中国年 画报

A Window to the Nation A Welcome to the World

VOL.820 OCTOBER 2016



BRICS of the Future

G20 Hangzhou: More Action **Infectious Education**

ISSN 0009-4420



Wish you a happy **National Day Holidy**

— Wu Yujie, President of Guomei Liquor Group

Guome liquor, a kind of Chinese beauty, can be found in 248 cities.

Business contact: guomei@guomeiliquor.cn









Beijing · Sichuan · Shandong



Scan QR Code to take part in Jingdong Mall (Guomei Liquor delivered by Jingdong)

















www.gloriahotels.com 400-810-8855 / 800-810-8855



汕头・湘潭・承徳・三亚・徐州・景徳镇・昆明・赤峰・林芝・札幌・冲绳・宮古岛・马六甲・山打根

Nanchang - Wuxi - Yuncheng - Changsha - Xi'an - Chengdu - Jiuhuashan - Luotian - Pizhou - Suzhou - Shenyang - Qingdao - Hefei Guangzhou · Chongqing · Beijing · Shanghai · Shantou · Xiangtan · Chengde · Sanya · Xuzhou · Jingdezhen · Kunming · Chifeng Nyingchi - Sapporo - Okinawa - Miyakojima - Melaka - Sandakan

Express

8 | China's Upgraded Contribution: From "Made in China" to "Designed by China"

Snapshot

10 | Elegant Hangzhou

Special Report

- **12** | G20 Hangzhou: Chartering a New Course
- **17** | Talking Action



Features

18 | BRICS of the Future



- 24 | Consolidation, a Priority in Goa
- **25** | Homework for BRICS
- **26** | BRICS of a Multipolar World
- **27** | China-India Role in BRICS
- 29 | BRICS Synergy Growing
- **30** | BRICS Timeline
- **32** | Perspectives on BRICS Nations
- **36** | Challenges for Brazil's Economy
- **38** | Russia's Fluctuation Situation
- **40** | India as the Next Global Manufacturing Center
- **44** | Innovative Tradition
- 46 | China-South Africa Cooperation Enhances BRICS

People

48 | Lang Ping: Chinese Volleyball Goes Global



52 | Wang Aolin: Reaching Deep

Ecology

54 | Giant Panda Upgrade



Society

58 | Infectious Education



62 | My Beautiful Hometown

Culture

64 | Photographing Shanghai



72 | Yinchuan Biennale: Light Speed



OCTOBER 2016

Administrative Agency: 主管: 中国外文出版发行事业局 China International Publishing Group (中国国际出版集团)

Publisher: China Pictorial Publications 主办: 人员专责社

Address: 社址: 33 Chegongzhuang Xilu, 北京市海淀区车公庄西路33号 Haidian, Beijing 100048, China 邮编: 100048

Email: imagechina@chinapictorial.com.cn

Yu Tao 干 涛

Editorial Board: 编委会:

Yu Tao, Li Xia, He Peng, Wang Lei 于 涛、李 霞、贺 鵬、王 磊

Executive Editor-in-Chief: Li Xia 执行总编: 李 霞

Editorial Directors: 编辑部主任:

Wen Zhihong, Qiao Zhenqi 温志宏、乔振祺

English Editor: Liu Haile 英文定稿: 刘海乐

Editors and Translators: 编辑、翻译:

Wang Dongmei, Gong Haiying, Yin Xing, Zhao Yue, Zhao Yu

Operation: Zhang Yingjie 编务: 张英杰

Editor-Visuals & Photographs: Laurent Hou 视觉总监、首席摄影师: 罗 鸿

Art Director: Jin Xiang 艺术总监: 金 向

Designer: Fang Shuo 设计: 房 硕

Social Media Consultant and Marketing Specialist: 多媒体传播平台专职顾问 Cecile Zehnacker 塞西尔·泽纳凯

Advertising Director: 广告部主任:

ne: 010-88417354 电话: 010-88417354

Publishing and Distribution Director: 出版发行部主任:

Qiu Mingli 邱明丽
Telephone: 010-68412660 电话: 010-68412660

Remittance to: 邮购收款人: Publishing and Distribution Department, China Pictorial

人民画报社出版发行部

Legal Adviser: Yue Cheng 法律顾问: 岳 成

Printing: Toppan Leefung Changcheng Printing (Beijing) Co., Ltd. 印刷:北京利丰雅高长城印刷有限公司

Overseas Distribution: China International Book Trading Corporation (Guoji Shudian).

35 Chegongzhuang Xilu,

P.o. Box 399, Beijing 100044, China Telephone: 86-10-68413849 Fax: 86-10-68412166

China Book Trading (Canada) Inc

Telephone: 1-416-497-8096

出版日期 毎月1日

国内刊号: CN11-1429/Z 国际刊号: ISSN0009-4420 京海工商广字第0121号

In China, subscriptions are available at any post office.

Subscription and distribution agency in Hong Kong, Macao, and Taiwan: Hong Kong Peace Book Company, Ltd. 17/F., Paramount Building, 12 Ka Yip Street, Chai Wan, Hong Kong

Visit China Pictorial on the Internet:

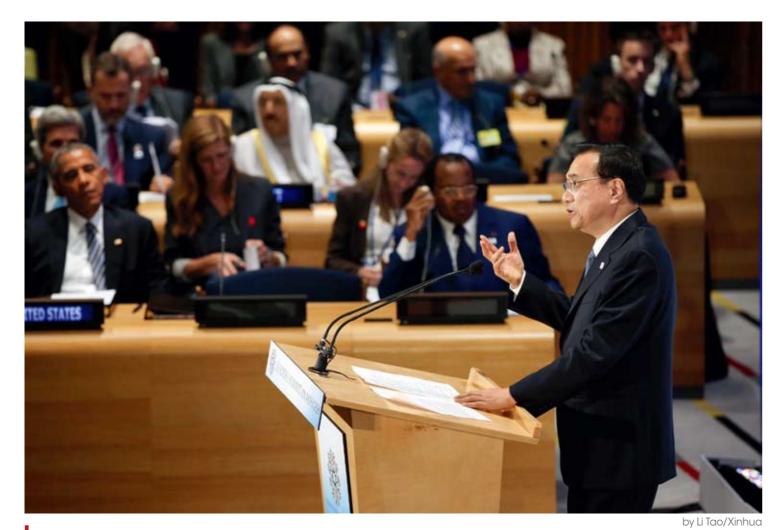
www.china-pictorial.com.cn











Premier's Visit to Western Hemisphere

September 20, New York: Chinese Premier Li Keqiang speaks at a summit for refugees and migrants at the United Nations headquarters. On September 18, Premier Li embarked on a historic trip to New York, Canada, and Cuba. The 11-day trip included Li's debut at the UN General Assembly, a meeting with his Canadian counterpart and the first visit by a Chinese premier to Cuba in more than half a century.

During the trip, the premier shared Beijing's viewpoints regarding the international order, development and global governance, and emphasized that China still has a long way to go to reach modernization. He stressed the need to pursue development through deepening reform, further opening up and safeguarding peace.



by Zeng Tao/Xinhua

China's Second Space Lab

September 15, Jiuquan City, Gansu Province: A Long March 2F rocket carrying the Tiangong II space lab blasts off from Jiuquan Satellite Launch Center. According to space officials, the lab will become the country's largest scientific platform in space. The lab, managed by the Beijing Aerospace Command and Control Center, will undergo preparations in space for about a month before the Shenzhou XI manned spacecraft, scheduled for launch in mid-October, takes two astronauts to the lab. The astronauts will stay for 30 days.

Contrasting its predecessor, Tiangong I, which was mainly used to test technologies involved in space rendezvous and docking, Tiangong II will conduct more than 40 scientific and technological experiments along with the Shenzhou XI.





Chinese Athletes Reign in Rio

September 17, Rio de Janeiro, Brazil: The Chinese team celebrates after winning gold in the men's 4 x 400m relay T53/54. When the Rio Paralympics concluded on September 19, China became the third country to win more than 100 gold medals at a single Paralympic Games, with 107 gold, 81 silver and 51 bronze medals.

Before this, the United States and Britain were the only two nations to reach the 100-gold-medal mark at a single Paralympics. Both did so at the 1984 Games in New York, when the U.S. claimed 136 victories and Britain 107. China first competed at the Paralympic Games in 1984. Since the 2004 Athens Games, China has topped the medal table at every Summer Paralympics.



by Zhou Guoqiang/IC

Mid-Autumn Festivities

September 17, Wuhan City, Hubei Province: A full moon rises over Yellow Crane Tower. This year's fullest moon fell on September 17, the last day of the three-day Mid-Autumn Festival holiday. A festival characterized by family reunions to celebrate the harvest, the Mid-Autumn Festival is one of the most important holidays in China and even the global Chinese-speaking community. Held on the 15th day of the 8th month on the lunar calendar, when the moon is full, the festival falls on September 15 this year. In China, the festival was listed as an intangible cultural heritage in 2006 and a public holiday in 2008.

An important facet of the festival is moon worship, which the holiday once involved making offerings to the lunar deity Chang'e, the goddess of the moon. Nowadays, many Chinese people still consider the festival a time to reunite with family and friends while enjoying fruits of the harvest meant to honor the moon.

6 OCTOBER · 2016

[] Comment

China's Upgraded Contribution:

From "Made in China" to "Designed by China"

hina is a large country, and its population represents a quarter of the world," remarked Mao Zedong, one of the main founders of the People's Republic of China. "But it has contributed disproportionately to the world. This situation must be changed. China should contribute more to mankind."

At the Rio Olympic Games, "Made in China" could be found everywhere from low-end products including stuffed mascots, national flags, uniforms and emblems, to middle- and high-end products like subways, security inspection devices, large-scale air conditioners and LED panels. Such "Made in China" tangibles are part of China's contribution to the world.

After the 2008 global financial crisis, excess capacity, economic stagnation and rising trade protectionism have caused recovery the world economy to lag. With its economic strength, China has launched supply-side restructuring, innovation-driven strategy and the Silk Road Economic Belt and the 21st-Century Maritime Silk Road Initiative (the Belt and Road Initiative), injecting new energy into the fight for world economic rejuvenation.

On August 17, 2016, at the meeting on facilitating projects related to the Belt and Road Initiative, Chinese President Xi Jinping noted that presently, over 100 nations and international organizations have joined the Belt and Road Initiative. China has signed agreements to jointly develop the Belt and the Road Initiative with over 30 countries in the region and has carried out capacity cooperation with more than 20 nations. International organizations including the United Nations have also shown great interest in the Initiative. Some influential and landmark projects have been launched. Also, financial cooperation, represented by the Asian Infrastructure Investment Bank (AIIB) and Silk Road Fund, has further improved. The Belt and Road Initiative has promoted cooperation in areas ranging from infrastructure to energy, enhanced trade

and investment exchange, and accelerated international flow of capacity and equipment manufacturing. All of these measures aim to foster greater demand by increasing effective supply and rebalancing the world economy.

China's wisdom in introducing initiatives aiming to overcome the global economic slump has supplemented its GDP and "Made in China," becoming a major contribution to the world. The nation is also becoming more involved in global governance and helping improve the global governance mechanism

From September 4 to 5, 2016, China made another great contribution to the world: the G20 Summit in Hangzhou.

After the onset of the financial crisis in 2008, the G20 was upgraded to a state leaders' meeting. In November 2008, China first took part in the G20 Summit in Washington as a founder and core participant. Since then, Chinese state leaders have attended every subsequent G20 Summit and delivered important speeches on restructuring the international financial system as well as maintaining economic growth and stability, introducing proposals addressing the financial crisis and outlining Chinese positions. In doing so, China has offered its wisdom in creating a new development mode, building an inclusive world economy and improving global financial governance.

On December 1, 2015, China formally became the chair nation of the G20 Summit. Since then, China has shouldered responsibility of promoting development of the world economy sustainably, evenly and powerfully. While strengthening research on the international situation and enhancing policy coordination, China has endeavored to improve top-level design for structural reform and initiated the Hangzhou Action Plan. The nation has also revived the working group for international financial restructuring, in hopes of erecting a more stable and resilient international financial framework. Thanks in large part to China's efforts, green finance was put on the agenda of 2016

G20 Summit for the first time, and a Green Finance Task Force was formed. For the first time, the G20 Hangzhou Summit made "development" a priority in global policies and launched a systematic action plan to complete the 2030 sustainable development agenda, satisfying the international call for G20's transformation from a crisis-response mechanism into a long-term governance mechanism.

