using batteries made by local suppliers.

Shaanxi J&R Optimum Energy Co

Ltd, a listed Chinese company, also made inroads into the lithium-ion automotive battery industry in November by acquiring a 19.9 percent stake in Altura Mining Ltd, an Australian supplier of lithium raw materials, for A\$41.6 million (\$30.69 million).

In China, the output of lithium-ion automotive batteries was 16.9 GWh in 2015, while the demand is projected to reach 125 GWh in 2020, according to data compiled by Sino-link Securities Co.

Bloomberg contributed to this story

TECH



UP ABOVE THE WORLD SO HIGH, WI-FI

An air hostess of China Eastern Airlines demonstrates how to use the in-flight Wi-Fi service to passengers. YIN LIQIN / FOR CHINA DAILY

China Eastern Airlines charts a new course

By WANG YING in Shanghai
wang_ying@chinadaily.com.cn

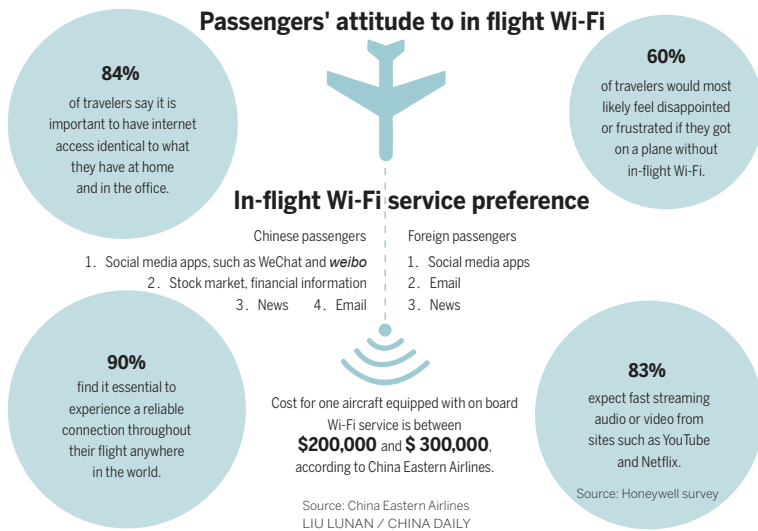
As the first Chinese carrier to offer in-flight internet access, China Eastern Airlines Corp Ltd is poised to commercialize the service in its wide-bodied aircraft next year once they get the nod from aviation authorities, a senior manager from the Shanghai-based carrier said.

"Since launching the commercial test on in-flight Wi-Fi last November, China Eastern Airlines has brought Wi-Fi connectivity to 43 aircraft, and the figure is expected to reach 54 by the year's end, which will exceed the total number of all Wi-Fi installed planes in the Chinese mainland, Hong Kong, Macao and Taiwan currently," said Zhang Chi, deputy director of China Eastern Airlines' transformation office.

According to Zhang, more than 4,000 passengers per day with China Eastern used the free Wi-Fi service as of September, and by November, the carrier had expanded its onboard Wi-Fi service from 2,500 flights to 3,000 per month.

China Eastern has been taking the lead in in-flight Wi-Fi development in recent years, and the company got approval from the Ministry of Industry and Information Technology to use AsiaSat-6 satellite for Wi-Fi services on 21 airplanes from May, 2015.

Since November 2015, Chi-



A passenger accesses WeChat using the in-flight Wi-Fi service provided by China Eastern Airlines. YIN LIQIN / FOR CHINA DAILY

na Eastern has launched a trial run of the service, which allows passengers to apply to use the service either through reservations on its application and official website ahead of, or after, boarding.

"First class, business class, golden and platinum card holders, as well as the younger generation are the core customers using the in-flight Wi-Fi service," Zhang said.

After nearly one year of testing, the in-flight Wi-Fi service is ready for operation as problems that arose have lowered from 2 to 3 percent to 0.1 percent, Zhang said.