China has not only injected vitality into the G20 but also contributed greatly to promoting the establishment of a new model of global governance system.

Former secretary-general of UK-based Club of Rome and senior fellow of Chongyang Institute for Financial Studies of Renmin University of China, Martin Lees, believes that by utilizing the G20 platform, countries can learn from China's strategy and experience on how to drive the world economy to grow sustainably, evenly and strongly, and to make the world a more fair, prosperous and peaceful place.

Dr. Paola Subacchi, director of the International Economics Department at Chatham House, a London-based Royal Institute of International Affairs, commented that as China chaired the G20 Summit this year, the world presented a historic opportunity for the second-largest economy - and an increasingly important player in the international financial and monetary system - to make a significant mark on governance of the world economy.

Former chief Beijing representative for Bank of Japan Tomoyuki Fukumoto says that as the largest emerging economy, China has contributed the most to the world economy and has the ability to break gridlock in the G20 and transform it into a long-term governance mechanism.

"The Communist Party of China (CPC) and the Chinese people have promised to constantly make greater contributions to mankind," remarked Xi at the meeting celebrating the 95th anniversary of **Buzzwords**

绿色金融

Green Finance

Edited by Li Zhuoxi

reen finance, an innovation Tconducive to sustainable development, has risen in response to climate change and the worsening environmental crisis. Governments, financial institutions and enterprises around the globe are attaching greater importance to it. At the Hangzhou G20 Summit, China made green finance a major topic of the summit for the first time.

The term "green finance" alludes to the idea that the finance sector should regard environmental protection as basic policy and place priority on its potential influence on environment when making decisions on investment and finance. emphasize environmental protection and reduce pollution in a variety of sectors and achieve sustainable

development through guided usage of economic resources.

The Green Finance Task Force organized at the Hangzhou Summit worked out the G20 Green Finance Synthesis Report. The report made clear the definition of green finance, its goal, its sphere, and the challenges it faces. Hoping to tilt the market in favor of a green, lowcarbon global economy, the report offered suggestions on implementing green finance.

Analysts note that green finance currently accounts for only a small proportion of global financial operations. For instance, less than one percent of bonds around the world have been labeled green. Moreover, the International Energy Agency estimates that US\$135 tril-



July 24, 2016: The G20 Finance Ministers and Central Bank Governors Meeting closes in Chengdu, Sichuan Province. Green finance has been written into the communiqué, marking increasing global attention on sustainable development and the important role of green finance. Xinhua

lion must be invested in low-carbon technology if the world is to achieve the UN 2030 Agenda for Sustainable Development Goals.

Some experts estimate that governments can only provide about 15

percent of green investment and that the other 85 percent must come from the private sector. Therefore, a green financial system must be developed to transform green investments and the economic structure.



1990s: Chinese workers drill a well in Ta Kamau, Cambodia, to supply drinking water for locals. CFB



December 26, 2004: A doctor with China International Search and Rescue Team checks on the condition of a victim of the 2004 Indian Ocean Tsunami, China's Ministry of Health sent four health aid teams to Thailand, Sri Lanka, and Indonesia after the tsunami struck Southeast Asia. CFB

Europe. The nation's support has been extended in many areas including construction, supplies, technical cooperation, human resource development, medical aid, urgent humanitarian aid, volunteer dispatch and debt relief. By the end of 2009, China's foreign aid had amounted to 256.29 billion yuan. During the financial crises in 1998 and 2008, as an active member of an integrated world with a common destiny, China maintained stable economic growth, which tremendously helped the world endure a



December 28, 2011: Workers pose for a photo after the completion of the Phase I project of the No.2 Highway in the Republic of Congo. Since 1974, China Road and Bridge Cooperation has constructed hundreds of projects in over 20 African countries, including landmarks Friendship Harbor and China Road. CFB

hard period.

Today, China actively shares its development experience with the world. A China expert from Saudi Arabia says, China's wisdom, experience and road are inspiring and attractive for many countries longing for economic revival. Today we are seeing China's new contributions to the world.

The author is Executive Editor-in-Chief of China Pictorial.

Since the 1950s, even when it was poor and suffered from shortages, China has provided economic and technological aid to other countries. Over the past half century, China has helped most of the developing countries in Asia, Africa, Latin America,

Caribbean area, Oceania and Eastern

the CPC. "The Chinese people well know

that China's development is rooted in the

international community, so it is willing to

leverage its development for the benefit of

the world."

OCTOBER • 2016



Elegant Hangzhou

Text and photographs by Akhil Parashar

any consider picturesque
Hangzhou a Paradise on Earth.
Thanks to its numerous mountains, hills, rivers and lakes, Hangzhou is
characterized as a beautiful urban landscape
with unique Eastern flavor. When Marco
Polo arrived in Hangzhou in the 13th Century, he declared it "the most beautiful and
elegant city in the world." A still-popular
Chinese saying goes, "Heaven is above, and
below are Hangzhou and Suzhou."

Hangzhou is a pristine model of a beautiful city. It not only shines thanks to millennia-old landscapes and artistic conceptions, but continues sparkling because of careful maintenance, broad civility and warm humanity. Since ancient times, Hangzhou has been referenced in numerous poems and paintings, fueling its continuous appeal. It is under a global spotlight today as host of the G20 Summit. Tourists from all over the world are streaming into the city for its slow life tempo and exquisite landscapes.

Hangzhou is perhaps best known for West Lake, a body of water that has been immortalized in art and literature countless times. Stunning West Lake is surrounded by mountains on three sides. It is divided into five sections by three causeways. Numerous temples, pagodas, gardens, and artificial islands can be found within the lake area. Peaks tremble as they are reflected off the ripples of the crystal water.

Several causeways stretch across the lake and many islets dot the water, creating a natural panoramic scroll of landscapes. It's hard to tire of West Lake.

A UNESCO World Heritage site, West Lake has attracted generations of writers with its beautiful views and profound cultural legacy. It is also one of the most important sources of inspiration for Chinese garden designers. Even after its treatment by poets, writers, painters, craftsmen and horticulturists, the body of water remains highly inspirational for today's creative people. Writers across the millennia recorded much of West Lake's history as well as anecdotes about ancient Hangzhou. Modern writers continue to be enamored by West Lake. In terms of poetry, Bai Juyi, Su Shi, Xu Zhimo and Hu Shi wrote a heavy volume about West Lake. A myth tells the tale of a white snake falling in love with a man. It's no surprise that Marco Polo preferred Hangzhou to his hometown of Venice. To me, Hangzhou is blessed to be home to something as miraculous as West Lake.

To capture the essence of West Lake, one has to adopt the right methods and approaches. However, it is a daunting task for a poet to define the indescribable, fast-changing creative power of Heaven and Earth. In my opinion, West Lake is a song as much as a poem. It symbolizes the harmonious relationship between man and nature. It is a great example of how generations of Hangzhou people have respected, protected and conversed with nature. West Lake is well deserving of being honored as World Cultural Heritage.

Since ancient times, Hangzhou has been widely acclaimed as the Buddhist hub of southeastern China thanks to a large number of Buddhist temples built by eminent monks from both home and abroad and profound Buddhist culture. Buddhism in Hangzhou was introduced by Indian monk Huili in the Eastern Jin Dynasty (317-420), grew in the Southern and Northern Dynasties (420-589), and flourished in the Southern Song Dynasty (1127-1279) wherein master monks emerged, academic research boomed, temples mushroomed, and influence penetrated the

core of Chinese spirit.

Of all the Buddhist temples in Hangzhou, Lingyin Temple is one of the most famous. Also known as Yunlin Temple, Lingyin has a history of nearly 1,700 years. It was one of the earliest houses of worship in Hangzhou, and is one of the 10 most famous Zen temples. Lingyin Temple is a must-visit for travelers interested in Chinese and Buddhist art and history. The temple, now esteemed as the most prestigious of Han-style Buddhism, is also a treasure trove of Buddhist art, quaint architecture, and exquisite carving, serving as a window of Buddhist culture. "A Buddhist World in Southeastern China" is another tagline Hangzhou has enjoyed.

A panoramic view of West Lake

A CONTRACTOR OF A STATE OF A STAT

Today's Hangzhou is attempting to become an open, charming, exquisite and invigorating city where urban and rural people live together happily, with abundance and harmony. It is striding toward the goal of becoming an internationally renowned city. Hangzhou will continue to build a high-tech production base and a center for domestic and international tourism. It will continue fostering cultural creative industry, e-commerce, and financial services. It will enhance its overall strength, upgrade its eco-environment, and improve the life of every citizen. May the most beautiful and elegant city in the world continue shining brightly in the East.

The author is a foreign correspondent for China Radio International.



Flying Peak in Lingyin Temple.



The Duan Qiao (Broken Bridge), a landmark of West Lake.



A statue of Buddha in Lingyin Temple.



The famous Lesser Yingzhou Isle in West Lake. The scene "Three Ponds Mirroring the Moon" is featured on the back of the one-yuan banknote.



G20 Hangzhou: Chartering a New Course

Text by Liu Haile

s the world has been grappling with weak growth, sluggish trade and investment, as well as fragile recovery since the 2008 financial crisis, leaders of the Group of 20 (G20) gathered on September 4 and 5, 2016, in Hangzhou, China, an ancient city known for its picturesque West Lake and the world's largest e-commerce giant, Alibaba. They hoped to blaze a new path toward an "innovative, invigorated, interconnected and inclusive global economy," as the theme of this year's G20 Summit implied.

In his address at the opening ceremony, Chinese President Xi Jinping noted that the G20 has drawn up action plans in multiple fields including sustainable development, green finance, and energy efficiency. He called on all parties to "implement each of them seriously."

Chinese Remedy

This is the first time China hosted the G20 Summit. In assuming the G20 presidency, China has inherited the challenges at a time when the world economy struggles at another crucial juncture. Just as former Chinese G20 Sherpa He Yafei said, the nation hosted the summit at a historic crossroads, when the G20 "needs to transform from a fire brigade" into a global mechanism to "address long-term and structural deficiencies" in the world economy.

Although China's economy has entered a "new normal" phase, characterized by economic growth shifting to a slower and more sustainable rate, over the past couple of years, the country continues to serve as a major global economic powerhouse.

China, which has lifted more than 700 million people out of poverty in less than four decades, may have some insight into building an inclusive, sustainable world economy. In this context, expectations were high that the Hangzhou summit would charter a new course for world economic growth.

As the presiding country of the summit, China has proposed solutions and strategies. Even before the summit, the country had suggested four key priorities under the summit theme, namely, "blazing new paths for growth," "more effective and efficient global economic and financial governance," "robust international trade and investment," and "inclusive and interconnected development."

In his speech at the opening ceremony, President Xi prescribed a "Chinese remedy" for the chronically stagnant world economy: strengthened coordination of macroeconomic policies and joint efforts to boost economic growth and maintain financial stability while improving global economic governance.

Robert Milliner, a senior adviser at Union Bank of Switzerland and the G20 Sherpa for Australia in 2014, called Xi's speech "very comprehensive and inspiring." He predicts that Xi's vision for the role and focus of the G20 will not only foster global economic growth but, perhaps more importantly, broaden and deepen relationships between G20 countries.



12 october \cdot 2016



September 4, 2016: Chinese President Xi Jinping and other leaders of the G20, some guest countries and international organizations walk into the venue of the G20 Summit in Hangzhou, capital of China's Zhejiang Province. by Li Tao/Xinhua

Neil Renwick, professor of global security at Britain's Coventry University, believes that a big priority of the Hangzhou summit is "to get the group back to medium and long-term strategic planning rather than improvised crisis response."

"This is where China's year of G20 leadership has already made a positive difference," Renwick noted. "It has shifted sustainable development into the political mainstream and set the goal of formulating real plans and implementing massive global agreements. It brings a mindset of actually getting things done, by, for example, setting up an innovative economic indicator system for structural reforms."



September 4, 2016: Chinese President Xi Jinping addresses the opening ceremony of the 11th G20 Summit at the Hangzhou International Expo Center. by Wan Quan



September 4, 2016: Themed "Toward an Innovative, Invigorated, Interconnected and Inclusive World Economy," the 11th G2U Summit is held at the Hang zhou International Expo Center. by Wan Quan



September 5, 2016: Chinese President Xi Jinping attends a press conference after the 11th G20 Summit at the Hangzhou International Expo Center. by Duan Wei



September 3, 2016: Chinese President Xi Jinping, U.S. President Barack Obama and UN Secretary-General Ban Ki-moon attend the deposit of instruments of joining the Paris Agreement in Hangzhou, Zhejiang Province. by Li Tao/Xinhua

More Concrete Action, Less Empty Talk

By offering innovative solutions for reform, the Hangzhou summit adopted the G20 Blueprint on Innovative Growth and formulated pragmatic action plans such as the G20 Action Plan on the 2030 Agenda for Sustainable Development, delivering the consensus reached by G20 leaders.

"The outcomes of the summit, many of which are of pioneering significance in the history of the G20, are expected to help the global economy regain vitality," declared Chinese State Councilor Yang Jiechi in an interview.

Christine Lagarde, managing director of the International Monetary Fund (IMF), also praised this year's G20 Summit, calling it a "very successful meeting," and remarked that IMF looks forward to implementing the agreements reached in Hangzhou. "We met against the backdrop of a global landscape characterized by major economic and technological shifts, and by growth that has been too slow for

too long—and has benefited too few," she said. "Through the Hangzhou Action Plan, the G20 leaders expressed determination to address these challenges with a set of forceful policy actions."

The G20 has been criticized in the past for failing to produce concrete measures to coordinate international macroeconomic policies. "Hangzhou is perhaps the best hope for rebuilding the G20 as a respected and effective global steering committee," said Barry Carin, senior fellow of the Center for International Governance Innovation based in Waterloo, Canada.

While urging the group to take substantial action, President Xi called on all members to make the G20 an "action team instead of a talk shop."

China and the United States ratified the 2015 Paris Agreement to cut global greenhouse gas emissions just one day ahead of the opening of the G20 Summit in Hangzhou, marking a significant step toward finalizing the pact and paving the way for other countries to follow suit. It also offered an example of China honoring its pledges.

To achieve an inclusive development,
President Xi called on the leading G20
economies to support developing countries
and take concrete measures to avoid a
scenario in which the developing world is
stripped of the opportunities to draw foreign investment, participate in global trade
and improve people's livelihood.

Global governance should encourage participation and benefits for all. To make economic globalization more inclusive, the Hangzhou summit has, for the first time, placed the issue of development at the center of the global macro policy framework. For the first time, cooperation is in place to support Africa and least developed countries to become industrialized.

The Hangzhou summit has drawn a blueprint for an innovative future characterized by interconnected and inclusive global development. The next step is to implement the blueprint and reach all of its



Talking Action Text by Cao Pengcheng

he TV documentary series *The Belt and Road*, a recent hit in China, shows many Laotian young couples swarming from Vientiane to Thanaleng Railway Station, the only train station in the country, to take wedding photos with the passing trains in the background. The story is romantic, but not the reality behind it: The railway linking to Thailand only runs for 3.5 kilometers through Laos. Owing to the extreme lack of railroad infrastructure, most Laotians see trains as tourist attractions rather than realistic means of transportation.

Fortunately, the situation will become history soon after Chinese companies and workers began to construct a 417-kilometer railway linking China and Laos. When the railway is completed in five years as scheduled, travelers will be able to shuttle between Kunming and Vientiane by train.

"Increasing numbers of Chinese entrepreneurs have invested in Laos, bringing enormous benefits to peoples in both countries," remarked Laotian President Bounnhang Vorachit when he attended the G20 Summit in Hangzhou, capital of eastern China's Zhejiang Province. "The flagship China-Laos railway project testifies to the fruitful achievements of bilateral cooperation." He added that doers like China are crucial for Laos to realize its dream of transforming from a "landlocked country" into a "land-connected" one.

At the Hangzhou summit, Chinese President Xi Jinping urged participants to make the G20 an "action team, instead of a talk shop," an attractive idea consider-

ing that so many countries and people are longing for development. More people are realizing that the so-called "cultural differences" cannot be blamed for blocking global economic recovery and growth, and that barriers hindering innovation and disconnections impeding communication are more pressing factors. Connectivity has been placed on top of the agenda of both the G20 Global Infrastructure Connectivity Alliance Initiative and the ASEAN summit in Laos. Development was given a prominent position for the first time at the G20 Summit in Hangzhou. German Chancellor Angela Merkel declared that "we have passed a set of action plans" and that Germany will continue implementing those plans after taking over the G20 presidency. The solutions that China proposed at the G20 Hangzhou Summit were welcomed by both developing and developed economies. China is known to tell the truth and use it to guide concrete action.

Empty talk only hurts, whereas hard work results in strength. As a new force changing and enhancing global governance, China advocates concrete action. Chinese people don't believe in any savior except their own hands. Just as President Xi said in his keynote speech at the B20 Summit in Hangzhou, "Millions of ordinary Chinese families have transformed their lives through hard work." Millions of seemingly tiny efforts together resulted in the country's tremendous development and changes.

China has obtained deep understanding of pragmatism in the process of her development. For a long time, the Western

media criticized the G8 as a "talk shop." After its inception, the G20 took effective actions to address crises. Expectations for the group are rising with the change of global economic landscapes. The G20 would become a bigger "talk shop" if consensuses reached at its annual summit were not to be implemented. Comparatively, the Hangzhou summit played the role of an "action team." As early as two years ago, China had already begun preparing for the two-day summit by consulting all involved parties about key topics and conducting thorough research based on feedback received. Since it assumed the G20 presidency, China has organized 66 meetings in 20 cities, including 23 ministerial-level meetings. During the summit in Hangzhou, G20 leaders needed only to discuss the pragmatic, feasible action plans proposed by those meetings.

A powerless global governance mechanism has been compared to the process of elders discussing the construction of a temple. They merely wrangle over the styles of the architecture and which statues should be commissioned, but give no thought on how to transport stones, recruit workers, and raise funds. Action is stronger than words. The G20 Hangzhou Summit has already concluded, but the seeds of action sowed by the Hangzhou Consensus are just starting to sprout. The world will become better when countries around the globe work together to transform the pragmatism of the Hangzhou Consensus into concrete actions.

The author is editor-in-chief of the Commentary Section of *People's Daily*. Once a correspondent for *People's Daily* in Japan, he has been dedicated to international journalism and commentary for more than 10 years.



n April 2013, just two weeks after the BRICS summit in Durban came to an end, American international relations scholar Joseph Nye published an article titled "BRICS Without Mortar" in *Project Syndicate*, opining that the five BRICS countries have so many major differences that it would be difficult to form an international political organization speaking with one voice, so the BRICS concept shouldn't be taken seriously.

Ruchir Sharma, head of emerging markets at Morgan Stanley Investment Management, isn't optimistic about the BRICS countries either. Since 2012, he has repeatedly expressed that the rising economies of BRICS countries will not continuously

thrive. He also notes that these emerging markets share very few similarities and calls the concept "thinking in acronyms." In an article in *Foreign Affairs* titled "Broken BRICS," he wrote: "The global economy is returning to its normal state of churn, with many laggards and just a few winners rising in unexpected places."

According to Zhu Jiejin, a researcher at Fudan Development Institute, the opinions of these two hugely influential scholars represent the majority opinion of Western analyses of BRICS countries. Some Western countries have voiced doubts about the prospects for cooperation between the BRICS nations. The

two most pressing questions in the international community are whether the glister of the BRICS has somewhat faded, or is differentiated. Advocates of the former argue that Russia, Brazil and South Africa are suffering from economic hardship and waning development momentum; advocates of the latter believe that the many contradictions and tensions in bilateral relations between the BRICS countries make cooperation convenient in the short term, but far from sustainable. Now that the inaugural 2009 BRIC summit in Yekaterinburg, Russia has evolved into the upcoming 2016 summit in Goa, India, "BRICS" is a real, active institution, regardless of what Western scholars write about its members.

So what should be expected from BRICS countries? What is the driving force of a group with so many internal differences? What urge these countries to join hands, and what are their common interests? China Pictorial put such questions to Professor Zhu Jiejin, head of the Department of Research on Developing Countries of the Fudan Development Institute. Zhu believes that BRICS countries represent the future of the world. The greatest significance of the organizational framework is to promote reform of global governance and general global recognition that developing countries have risen and that the reality of the world order has shifted towards multi-polarization.



September 4, 2016: BRICS leaders meet informally ahead of the G20 Summit in Hangzhou. Xinhua



April 12, 2011: A staff member of the 2011 BRICS summit walks past a BRICS sign ahead of the meeting of BRICS leaders, scheduled to open on April 14 in Sanya, Hainan Province, China. CFP

China Pictorial (CP): In 2001, British economist Jim O'Neill first grouped Brazil, India, Russia and China together and coined the "BRIC" acronym. Later, South Africa was added. These five countries are wildly contrasting in history, geography, culture, language and religion. Why could they act

Zhu: The Western world and BRICS countries have completely different answers when it comes to this question.

The Western world generally believes that although currently we face myriad complex global challenges such as terrorism, refugees and climate change, on the whole, the old world order is intact and still under the leadership of the United States and the

European Union, and that BRICS countries emerged due to sheer luck and the grouping is simply a political power grab attempting to capitalize on currently rising economies. They consider the grouping fairly arbitrary and not worth taking seriously.

But BRICS countries themselves do not agree. Their great consensus is the promotion of a multi-polarized world. Although we still live in a unipolar world dominated by the United States since the end of the Cold War, developing countries are starting to reshape the world order. This year's G20 summit in Hangzhou presented an example: China and Russia are proactively promoting initiatives of global governance, innovation, structural reform, infrastructure investment and wider participation in formulation of rules. This summit showed that emerging markets are no longer passively absorbing criticism in the global economy.

Why can't Western scholars see the potential of the BRICS countries? They are looking at the big picture from the wrong angle. BRICS are countries of the future, and cannot be evaluated simply based on the present economic situation. The key driver of cooperation can be summed up as "promoting external reform and pursuing internal development." Externally, BRICS countries aim to promote reform of global governance. They hope that the developing countries will receive equal rights to participate in international affairs. As for the problems seemingly contrasting problems that the five BRICS countries face, considering they are at similar stages of development, exchange between members can only benefit every country. The complementary nature of the grouping only promotes mutual benefits in development, which is a powerful impetus for BRICS cooperation. The key issue is whether the five countries can overcome their differences, recognize mutual interests and work together on issues that will benefit all parties such as economic cooperation and the creation of a large, unified market.

At the 2011 BRICS summit in Sanya, leaders of the five countries committed to strengthening the BRICS partnership for the good of the common development of all five nations and furthering BRICS cooperation gradually and pragmatically while promoting principles of openness, solidarity and mutual assistance. They agreed that BRICS cooperation requires time and preparation and cannot be rushed. The New Development Bank is the greatest achievement of the BRICS mechanism in recent years. This international organization launched by BRICS countries shook the world and boosted the BRICS nations' confidence in cooperation. But a BRICS bank is still not enough. The most urgent matter now is making the next breakthrough or achieving the next milestone.

CP: BRICS countries have transformed from a mere concept into an actual international political and economic framework. What are the milestones in the history of the BRICS? Why did this transformation happen?

Zhu: The concept of "BRIC" is usually traced to British economist Jim O'Neill in 2001. But even earlier, leaders of Russia and China signed the Joint Declaration on a Multipolar World and the Establishment of a New International Order, stressing that "developing countries should take their rightful place in the future new international order and participate in international affairs on an equal and non-discriminatory basis," a position later adopted by all five BRICS countries. In 2002, then Russian Prime Minister Kasyanov presciently declared that China-Russia-India cooperation would have a profound impact on the international political and economic order and launched a meeting involving Chinese, Russian and Indian foreign ministers. This meeting laid the foundation for the transformation of BRIC from an economic concept to an international political and economic organization.