He is optimistic that the Wi-Fi service will become commercialized next year as all its wide-bodied aircraft will be available for in-flight Wi-Fi in mid-2017. China Eastern is projected to expand its wide-body fleet to more than 110 by 2020.

A detailed plan for onboard Wi-Fi costs is still under discussion, but Zhang revealed that China Eastern may raise special rates compared to international counterparts.

"As a value-added service, in-flight Wi-Fi is designed to retain high-end business passengers who believe internet connections are necessary," said Li Lei, an industrial analyst from Minzu Securities Co Ltd.

A growing number of major international airlines have added such services in their long haul international flights, to meet rising demand for internet connectivity especially for business travelers.

"The in-flight Wi-Fi service will offer an edge for the carrier in competing with its rivals in

domestic routes, being attractive to its high-end passengers as well as young travelers," said Zhang.

"The Wi-Fi using habits monitored by us through the trial period will help decide the rates. For example, text messages on social media such as WeChat will be free of charge, but passengers have to pay if they want to send pictures or video chat; meanwhile, browsing financial news will be free, but transaction fees may be collected by the carrier if stock deals are done," said Zhang.

According to Zhang, research reveals that both Chinese and foreign passengers use social media apps the most, but financial information is the second most important need for the Chinese.

China Eastern is a pioneer in in-flight Wi-Fi service in the China aviation market. In July 2014, the carrier had its first aircraft equipped with onboard Wi-Fi services after \$200,000 to \$300,000 on pre-fabrication was spent on aircraft to serve flights between Beijing and Shanghai.

The in-flight Wi-Fi also provides direct ground support to the cabin crew in emergency conditions, and allows for video conferences, diagnosis, and information on various transportation options, according to Zhang.

Compared to their global counterparts, Chinese airlines are latecomers in offering in-flight Wi-Fi services. But Zhang is extremely optimistic.

"We will catch up soon, just like what China is doing in internet and mobile internet areas."

state of the art



Vivo launches two HD smartphones for China

Vivo has announced new smartphones Vivo X9 and X9Plus for the China market. The X9 features a 5.5-inch full-HD super AMOLED display with a resolution of 1,080 pixels by 1,920 pixels, and a Qualcomm Snapdragon 625 chipset with 4GB RAM and 64GB internal storage, priced 2,798 yuan (\$405). The Vivo X9 Plus is fired up by a Qualcomm Snapdragon 653 processor with a larger 6GB of RAM inside as well as 64GB of internal storage.

Both Vivo X9 and X9Plus have two selfie cameras, a 20-megapixel Sony IMX376 sensor and an 8-megapixel camera to be used for better depth and focus control. Both devices come with Android 6.0 Marshmallow and Vivo's Funtouch OS 3.0 on top of it, and feature a home button / fingerprint scanner below the display.



New DJI drone can sense things in five directions

DJI Innovation Technology Co, China's largest commercial drone manufacturer has launched a new drone called Phantom 4 Pro. Equipped with a 1-inch sensor, the Phantom 4 Pro camera shoots video at up to 4K 60 frames per second and 20-megapixel stills. With new 5.5-inch screen that is more than twice as bright as most tablets, users can see images in direct sunlight. A set of real visual has also been added to existing forward and downward sensors. Combining with two infrared sensors on its sides, the drone can sense things in five directions. If image signals are lost, it returns home dynamically avoiding obstacles, and even flies back along its original flight path until signals are regained. The product is priced 9,999 yuan (\$1450) upward.



Xiaomi unveils backpack friendly Wi-Fi net speaker

Xiaomi Corp, a Chinese tech giant, unveiled its first internet speaker, in a bid to expand the business into the market for Wi-Fi connected speakers. The speaker can stream more than 20 million online songs, covering over 1,500 radio stations nationwide. Pressing the CH button, users can control it by voice. Weighing only 1.6 kilograms, it can be easily put into one's backpack. Besides Wi-Fi, it can also be connected to devices via Bluetooth, USB, auxiliary cable or DNLA. Priced 399 yuan (\$57), it can be used as an alarm and clock users can then set the song they like to wake them up in the morning.