Actual cooperation between BRIC countries started in 2006 during the General Assembly of the United Nations. Then Russian Foreign Minister Lavrov suggested borrowing the concept coined by the West and forming a meeting mechanism of BRIC countries' foreign ministers. Their cooperation began with concerns of foreign ministers on the international political and international order.

In May 2008, the BRIC countries held a foreign ministers' meeting before the general assembly. The Brazilian foreign minister opined that the abilities of foreign ministers was not sufficient to promote global multi-polarity and proposed a meeting between finance ministers of BRIC countries. Since that proposal, a meeting between finance ministers of BRICS countries has been on the agenda of the G20 Summit. BRICS countries are clearly committed to reform of the existing international order and global recognition of the rise of emerging markets.

In 2009, after a proposal by then Russian President Dmitry Medvedev, the first BRIC summit was held in Yekaterinburg, Russia. The four ancient countries gathered for the first time and called for reform of the world financial and economic system. From those political origins, BRICS countries have gradually extended cooperation into a wide ranging and multi-layered institution. Today, the grouping facilitates more than 60 cooperative mechanisms.

CHINAPICTORIAL 21 **OCTOBER** • 2016



ffairs and senior researcher at the Center cially the G20. BRICS and Multilateral

ent Banks and International Political Economy. He has

CP: Since BRICS countries did not follow traditional modernization modes of the West, some scholars predict that BRICS development will rewrite global modernization theory. What is your opinion?

Zhu: To put it simply, the modernization mode approved by the Western world identity refers to the promotion of democracy and market economics. Yet the process of human modernization is

far more complex. BRICS countries represent widely contrasting civilizations, and their development is completely removed from the 1989 Washington Consensus. During the opening ceremony of B20 Summit this year, President Xi Jinping mentioned in his speech that the great progress of China's reform and opening up is a course of blazing a new trail. Unprecedented in the history of mankind, a country with 1.3 billion people has a significantly improved standard of living, which is why China must carve out its own development path. The alliance of the BRICS countries will shatter the myth that the Western market economy and democratic elections are the indicator of modernization.

CP: What do you think is the biggest obstacle hindering the development of BRICS countries? Will they avoid the pessimistic "fading BRICS theory" and the "differentiated BRICS theory?"

Zhu: The biggest problem China now faces is that its econom-

ic development is not sustainable or coordinated.

Although India is one of the world's fastest growing economies, it faces severe reform challenges exacerbated by myriad problems common in developing countries after rapid economic growth, such as a serious wealth gap.

Since the dissolve of the Soviet Union, the overall Russian economic system has had flawed structure lacking diversity. Revitalization of the manufacturing industry and promoting the emergence of new development drivers should be their main focus.

Brazil has problems common in many Latin American countries such as the middle-income trap. Political instability also affects its development.

Although South Africa leads the economic development of Africa, it faces similar troubles with lack of economic diversity, a wide income gap and manufacturing bottlenecks.

In 2015, leaders of the BRICS countries adopted the BRICS economic partnership strategy during the Ufa summit to provide guidance on the expansion of trade, investment, manufacturing, finance, connectivity and other areas of cooperation between the BRICS countries. The key to overcoming pessimism is the promotion of cooperation based on their own advantages. As the BRICS countries face similar challenges in the process of urbanization, industrialization, agricultural modernization and other sectors, direct guidance from Europe and the United States does not make sense.

The New Development Bank is a good example of successful cooperation. It was designed as a management framework under which the five countries could work together and promote mutual understanding. It is also conducive to promoting favorable investment projects. The bank's president, K. V. Kamath, worked in Mumbai for a long time. When he started working in Shanghai, his office faced the Huangpu River. Seeing the pollution of the river first-hand, he realized that India also needs to balance development and environmental protection. But he also acquired a deep understanding of Shanghai municipal management experience and the lessons it could provide for Mumbai. Pragmatic cooperation in this spirit should shape cooperation between all five countries.

CP: Indian Prime Minister Modi said that the summit in Goa will focus on issues including anti-terrorism. What is your view on security? Will there be cooperative breakthroughs between BRICS countries in the fight against terrorism?

Zhu: India has always attached great importance to security. During this year's G20 Summit, all participants stressed the



September 9, 2016: President of the New Development Bank K. V. Kamath (left and World Bank President Jim Yong Kim (right) shake hands after signing a memorandum of understanding in Washington D.C., United States. Xinhua

need to establish a united front against terrorism, which requires monitoring and complying with international law on security established by the United Nations. But during the Goa summit in October, leaders will find substantial agreements concerning anti-terrorism cooperation hard to come by. Security cooperation requires actions such as freezing funds, stopping the flow of weapons, empowering law enforcement and strengthening intelligence cooperation. However, no one yet agrees on the best place to start cooperation.

Specifically to combat terrorist financing as early as the end of 1999, the International Convention for the Suppression of the Financing of Terrorism (1999). Forty Recommendations (written in 1990) and the IX Special Recommendations (amended with eight recommendations in 2001 and revised with nine in 2004) passed by the UN General Assembly represent the current standards and rules accepted by the international community. But how do we motivate everyone to take a step forward? With contrasting financial systems and market characteristics, cooperation between BRICS countries requires domestic financial reform, which is a tough task to accomplish in the short term.



RAZIL USSIA NDIA HINA S

Consolidation, a Priority in Goa

Text by Oliver Stuenkel

decade after the foreign ministers of Brazil, Russia, India and China met for the first time on the sidelines of the UN General Assembly in New York to discuss global challenges (The 2006 War in Lebanon dominated the conversation back then), India will host the eighth annual summit of the BRICS countries on October 15-16 in Goa. What can we expect?

According to India's External Affairs Minister Sushma Swaraj, India "will adopt a five-pronged approach to host the summit. The strategy is characterized by Institution-Building, Implementation, Integration, Innovation, and Continuity with Consolidation," she said. "Building Responsive, Inclusive and Collective Solutions is the core theme for our BRICS Chairmanship with a special focus on institution-building, implementing past commitments, and exploring innovative solutions in a spirit of continuity with consolidation," reads a Ministry of External Affairs statement.

So early in the process, these statements are fairly vague because new initiatives need to be discussed by all five member states before they can be announced at the summit in October.

Three things, however, seem to be clear:

First of all, India has been a stellar economic performer compared with the rest of the world. The country will use the summit to underscore its prime status among emerging powers as it continues growing faster than any other major economy. Indeed, the Indian government is acutely aware that it is one of the few places on earth producing hopeful economic data, lending it enormous legitimacy. India's per capita GDP is just over 10 percent of the U.S. level, and even far below China's per capita GDP. The country's space to catch up remains enormous, and India may be one of the central drivers of the global economy in coming decades. Considering lower growth in China and economic disaster in Brazil, Russia and South Africa, India will easily dominate the summit. Its strong growth combined with China's dominant size will make the BRICS an even more Asia-centric club.

Secondly, while several new initiatives are likely to be proposed in the coming weeks and months, the BRICS summit's focus will be on consolidating existing institutions. Still, the strikingly broad number of initiatives is set to continue, and the summit's



March 25, 2015: Young players train in the gym of Luneng Brazil Sports Center in Porto Feliz, Brazil. There, young players from China and Brazil live and train together. Xinhua

website provides a wealth of useful information. According to India's Ministry of External Relations:

People-to-people interactions, business, youth, and sports will be the key priority areas for our BRICS Chairmanship. The BRICS Under-17 Football Tournament, BRICS Film Festival, BRICS Friendship Cities Conclave, BRICS Wellness Forum, BRICS Trade Fair, BRICS Youth Summit, BRICS Think-Tank Forum, BRICS Academic Council, etc. will be hosted during India's Chairmanship. Participation of people from across the states will be encouraged in various BRICS events during India's Chairmanship. BRICS events will also be organized in different states across the country.

Finally—and this won't surprise anyone who has studied the topic—BRICS has become something far greater than the majority of Western analysts will concede, and its institutionalization makes the group's continued existence for years to come extremely likely. While pundits writing articles titled "Forget the BRICS" still argue that the main glue between the member states is high economic growth, and that the group should, consequently, cease to exist given today's lower growth rates. Institutionalization has advanced far more than any Western mainstream analysts would have expected. The BRICS summit is now among the major pillars of the yearly travel schedule of any member's head of state, irrespective of ideological orientation. Indeed, while initiatives that end up on the final document may not bear any fruit, the trend continues toward overall expansion of BRICS cooperation, not reduction.

The author teaches International Relations at the Getulio Vargas Foundation in São Paulo, Brazil. His new book, *Post-Western World: How Emerging Powers Are Remaking Global Order*, has just been published by the Polity Press.

Homework for BRICS

Text by Vladimir Mau

he recent trends in various economies around the world show that old growth models are no longer viable nor yield the results they once did. Every country is constantly looking to update its system, each in its own way. Such developments are not only caused by the Third Industrial Revolution and rise of new technologies, but also the development and strengthening of market institutions and investments in human capital.

Meanwhile, discussion on how to define social and economic progress and how the success of nations should be measured is still far from over. Social theorist Jeremy Rifkin and those like him have predicted various hypothetical post-capitalist economic systems, such as a transition to socialism, technocracy, green economy and so on, in which the role of economists is clear and straightforward.

A transition to a sustainable development model and proactive implementation of green technologies are key imperatives for the long-term social and economic development of every country striving to advance; Russia is hardly an exception. In the near future, Russia must play a lead role in the development of a worldwide green economy. This should become a key component of the government's long-term proactive, pre-emptive strategy. A sustainable development ideology must be embedded in the current efforts to stimulate GDP growth, which will ultimately replace GDP growth altogether.

The current situation calls for the implementation of self-regulation instruments, development of bottom-up democratic institutions, and a more proactive attitude. Overall, the strategic pivot of Russia's economic policy must be aimed at resolving the problems that restrict long-term sustainable economic growth opportunities. These include institutional transformations, improving business climate, building a massive middle class, and striking a balance between the government's social obligations and its ability to mobilize financial resources both at the federal and the regional level.

In terms of the BRICS group, people must bear in mind that these countries are drastically different from political and economic perspectives. However, they do share a number of problems related to the need for a better investment climate and development of human capital. The potential for cooperation in these realms and certain other economic issues between the BRICS countries has yet to be realized. Broad opportunity remains in both the private and public sectors.



China's border city Manzhouli in Inner Mongolia has been developing the border economy vigorously in recent years, facilitating frontier trade between China and Russia. CFP

BRICS cooperation currently underway in a number of realms is of systemic importance to Russia.

First, demand for Russian natural resources such as liquefied natural gas, mineral fertilizers and coal in the BRICS markets has not been fully explored yet. Power equipment and aviation solutions offer further untapped export opportunities for Russia. Conversely, the Russian market needs goods from its BRICS partners.

Second, economic integration must be accompanied not only by lifting restrictions such as import duties and non-tariff barriers, but also by quality efforts designed to generate value-added chains. For instance, BRICS governments could facilitate the development of joint manufacturing projects, foster scientific research, and enhance human resources through specialized bilateral groups composed of stakeholders.

Third, efforts to encourage better relations between private entities and to promote greater numbers of private contracts are extremely important.

From the economic perspective, governments of the BRICS member nations should pursue objectives related to creating an environment that fosters cooperation among economic agents, reduces barriers against business integration and creates a set of rules accepted by all members.

The BRICS group has yet to formulate a common economic agenda. Due to geographical, natural and economic factors, these countries now have great potential to develop trade and cooperation in mining, agriculture, energy, environmental protection and the development of human capital. Infrastructure projects are looking very promising and could expand relations between these countries as well as stimulating exports to others. The BRICS New Development Bank is a tool intended for this purpose.

The goal of building a common trade space is long-term in nature. In order to succeed, it is necessary to understand how existing integration initiatives involving the BRICS countries work. This is akin to homework for the BRICS countries, a task that needs to be completed. I hope and believe that in the near future, in only a few years, we will see significant strides in this area.

Excerpt from the BRICS magazine interview with Vladimir Mau, president and chairman of the Academic Board at the Russian Presidential Academy of National Economy and Public Administration

RAZIL USSIA NDIA HINA C

BRICS of a Multipolar World

Text by Shraddha Naik

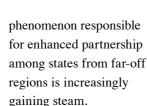
he BRICS five member countries should remember that the realization of their projects and goals creates a multipolar world order, stressed Indian diplomat Shivshankar Menon when addressing the BRICS group. Menon believes that the group's prime objective should be to create a more polycentric world. He argues that the emerging powers of the East have greater potential and a unique opportunity to reach a benchmark in creating a non-Western power that can offer alternative management of global affairs.

As the times have changed, many developing countries such as Indonesia, Nigeria and the BRICS members have attained gradual economic growth. Alongside a profound technological leap, these countries have completed sustainable economic leaps fueled by progress in agriculture, manufacturing and the service sector.

This gradual rise of non-Western powers relatively aligns with the slowdown of economies of the United States and Europe. This has limited their role in the world and provided an opportunity for emerging economic markets to make their mark on the international system.

The change in the current global system from unipolar to multipolar becomes clearer with the continuous emergence of countries, making the world more diverse, multi-cultural and politically diverse, but also with economic disparities. Incidents such as the 9/11 terrorist attack in the United States have shown that even a superpower cannot single-handedly tackle the complex challenges and must work with other powers, further encouraging the formation of a 'multipolar' world.

Clearly, inter-regionalism is playing a significant role in the present global system. The world order has long been determined by a power cycle among countries with political and economic supremacy. Interestingly, with the rapid economic growth registered by many developing countries from the South in the last two decades, a tectonic shift in the world political structure has become clearly visible and duly recognized by scholars from both developing and developed countries. This new scenario manifests more clearly in the form of economic dependence of the crisesplagued Western world on developing countries of Asia, Latin America and Africa. In the context of this new development, this





September 20, 2016: A meeting of foreign ministers of BRICS countries at the Waldorf Astoria Hotel. IC

BRICS is now an

important geopolitical entity in the new century. Its member countries have achieved significant economic growth; they share about 30 percent of global territory and about 42 percent of the world's population. At the time of its formation in 2009, they controlled 15 percent of the world economy and 42 percent of global currency reserves. BRICS has provided an ideal platform for its members to address issues regarding the establishment of a new political and economic order. The group has developed a reformist ideology by pushing for a more central role for developing nations in global decision-making.

Still, BRICS members are facing several challenges at national and international levels, and the member countries have increasingly voiced concerns at global forums. They have enjoyed the common platform to address common issues and appreciated the possibility of a world order not dictated by any single player. The group's initiatives of establishing a central bank, a lending system such as a Contingent Reserve Arrangement, and stressing local currency trade have all shown that BRICS is here to stay.

For higher-level engagements, the group can enhance its bilateral, group and global-level interaction. BRICS should conduct intense interactions when handling emergent issues, and share expertise in handling health crises like Zika. Greater trust between security players of India and China will come from engagements such as the Asian Infrastructure Investment Bank and the Belt and Road Initiative. These countries should also try to win trust from other neighbors and involve themselves in such projects, as they will enjoy support and acceptance from smaller countries when more projects and aid go to those nations most in need. Responsible global powers should be more active and helpful to states with pressing needs.

The author is a research scholar of Jawaharlal Nehru University, New Delhi.

This article is based on "The Rise of BRICS—A Multipolar World?", originally published at Asia-Pacific ISA Conference Hong Kong, June 25-27, 2016

China-India Role in BRICS

Text by Chen Jianai

In 2001, Jim O'Neill, then chief economist with Goldman Sachs, first proposed the idea of "BRIC" that comprised Brazil, Russia, India, and China. In 2010, it was renamed BRICS after the addition of South Africa. The BRICS countries performed noticeably well during the early days of the global economic crisis, serving as an engine of growth as the world began navigating global economic recovery. The BRICS summit, aiming to intensify cooperation among its member states, has received considerable attention. However, in recent years, the BRICS countries have experienced differentiated growth: Each country has presented a "new normal" in macro-deceleration. Some, including Brazil and Russia, have even endured negative growth. Doubts have arisen about the strength of their sustainable development at a relatively fast pace. The prospects of the BRICS need to be further evaluated.

From the perspective of global economic development, the BRICS countries have a good excuse for the deceleration. In recent years, the world has been plagued by considerable roadblocks to prosperity, leading to decreased market demand for goods from these countries. Since the 2008 financial crisis, the majority of developed economies have been performing in a fatigued and weak way. Europe and Japan, for instance, have both implemented quantitative-easing, hyper-normal monetary policies, and since 2015, they have launched a negative interest rate policy. The U.S. Federal Reserve is showing early signs of a possible interest rate hike as the United States continues with a steady recovery. The polarization of monetary policy from central banks of major international currencies has triggered large-scale cross-border capital flow from the emerging economies in the BRICS, resulting in a less certain international economic environment that has left countries like Brazil and Russia in a precarious position, not to mention the economic downturns in some other countries.

On the other hand, however, China and India have maintained relatively high-speed growth since the financial crisis, despite some short-term fluctuations, indicating that not every BRICS country faces an economic dilemma. As predicted by the International Monetary Fund in a report on the growth of global major economies released in July 2016, China and India will grow at 6.6 percent and 7.5 percent, respectively, in 2016, and 6.2 percent and



June 23, 2016: Chinese President Xi Jinping meets Indian Prime Minister Narendra Modi in Tashkent, Uzbekistan.

7.5 percent, respectively, in 2017. The other BRICS countries, Brazil, Russia, and South Africa, are predicted to grow at 3.8 percent, -1.8 percent, and 0.6 percent, respectively, in 2016.

How could China and India avoid such struggles? The reasons are fairly complicated.

All BRICS member states are developing countries that are striving to catch up with developed nations. All of them can push their economies forward by optimizing the late-mover advantages. But why did China and India outshine the other three members?

Further analysis suggests that Russia, Brazil, and South Africa sharply contrast with China and India in industrial structure: The former three are resource-oriented economies that can be more easily impacted by global economic demand. The prosperity cycle of the global economy may hasten the growth of popular commodities at a breakneck speed, while a world economic downturn can shake the structure of staple commodities.

RAZIL USSIA NDIA HINA C



September 2015: Indian exhibitors participate in Xi'an Silk Road International Tourism Expo. CFP

The current deceleration of the global economy has led to the pricing for staple commodities remaining low, which challenges exporting nations to maintain fast growth.

From this perspective, both China and India are more capable of avoiding such risks, making their role as major drivers of the BRICS economic development even more important.

The probability of Russia, Brazil, and South Africa returning to high-speed economic growth will not be great without global staple commodities experiencing another cycle of prosperity. They will be more dependent on China and India because of the latter two's increasing economic aggregate — 60 percent prior to 2008 to 79 percent in 2015, and 82 percent in 2016, as predicted.

Despite the fact that the three countries have suffered distinct deceleration, both China and India have maintained relatively-strong economic growth, which has reinforced the important position of the BRICS in global affairs. Hence it is inappropriate

to assume that the governance mechanism of the BRICS summit is out of date.

Experts predict that both China and India will maintain relatively-fast economic growth and that their economic aggregates will remain high. They believe that the two countries can play an important role in the construction of the governance mechanism of the BRICS summit.

Against this backdrop, intensified cooperation between China and India will surely fire up broader cooperation among the BRICS as a whole, further optimize their economic structures, improve their systems and mechanisms, and lay a solid foundation for their economic growth.

China and India are expected to join hands to produce more dynamism for the common development of the BRICS.

The author is deputy director of the World Economy Division under the International Institute for Strategic Studies, Party School of the Central Committee of the Communist Party of China.

BRICS Synergy Growing

Text by Maite Nkoana-Mashabane

ince its formation as a group of leading emerging economies, BRICS has developed strategic cooperation mechanisms on numerous issues, some of which have already been implemented while others remain ongoing issues for dialogue. The flagship initiative is clearly the New Development Bank (NDB), which became operationalized on July 21, 2015.

When one considers that this proposal was endorsed by leaders at the Fifth BRICS Summit that South Africa hosted in 2013 — and is already reality with functional offices in record time — the political power of the intergovernmental forum is clear.

The NDB has already announced its first round of funding for green and sustainable projects for all five BRICS members. Numerous other sectors are ripe for cooperation, enhancing trade within BRICS as well security and social realms such as health-care, population concerns and education.

BRICS countries continue to exchange views, consult each other and coordinate positions as appropriate and feasible on issues related to the United Nations (UN) as well as other forums, notably the G20 leaders' meeting. The context in which international relations and cooperative policy is developed is complex. For instance, South Africa, like other BRICS members, has other commitments to global and regional forums and groups, which must be taken into account.

BRICS members must coordinate positions in such forums as appropriate, while the group remains an important caucus where issues of importance to the developing world and to the Global South can be discussed, notably reform of global economic and financial structures, including leadership. BRICS finance ministers meet on the margins of meetings of the Bretton Woods Institutions and perform precision work on a wide range of issues.

Likewise, BRICS ministers of foreign affairs and international relations meet on an annual basis on the margins of the UN General Assembly to discuss pertinent issues of mutual interest and coordinate and prepare engagement as appropriate. With respect to the position of the UN Secretary-General, there is a very specific process that informs such deliberations.

An inaugural straw poll was just conducted. All BRICS member states will be consulting each other as such as a matter of

principle. South Africa will exchange views with various partners, including other BRICS members, especially the two



February 1, 2015: Local kids experience Chinese culture at the annual "Happy Chinese Spring Festival" activity in Johannesburg, South Africa. by Guo Xinghua/Xinhua

permanent UN Security Council members, China and Russia, to ensure that an appropriate candidate who will promote the African Union's continental agenda is elected.

Synergy in the BRICS group is encouraging to South Africa as the group's influence continues increasing, as seen in the annual Summit Declarations that the BRICS leaders issue.

The core of the BRICS agenda is to enhance cooperation amongst its members. Every Summit Declaration features an action plan, which is the most transparent work program of any such forum and highlights key areas of cooperation as well as new areas to explore. Every summit chair also publishes outcome documents after sectoral meetings.

South Africa will continue to play a central role in positioning the government to achieve optimal cooperation at BRICS summits and make an ideal response to the national, regional and global developmental agenda while ensuring that the synergy of such engagements is improved however possible.

South Africa has contributed to the creation of two structures: the BRICS Business Council and BRICS Think Tanks Council, which were the group's summit deliverables in 2013. South Africa advocated for and supported the inclusion of Track 3 and civil society structures in BRICS architecture. South Africa has and continues to play an important role in the enhancement and continued functioning of numerous BRICS structures and sectoral areas of cooperation.

BRICS partners have certainly appreciated South Africa's proactive contributions to the group's institutions. South Africa will continue to work together with its partners on strengthening this group with the support of domestic socio-economic policy, so that tangible deliverables will be apparent to the peoples of BRICS, which constitute about 42 percent of the global population.

Excerpted from an interview with Maite Nkoana-Mashabane, South Africa's Minister of International Relations and Cooperation, by *The BRICS Post* editor-in-chief Zeenat Saberin

 $_{28}$ october. 2016

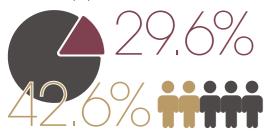
BRICS Timeline

ORIGIN

On November 20, 2001, Goldman Sachs chief economist Jim O'Neill was the first to coin the acronym "BRIC" to refer to Brazil, Russia, India and China. When South Africa joined in December 2010, the name was changed to BRICS.

COMMON FEATURES

BRICS countries are all emerging economies with vast territories, large populations, rich resources and great economic potential. Collectively, BRICS members account for 29.6 percent of the world territory and 42.6 percent of the world population.



According to data from International Monetary Fund (IMF), BRICS countries contributed more than half of world economic growth over the past decade. BRICS countries are expected to grow faster than both developed economies and other emerging economies by 2030.

COMMON GOALS

The BRICS mechanism aims to boost the rise of developing nations as a whole, reform the international currency and financial system, and balance development of the world economy. Today, the mechanism facilitates cooperation on many levels including meetings of state leaders, senior security delegates and foreign ministers.

FACTS AND FIGURES

In 2001, when the name of BRIC was first introduced by Goldman Sachs, no regular mechanisms were established. Foreign ministers and leaders of BRIC countries only met on the sidelines of broader international meetings. Not until May 14 to 16, 2008 did foreign ministers of BRIC countries gather in Russia for the first BRIC foreign ministers' meeting that officially launched the BRIC cooperation mechanism.



First Summit

Time: June 2009

Location: Yekaterinburg, Russia

Key issue: New voice of emerging economies

This was the first official meeting of BRIC leaders. They called for a more diversified monetary system and promised to promote reform of international financial institutions. This meeting, against the backdrop of the unstable situation after the 2008 international financial crisis, gave a stronger voice of emerging economies in the international community.





② Second Summit

Time: April 2010

Location: Brasília, Brazil

Key issue: Formation of a cooperative mechanism

BRIC leaders exchanged views on global economics and finance, international monetary institution reform, climate change, and dialogues and cooperation among BRIC countries. The joint statement at the summit detailed measures on cooperation and coordination, marking the initial formation of the cooperative mechanism among BRIC countries.



3 Third Summit

Time: April 2011

Location: Sanya, China

Theme: Broad Vision, Shared Prosperity

Key issue:

Strengthening financial cooperation

Outcomes:

New member South Africa attended the summit for the first time. During this summit, BRICS leaders agreed to reinforce financial cooperation among BRICS countries. They reaffirmed that the governance structure of global economic and financial institutions should reflect changes in the world economic situation and that emerging economies and all developing countries should have more say in international affairs.



(4) Fourth Summit

Time: March 2012

Location: New Delhi, India

Theme: BRICS Partnership for Global Stabil-

ity, Security and Prosperity

Key issue: Cooperation in more areas

Outcomes:

This summit resulted in the signing of the Master Agreement on Extending Credit Facility in Local Currency and the Multilateral Letter of Credit Confirmation Facility Agreement, greatly advancing trade and investment cooperation among BRICS countries. This summit appealed directly to the reform of global governance, more comprehensive international financial architecture, and a stronger voice of developing countries.



5 Fifth Summit

Time: March 2013

Location: Durban, South Africa

BRICS and Africa: Partnership for Development, Integration and Industrialization

Key issue: Extensive participation of African countries

Outcomes:

This was the first BRICS summit to be held in Africa. Leaders from 15 African nations including Angola, the Republic of Congo and Egypt also attended the summit. The meeting stressed BRICS countries' willingness to cooperate with African countries in infrastructure and promote connectivity among the countries, in hopes of unleashing their full economic potential





6 Sixth Summit

Time: July 2014

Location: Fortaleza, Brazil

Inclusive Growth: Sustainable Solutions **Outcomes:**

BRICS leaders signed the agreement to establish the New Development Bank and the Contingent Reserve Agreement.



Seventh Summit

Time: July 2015

Location: Ufa, Russia

BRICS Partnership - A Powerful Factor of Global Development

Key issue: Establishment of New Development Bank

BRICS states signed the Agreement on the New Development Bank, marking greater influence of BRICS countries in the global financial system as emerging economies.



OCTOBER • 2016 CHINAPICTORIAL 31

Perspectives on BRICS Nations

ECONOMIC GROWTH TRENDS

Data from the International Monetary Fund (IMF) shows that the BRICS economies fluctuated to different extents in the aftermath of the 2008 financial crisis but restored economic growth in the years followed. However, the BRICS countries have experienced weaker growth in recent years as the world economy has slowed. Brazil and Russia even slipped into recession in 2015.

Real GDP Growth Rate of BRICS Countries from 2008 to 2015 (%)

Country	2009	2010	2011	2012	2013	2014	2015
Brazil	-0.1	7.5	3.9	1.9	3.0	0.1	-3.8
Russia	-7.8	4.5	4.3	3.5	1.3	0.7	-3.7
India	8.5	10.3	6.6	5.6	6.6	7.2	7.3
China	9.2	10.6	9.5	7.7	7.7	7.3	6.9
South Africa	-1.5	3.0	3.2	2.2	2.2	1.5	1.3
	Source: World Economic Outlook (April 2016), IMF						

The World Bank forecasts that the real GDP growth rate of the BRICS countries will rise in the next two years, with Brazil and Russia restoring economic growth, and India, China and South Africa maintaining stable growth.

Predicted Real GDP Growth Rate of BRICS Countries from 2016 to 2018 (%)

Country	2016	2017	2018
Brazil	-4.0	-0.2	0.8
Russia	-1.2	1.4	1.8
India	7.6	7.7	7.7
China	6.7	6.5	6.3
South Africa	0.6	1.1	2.0
BRICS	4.2	5.1	5.3

Source: Global Economic Prospect (June 2016), The World Bank

In 2014, China ranked top among BRICS countries in terms of total GDP. For per capita GDP that year, Russia and Brazil led BRICS countries comfortably.

GDP and Per Capita GDP of BRICS Countries in 2014

Country	GDP (US\$ billion)	Per capita GDP (US\$)
Brazil	2,346	11,571
Russia	1,881	12,874
India	2,069.1	1,633
China	10,361	7,595
South Africa	350	6,483

Source: BRICS Joint Statistical Publication 2015, National Bureau of Statistics of China

The tertiary sector made the largest contribution to the combined GDP of BRICS countries in 2014. The same year, India had the biggest share of GDP in the primary sector, China the secondary and Brazil the tertiary, among BRICS countries.

Shares of the Three Sectors in GDP (%)

Country	Primary	Secondary	Tertiary
Brazil	5.6	23.4	71.0
Russia	4.2	35.8	60.0
India	19.5	27.5	53.0
China	9.2	42.6	48.2
South Africa	10.9	21.0	68.0

Source: BRICS Joint Statistical Publication 2015, National Bureau of Statistics of China

SURPLUS OR DEFICIT

In 2015, all BRICS countries saw a slump in their international trade, with Russia seeing the biggest drop and China the smallest.

Import and Export of Goods of BRICS Countries in 2015

Nation	Trade volume (US\$ billion)	Yearly change (%)	Import (US\$ billion)	Export (US\$ billion)
Brazil	362.58	-20.2	171.45	191.13
Russia	525.83	-33.0	182.40	343.43
India	658.36	-15.6	391.65	266.71
China	3,958.64	-8.0	1,682.07	2,276.57
South Africa	167.36	-12.3	85.72	81.64

Source: Trade Report on BRICS Countries (2016), Ministry of Commerce of China

In 2013, the inflow of Foreign Direct Investment (FDI) to Brazil, India and South Africa far exceeded outflow, while Russia was the opposite. The two numbers for China were close to each other

FDI of BRICS Countries in 2013

Country	FDI inflow (US\$ billion)	FDI outflow (US\$ billion)
Brazil	64.0	3.5
Russia	26.1	76.3
India	36.0	9.2
China	117.6	107.8
South Africa	8.3	-6.7

Source: BRICS Joint Statistical Publication 2015, National Bureau of Statistics of China

IMF data shows that the inflation rate in China will be the lowest among BRICS countries over the next five years. Inflation in Brazil and Russia will decrease, while it will remain stable in India, China and South Africa.

CPI of BRICS Countries (yearly percentage change)

Countr	y 2016	2017	2021
Braz	il 8.7	6.1	4.5
Russi	a 8.4	6.5	4.0
Indi	a 5.3	5.3	4.9
Chin	a 1.8	2.0	3.0
South Afric	a 6.5	6.3	5.6

Source: World Economic Outlook (April, 2016), IMF

HOW DID THEY SPEND THEIR MONEY?

The conditions in BRICS countries vary widely, so their residents spend money in different ways. The following tables and figures show how BRICS governments and their people spent their money on education, medicine and other sectors.

Percentage of Public Expenditure on Education in GDP

		3								
Country	2000	2005	2006	2007	2008	2009	2010	2011	2012	2013
Brazil	3.9	3.9	4.3	4.5	4.7	5.0	5.1	5.3	5.4	5.3
Russia	2.9	3.7	3.8	4.0	4.0	4.6	4.1	4.0	4.1	4.4
India	3.2	2.6	2.7	2.6	2.9	3.0	3.1	3.1	3.1	3.2
China	2.6	2.8	2.9	3.1	3.3	3.6	3.7	3.9	4.3	4.3
South Africa	-	5.7	5.6	5.5	5.8	6.5	6.6	6.8	6.9	-

Source: BRICS Joint Statistical Publication 2015, National Bureau of Statistics of China

Percentage of Public Expenditure on Health in GDP

Country	2000	2005	2006	2007	2008	2009	2010	2011	2012	2013	2014
Brazil	3.9	4.3	4.5	4.7	4.7	5.1	4.9	4.8	5.0	4.9	-
Russia	2.1	3.7	3.6	4.2	3.7	4.3	3.7	3.5	3.7	3.5	3.5
India	-	1.2	1.2	1.3	1.3	1.4	1.3	1.2	1.2	1.3	1.2
China	4.6	4.7	4.6	4.4	4.6	5.2	5.0	5.2	5.4	5.6	-
South Africa	-	3.0	3.1	3.1	3.3	3.8	3.9	4.0	4.1	-	-

Source: BRICS Joint Statistical Publication 2015, National Bureau of Statistics of China

Selected Data on People's Living Standards

(Figures below are all expenditure as percentage of total consumption expenditure)

Brazilian spending

(2009 statistics)

Indian spending

2. Education:

3. Fuel and light

(2012 statistics)

Russian spending

1. Food:

2. Transportation and

3. Housing, commercial service,

4. Apparel and foot wear:

5. Recreation and culture:

(2013 statistics)

Chinese spending

1. Food, tobacco and liquor:

2. Housing:

3. Transport and

South African spending

1. Housing, water, electricity, gas, and other fuels:

non-alcoholic beverages

4. Education. cultural spending, and recreation:

5. Clothina:

(2014 statistics)



4. Furnishings and

5. Clothing and footwear:

Source: BRICS Joint Statistical Publication 2015, National Bureau of Statistics of China

ENTERTAINMENT SPENDING

In recent years, spending on entertainment in BRICS countries has increased gradually. The sector has become the most robust spending among living expenditures after expenses of food, transportation and housing.

Percentage of culture and entertainment among living expenditure:



OCTOBER • 2016 CHINAPICTORIAL 33

BRICS Imports and Exports of Cultural Products

Total volume: US\$216.8 billion Export volume:

Import volume US\$36.9 billior

Trade Surplus in Cultural Services

Brazil: US\$2.6 billion

Russia: US\$200 million India: US\$300 million

US\$179.9 billion

China: US\$1.1 billion

South Africa: US\$100 million

Sources: United Nations Conference on Trade and Development, National Bureau of Statistics of China, Brazil National Geographic and Statistics, Brazil National Federation of Industry, Department of Industrial Policy and Promotion of Indian Ministry of Commerce and Industry, Department of Trade and Industry of South Africa, Department of Arts and Culture of South Africa

FILM INDUSTRY

The increasing box office numbers from BRICS countries have stunned the international film market in recent years as its compound annual growth rate has reached 14.9 percent since 2008 while the number is only 2.2 percent in the U.S.

15:16:16:

Russia (2013)

Box office: US\$1.373 billion

Moviegoers: 86.6 million

omestic share in box office: 18% Movies produced: 218

China (2013)

Box office: US\$3.265 billion

Urban moviegoers: 613.4 million

Box office of domestic movies:

US\$1.915 billion

Oomestic share in box office: 58.65%

Srazil (2013)

Box office: US\$720 million Urban moviegoers: 151 million Box office of domestic movies: US\$127 million

Domestic share in box office: 17%

18:18:18:18:18:18:

India (2013)

Box office: US\$1.44 billion Domestic share in box office: 90% Output of Bollywood film industry: US\$2.2 billion

Movies produced (2014): 1,966

76:76:76:76:76:76:

South Africa (2013)

Box office: US\$474.000 Television and film industry professionals: 250,000

Movies produced (2012): 24

Sources: UNESCO, UN Statistics Division, Ministry of Culture of Brazil, Ministry of Culture of of China, Ministry of Culture of Russian Federation, Department of Arts and Culture of South Africa

SPORTS

Brazil: Football

Brazil has been the most successful national football team in the FIFA World Cup with five championships: 1958, 1962, 1970, 1994 and 2002. Brazil also has the best record in World Cup history with **70** victories in 104 matches played, 119 goal difference, 227 points and only 17 losses. Brazil is the only national team to have played in every World Cup and also the only national team to have won the World Cup on four different continents.

India: Cricket

The Indian national team won the world cup twice, in 1983 and 2011. It won the 2007 ICC World Twenty20 and the 2013 ICC Championship. In 2002, it shared the 2002 ICC Champions Trophy. India scored 413-156 in a match against

Bermuda in 2007 World Cup which is the highest score ever in Cricket World Cup history. In the same match, India set a world record of the highest winning margin of 257 runs in an ODI match. The Indian Premier League (IPL) is the most-attended cricket league in the world and ranks sixth among all sports leagues. In 2010, the IPL became the first sporting event in the world to be broadcast live on YouTube. The IPL brand was estimated to be worth US\$4.5 billion in 2015 by American Appraisal, A division of Duff & Phelps.

South Africa: Rugby

The South African national team, the Springboks, won two Rugby World Cups in 1995 and 2007. Only New Zealand has won three World Cups. The victory in 1995 was an important moment in South Africa's national history, when the country's first black President Nelson Mandela actively supported a team mostly composed of white players.

In 2012, a total of **651,146** rugby players were registered in 1,526 clubs in South Africa, second only to England.

Russia: Figure Skating

At every Winter Olympics from 1964 until 2006, a Soviet or Russian pair won gold in pair skating, one of the longest winning streaks in modern sports history.

The highest score in free skating pairs' long program was **154.66** by Russians Tatiana Volosozhar and Maxim Trankov at the ISU Skating America Grand Prix in Detroit, Michigan, U.S., on October 20, 2013.

Irina Slutskaya holds a record of seven European titles in women's figure skating and won two world titles.

China: Table Tennis

By the close of the Rio Olympics, China's historical national table tennis Olympic medal tally was 53, including 28 gold, 17 silver, 8 bronze. By the end of the 51th World Table Tennis Championships (2011), China's national team has won 18 Men's Team titles, 16 Men's Single titles, 15 Men's Doubles titles, 18 Women's Team titles, 19 Women's Single titles, 18.5

Women's Doubles titles (the half title was won with a DPRK partner), and 18 Mixed Doubles titles. Only 10 table tennis players have ever won Grand Slam (Champions of the Olympic Games, World Championships, and the World Cup), among whom nine

are Chinese. In 2009 and 2012, two matches between Chinese table tennis stars and foreign table tennis stars were held. In 2012, foreign stars, including many top players, were defeated by Chinese stars **0-4**.

STEADY TOURIST TRADE RISE

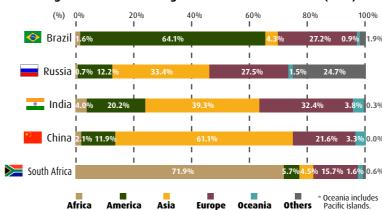
International Arrivals in BRICS Countries 2013

Destination	International arrivals	Increase year on year (%)
Russia	28,356,000	10.2
Chinese Mainland (not including Hong Kong, Taiwan and Macao)	55,686,000	-3.5
India	6,968,000	5.9
Brazil	5,813,000	2.4
South Africa	9,537,000	3.8

Inbound Tourism Revenue of BRICS Countries 2013

Destination	Income of inbound tourism (US\$ million)
Russia	11,988
Chinese Mainland (not including Hong Kong, Taiwan and Macao)	51,664
India	18,397
Brazil	6,704
South Africa	9,238
	Source: UNWTO Annual Report 2015

Origin Continents of Foreign Visitors to BRICS Countries (2013)



Sources: Brazilian Ministry of Tourism, The Russian Border Administration, the Tourism Statistics of India under Indian Ministry of Tourism, National Tourism Administration of China, The Yearbook of China Tourism 2000-2014, Statistics South Africa

Famous Tourist Destinations of BRICS Countries 2015

Country or region	Top 3 tourist destinations
Chinese Mainland (not including Hong Kong, Taiwan and Macao)	Beijing, Shanghai, Shaanxi
India	New Delhi, Jaipur, Goa
Brazil	Rio de Janeiro, Gramado, Jijoca de Jericoacoara
South Africa	Cape Town, Knysna, Franschhoek
Russia	St. Petersburg, Sochi, Moscow

Source: TripAdvisor

Travel and Tourism **Competitiveness Index 2015**

China

Brazil

Russia

South

Africa

Rank in

17

28

45

48

52

Country Value 4.54 4.37 4.08 4.08 4.02

World Heritage Tally

			-		
	Rank in the world	Country	The number of World Heritage sites		
	2	China	48		
	7	India	32		
	9	Russia	26		
	11	Brazil	19		
	33	South Africa	8		
	Source: The Travel & Tourism Competitiveness Report 2015				

India Source: The World Economic Forum

REPRESENTATIVE SPECIES AND SPECIALTIES

Spanning four different continents and influenced by widely differ ing terrains and climates, BRICS countries have distinguished and outstanding regional features and ecological systems.

Representative Species of BRICS Countries

Brazil	Macaw
	Brazilwood
	Tecoma chrysostricha
Russia	Brown bear
	Abies sibirica
	Sunflower
India	Blue peafowl
	Banyan tree
	Lotus
China	Giant panda
	Peony
	Chinese sturgeon
South Africa	African elephant
	Real yellowwood
	King protea

Sources: Wikipedia, Xinhuanet, The IUCN Red List of Threatened Species, World Wide Fund for Nature (formerly known as World Wildlife Fund)

Representative Specialties of BRICS Countries

	-	<u>-</u>
Country	Specialty	Introduction
Brazil	coffee	Brazil is the largest producer of coffee in the world. With 17 of its 21 states producing coffee, Brazil contrib- utes two third of coffee all over the world. However, the Brazilian economy now depends less on coffee than before, which makes up 8 to 10 percent of its GDP.
Russia	amber	Kaliningrad is the largest origin of amber in the world, which produces 90 percent of the world total.
India	tea	About one third of the tea originates from India. The annual production of India is over than 950,000 tons, and half of the total is from the tea-growing areas of Assam.
China	silk	As the origin of traditional silk, China's production of silk is more than any countries in the world. The annual output value is US\$978 million, which is almost 2.8 times than the second country.
South Africa	minerals	Minerals accounted for 20.6 percent of the total export of South Africa in 2015. Of them 18 percent were the noble metals (principally the gold, platinum and diamond).

CHINAPICTORIAL 35 **OCTOBER** • 2016

RAZIL USSIA NDIA HINA O

Challenges for Brazil's Economy Text by Zhou Zhiwei

In recent years, Brazil's GDP has fluctuated dramatically from a growth rate of negative 0.24 percent in 2009 in the wake of the financial crisis to a positive 7.57 percent the following year and, most recently, back to a stunning negative 3.8 percent in 2015.

Manufacturing Pains

Brazil is rich in natural resources, especially iron ore and oil. Its gross reserve of iron accounts for 9.8 percent of the global total, ranking fifth, and its output ranks second globally. The country's oil reserves trail only Venezuela on the South American continent and serve as a key resource of revenues. Vale, the world's largest iron ore exporter, facilitates 80 percent of Brazil's iron ore output. The company has been called "the engine of the Amazon" and "gem on the crown of Brazil."

Iron ore and oil account for heavy proportions in Brazil's exports – 16.3 percent and 8 percent respectively. This export structure is easily impacted by the world economy.

Iron ore, for example, is the most important commodity China imports from Brazil. In 2009 when China promoted a 4-trillion-yuan bailout, the price of iron ore rocketed, hitting US\$187 per ton. But soon after 2011, the price dropped dramatically and currently sits at US\$52 per ton. In recent years, China's decreasing demand for iron ore has impacted Brazil's economy heavily.

Brazil is one of the least economically open countries in Latin America. Over the last decade, the country's economy has greatly relied on the export of commodities, while manufacturing has become a smaller portion of the national economy, an abnormal phenomenon. Even as the government attempted to revive its manufacturing, Brazil's industry grew at only half the rate of the GDP in the decade spanning 2003 to 2013. Without the mining industry, the rate would be even lower.

Welfare State

Brazil has developed one of the world's most extensive social security systems, guaranteeing free medical care and education, robust welfare and good pensions. Brazilians enjoy benefits comparable to Scandinavia. For Brazilian retirees, the government pension accounts for 97 percent of their after-tax income, much

higher than the global average of 69 percent according to the Organization for Economic Co-operation and Development (OECD). However, as Brazil's elderly population grows, the government feels major pressure. The welfare policy has damaged the flexibility of labor market, damaged the healing ability of the economy and shortened the conversion period.

In order to get elected, the left-wing government promised poor people better living standards, a goal that resulted in major public spending from the government. Former Brazilian President Lula da Silva implemented a "household allowance" welfare project that has benefited 50 million people. But after 12 years of the program, only 12 percent of beneficiaries have climbed to the middle class. Imbalanced income and uneven regional development have created a large gap between the poor and the rich. Slums can be found everywhere in cities.

A policy pegging the lowest incomes to inflation rate makes Brazilian income rise annually. Since 2003, the average pay level has risen 30 percent, but the productivity rate has remained at almost the same. When the prices of oil and iron ore fell because of the acute decrease in demand for primary products globally, the Brazilian government had no solution.

Corrupted State-owned Enterprises

Since 1990, Brazil has begun implementing a market economy but not thoroughly. Like Venezuela, Brazil's two biggest resource exporters, Vale and Petrobras, are under governmental administration. Even when the two enterprises were publicly traded, the Brazilian government kept controlling equity. This nascent market economy has given way to oligopoly and weakened the competitiveness of the Brazilian economy in the 21st Century.

State-owned enterprises in Brazil always play the main role in domestic investment. Petrobras' corruption scandal implicated many state-owned enterprises, so public investment almost came into a halt. Over the last three years, Brazil's fixed capital formation dropped by 3 percent to 17 percent.

The economic slump led to turbulence in Brazil's political environment, which deteriorated into a political crisis. Partisan rivalry failed to provide effective policies to respond to the eco-



Employees work on the assembly line at the Honda Motor Co. plant in Manaus, Brazil. The country's economy greatly relies on commodity exports, while manufacturing has become a smaller portion of the national economy. CFP

nomic crisis and even sometimes the economy lacked any management whatsoever. Given political and economic crises, international rating institutions have been bearish on the country's economy, which had caused international capital to step back and dried up channels to feed Brazil's need for capital. Although the country implemented the Growth Acceleration Program (PAC) and Stronger Brazil program, the high cost of investment and the country's economic slowdown have lagged those plans.



September 11, 2016: People hold banners and shout slogans during a rally in opposition of current president Michel Temer on Paulista Avenue in Sao Paulo, Brazil. The nation's economic slump led to turbulence in Brazil's political environment, which deteriorated into a political crisis. CFP



February 9, 2016: People relax on Ipanema Beach in Rio de Janeiro, Brazil. The Brazilian government hopes to increase revenues by developing tourism. CFP

Brazil is the fourth developing country to host the summer Olympics after Mexico, South Korea and China. Brazil still has many issues to solve, a normal situation for a developing nation. As the country experiences economic transformation, Brazil needs deeper-level reform and gradual removal of institutional barriers impeding economic and social development.

The author is executive director of the Center for Brazilian Studies, Institute of Latin American Studies, under the Chinese Academy of Social Sciences.

Russia's Fluctuation Situation

Text by Xu Poling

any cultural or political traits may come to mind when mentioning Russia, but few people know much about the Russian economy. U.S. Senator John McCain called Russia "a gas station masquerading as a country." Is he right?

Structural Problems

Russia restored growth in 2000 with a large contribution from the energy sector after the economic recession of the 1990s. In the past few years, the energy industry has accounted for a third of the country's annual GDP and two thirds of its annual exports. About half of Russia's fiscal revenue came from taxation on energy exploitation and export. Russia has developed the prolonged reliance on the energy sector, which will not be eliminated in the near future.

The Russian economy is facing more structural problems. Although Russia's imports accounted for only 15 to 20 percent of its GDP in the past decade, a relatively modest number compared to some economies, the country's food, everyday consumer goods and critical manufacturing facilities heavily depend on imports. The Russian economy still lags behind in economic modernization—the country produces world-class military products but not quality consumer goods and industrial equipment.

Lack of investments is another barrier holding back Russia

operational Arctic rig capable of oil drilling production and storage, end-product processing and loading. IC МЛСП «ПРИРАЗЛОМНАЯ from solving its economic structural problems. Final consumption has maintained over 70 percent of Russia's GDP since 2000, but investment in fixed assets has lingered from 18 to 20 percent, barely enough to maintain current production volume. Investment numbers even began to decline in 2014. Lack of investment and overdependence on social consumption and energy income are the root causes of Russia's economic downturn since 2013.

Benefiting Residents

In 2013, Russia's per capita GDP measured over US\$ 13,000 at currency rates of that time, making it a high-income country. After economic sanctions, a slump in crude oil prices and currency devaluation, Russia's per capita GDP plunged to US\$ 6,285 in 2015, ranking it as a medium-income country. However, for Russian residents who earn and spend Rubles, GDP calculated in U.S. dollars doesn't necessarily mean much.

Of greatest concern to ordinary Russians are economic fluctuations, employment, inflation and real income. From 2008 to 2016, the nominal monthly wage in Russia more than doubled and CPI rose by 1.79 times, indicating that the living standards of Russian residents have been improved. Over the same period, the unemployment rate hovered between 5.7 and 6.2 percent, except when it peaked at 8.2 percent in 2009. The unemployment rate in Russia is generally higher than the U.S. but lower than the European Union. From this perspective, Russia's economic conditions are not terrible.

Imported food and other consumer goods became more expensive to Russian residents when oil prices slumped and the Ruble dropped in 2014, compromising their living standards. Though, the basic living demand of the vast majority of Russians is free of the influence as the prices of common food items such as bread, milk and sausage remain stable.

Moreover, Russia has been making impressive gains in grain harvesting since 2013, which has kept its grain warehouses full even as exports continue increasing. For now, adequate food production has kept Russia calm, but upgrades in food processing and manufacturing are urgently needed to further improve the living conditions of Russian people. Since 2015, the food industry has been a highlight of the Russian economy.

Most Russians remain comfortable as social expenditures are still a major chunk of the Russian government's budget. More than a quarter of Russia's 2015 spending, 19.4 percent of its GDP, was spent on education, health insurance, unemployment and retirement insurance. Putin kept his promise to improve the living standards of Russians through economic development.

Path Forward

Russia's economic growth slowed in 2013, went stagnant in 2014 and dropped into recession with a contraction of 3.7 percent of GDP in 2015. The country is not likely to restore economic growth until 2017. The economic problems making the news such as continuous depreciation of the Ruble, constant slumps in oil prices and dried-up foreign reserves are not actually most critical to the country. With a floating exchange rate system, Russia can balance its international payments. Its economy could see fast growth if investments are revived.

Perhaps the biggest trouble to the Russian economy now is fiscal pressure on Putin's government. Shrinking oil revenues limit income growth, but social expenditure cannot be cut. Furthermore, national security remains the top priority in Russia, and its military is expected to promote modernization and innovation, so Russia's defense budget cannot be cut either. Therefore, tackling fiscal pressure will determine the short-term prospects of Russian economics and politics.

As for long-term prospects, the economic structure determines how the Russian economy can perform. After realization of the negative effects of overdependence on the energy sector, the Russian government added import substitutes and structural reforms to its longterm national development strategy in 2014. Russia has formulated an anti-crisis plan featuring many policies to treat economic problems and inject vitality into Russia's national industries. However, a rebound of oil prices or appreciation of the Ruble could impede structural reform. Consistency and sharp execution of the government's policies will pave a forward path for the Russian economy.

The author is deputy director of the Academic Committee of Research Center for the Economies and Politics of Transitional Countries (RCEPTC) at Liaoning University

RAZIL USSIA NDIA HINA OL

India as the Next Global Manufacturing Center

ince Prime Minister Narendra Modi riding on a massive electoral mandate assumed office two years ago in May 2014, his single biggest focus has been to revive the economy. The main pillars of economy in India are manufacturing, agriculture and services. While China has focused on cheap, high-volume commodity production, India has seen high growth in the service sector. For many years, India has harbored the hope of being in the forefront of economic growth, but its attempts kept faltering as coalition governments held back much-needed reforms for nearly 25 years.

The Indian economy, which grew at a nearly double-digit rate in the middle of the last decade, slowed down to 5.08 percent in 2012 before recovering to 7.2 percent in 2015. Flagship initiatives like Make in India, Skill India, Startup India, coupled with a second wave of FDI reforms allowing 100 percent inflow into civil aviation and food processing sectors while also easing norms in defense and pharmaceuticals, are all aimed at making India the next global manufacturing hub. To support this goal, the Modi government has also begun work on connecting major metros under Diamond Quadrilateral Rail Corridor project, cleaning north India's major river, the Ganga, to make it navigable and building 100 smart cities.

Although various policy interventions have helped India improve its position on the World Bank's Ease of Doing Business index by climbing 12 spots to 130th, it is still a faraway proposition to be presented as a model to the world, considering that Mexico ranks 38th, Russia 51th and Pakistan 138th. Amitabh Kant, who just retired as secretary of the Department of Industrial Policy and Promotion, the key agency for the "Make in India" initiative, says India will break into the top 50 within the next two years. Enumerating the steps that the government has taken over the past two years, Kant, the man behind Modi's economic reform programs and now Chief Executive Officer of Niti Aayog which replaced the all-powerful National Planning Commission, points out that: right from creating a single window facility for addressing investor con-

cerns, identifying key manufacturing sectors to creating a common platform to unite state governments, bureaucracy and corporate leaders, the government has shown seriousness of intent to raise India's "ease of doing business" rank internationally. Overhauling complex compliance procedures and reforming archaic labor laws will put an end to institutionalized corruption and encourage entrepreneurship. Easing the FDI norms in construction, rail infrastructure and defense is only the beginning of a series of positive signals.

Despite intentions to scale up manufacturing since 1991, industry's contribution to the GDP has declined. The challenge for manufacturing in India has been that it lacks linkages. The lack of infrastructure pushes up the logistics cost, which is 14 percent of GDP, one of the highest globally. Despite several attempts, India has not been able to build adequate roads, ports and railways to move goods and raw materials. Two years ago, farmers in the northeastern states had to sell their bumper crops at below cost because there was not enough transport capacity to move their produce to other parts of the country. A businessman in an industrial area on the outskirts of the national capital Delhi said that a consignment which he had ordered from China reached Mumbai port in 12 days. But, he lamented, pointing towards a huge cargo truck parked near his factory, that it took 20 days to reach Delhi.

The idea of promoting manufacturing was also to ensure that India's demographic dividend finds meaningful employment. But, so far, labor conundrum has ensured that in labor-intensive manufacturing, China, Vietnam and other East Asian countries have a massive lead. With 65 percent of the population below the age of 35, India boasts of an unparalleled generational dividend and a natural future manufacturing destination. But, as former central home secretary G. K. Pillai said, this youth bulge could prove to be a demographic disaster, if proper employment opportunities are not created in time. He added that the youth bulge combined with several non-military security threats in the form of bad governance, illegal migration, cyber terrorism, environmental degra-

dation, climate change, organized crime and counterfeit currency rackets was a perfect recipe for disaster in the coming years.

Between 2016 and 2030, India will add 241 million people to the population of workers. China is way behind, adding just 10 million during the same period. There are also concerns on the surplus male population, as the sex ratio in the country has dropped to the lowest level since Independence in 1947. "An unskilled, underutilized, frustrated young population will derail economic growth, undermine harmony and breed violence," warns the prominent Hyderabad-based civil rights activist Jayaprakash Narayan.

To address this challenge, which, besides economic problems, could become a security challenge as well, the Modi government has come up with Skill India and Startup India campaigns along with the supportive "Make in India", "Digital India" and core infrastructure development schemes. The "Skill India" program is to make youth skilled for better industry positioning. The government aims to train more than 400 million people by 2022. In a country where success or failure of monsoon decides the fortune of half of the population, even some basic level technological training to framers could work wonders. According to the latest National Sample Survey Office data, only 2.2 percent of people in the 15-59 age group have formal vocational training and 8.6 percent have non-formal vocational training. In comparison, the skilled manpower population in developed economies is: UK – 68 per-

cent; Germany -75 percent, the U.S. -52 percent and Japan -80 percent. Currently, industries across sectors are facing shortage of skilled manpower, and they spend heavily on training manpower for specific purposes. The "Skill India" campaign will ensure that youths get specific training and find a suitable job.

The success of "Skill India" is linked to another flagship program called Startup India. India has an extremely strong entrepreneurial culture with more than 48 million small businesses. However, in terms of value creation India stands nowhere near the iconic Silicon Valley. "Ideas are abundant in this country with a strong consumer base of 1.25 billion people, but the missing ecosystem to incubate those ideas and lack of support system to scale it up make it challenging for entrepreneurs to create value," said the Prime Minister when launching this initiative.

The "Startup India" campaign could be a game changer for the country where more than 90 percent of the over 460 million workforce is part of the unorganized sector. Currently, India's micro, small and medium enterprises (MSMEs) contribute nearly 8 percent of the country's GDP, 45 percent of the manufacturing output, and 40 percent of the country's total exports. In the fast growing economy, even small institutional support could trigger entrepreneurial activity leading to major socioeconomic transformation. Small businesses in India create 1.3 million jobs every year, and innovation and creativity driven startup push could double this



August 24, 2015: A broker reacts while trading at his computer terminal at a stock brokerage firm in Mumbai, India. REUTERS



February 17, 2016: An instructor (left) teaches new workers at a plant of Honda Motorcycle & Scooter India in Vithalapur, Gujarat, India. REUTERS

RAZIL USSIA NDIA HINA

number in the shortest possible time.

Experts here, however, believe that the main factor in China's success was its investment in health and education that provided fuel to its explosive growth. India has under-invested in these key areas and, hence, its economic growth is poorly supported by quality human capital. They say that there are several factors because of which India has not been able to develop into a manufacturing superpower. These include erratic and deficient power supply, inadequate logistics and transport facilities, stringent labor laws, lack of transparency on processes and clearances, lack of investment in R&D and strategic planning, political interests, land disputes and, to top it all, the mindset of people who prefer white collar jobs. Also to be factored in among these negatives are innumerable levies and laws, which stand in the way of setting up projects, and the monster corruption and unending scams that put off global investors.

The longest wait, however, has been for tax reforms which can improve the country's competitiveness. But first, the government has to break the political logjam, thus enabling crucial legislation through Parliament. That would pave the way for a uniform goods and services tax, intellectual property rights policy and a bankruptcy code, all of which the industry has been waiting for long.

The government of India has set an ambitious target of increasing the contribution of manufacturing output to 25 percent of the GDP by 2025. Currently, it is 16 percent. India's manufacturing sector has the potential to touch US\$1 trillion by 2025. There is potential for the sector to account for 25-30 percent of the country's GDP and create up to 90 million domestic jobs by 2025. Business conditions in the Indian manufacturing sector continue to remain positive. With the help of the "Make in India" drive, India is on the path to becoming the hub for hi-tech manufacturing as global giants such as GE, Siemens, HTC, Toshiba, and Boeing have either set up or are in the process of setting up manufacturing plants in India, attracted by India's market of more than a billion consumers and the surge in purchasing power.

The government of India has also an ambitious plan to locally manufacture as many as 181 products. This move could help infrastructure sectors such as power, oil and gas, and automobile manufacturing that require large capital expenditure, and revive the 185,000-crore-rupee (US\$27.14 billion) Indian capital goods business. An official who visited China along with President Pranab Mukherjee earlier this year said that big