Alienware small laptop to offer VR gaming experience

Alienware, a Dell Inc subsidiary that sells high-end gaming hardware products, has released a new 13-inch laptop designed to offer virtual reality experiences. Powered by quadcore Intel Core Processor H-Series, the new Alienware 13 drives up to 51 percent performance. Coming with the NVIDIA GeForce GTX 10-Series family of GPUs, it enables gamers to enjoy immersive VR experiences and PC gaming.

LEISURE

Thales confident in-flight entertainment systems set for takeoff

By ZHU WENQIAN
zhuwenqian@chinadaily.com.cn

Thales Group, a leading French aerospace company that produces in-flight entertainment systems, said it is bullish on the growth potential of the China market, and plans to increase its research and development in the country.

"China provides us a lot of new ideas, talented engineers and innovated productions and is a seedbed for innovation. We have long-term plans to establish innovation teams in China to provide services for the country and other markets," said Laurent Guyot, chairman and CEO of Thales China.

Currently, Thales accounts for about 65 percent of the

market share of in-flight entertainment systems for wide-bodied aircraft in China.

"The market for in-flight entertainment systems changes very fast. We will continue to make innovations and enrich the multimedia contents of the systems," Guyot said.

"Thales has been upgrading the real-time customer experiences based on our big data analysis. We can control and upgrade the in-flight entertainment systems content from our ground control center and supplement the content at any time."

When it comes to virtual reality, or VR, Thales said this option in the in-flight entertainment systems still requires some time to be offered.

"It often requires a lot of



A girl watches a cartoon movie while on board an Airbus A380 of China Southern Airlines. XU YING / FOR CHINA DAILY

previous verification work for those new technologies that will be applied to the aviation industry, including the VR technology. Besides, it requires the recognition of airlines before the specific imple-

mentations," he said.

By 2024, the market value of global in-flight entertainment and communication systems is expected to reach \$9.82 billion, according to Grand View Research, a San Francisco-

based market research and consulting agency.

The company said consumers will have increasingly higher demand for in-flight entertainment and communication systems, as it becomes easier for passengers to get more high-definition multimedia content on the planes.

In 2012, Thales and China Electronics Technology Group Corp formed a joint venture, and the China-based company will produce a set of in-flight entertainment and communication systems for the much-anticipated C919, a large homegrown passenger jet manufactured by Commercial Aircraft Corp of China Ltd.

COMAC earlier said that the first test flight of the C919 is

expected to be conducted later this year or in early 2017. Thales said it is now closely cooperating with COMAC, and advancing the in-flight entertainment system project based on the timetable.

The project for the C919 will localize R&D for in-flight entertainment and communication systems for large civilian jets, and the joint venture will also provide services for airlines worldwide.

"We plan to develop more local strategic partnerships with Chinese companies and innovate with them. We are committed to cooperation with Aviation Industry Corp of China and COMAC, and will continue to provide state-of-the-art solutions to Chinese airlines," Guyot said.

Welcome to 2016 Sino-American Retail Summit

2016中美零售峰会暨“一带一路”国际零售业论坛

EVENT Belt and Road Initiative Global Retail Forum

THEME Enjoy and Create Business

DATE December 8, 2016

VENUE 7 Bryant Park, New York

INVITED GUESTS



Xu Chen

Chairman of CGCC-USA
President & CEO of Bank of China USA



Jiang Ming

Chairman of China General
Chamber of Commerce



Fu Yuehong

Beijing Capital Retailing
Group Co., Ltd.

Sino-American

ORGANIZER



China General Chamber of Commerce
中国商业联合会

CO-ORGANIZERS



CITS
中国国旅

China International Travel Service Co., Ltd.



China General Chamber of Commerce-USA

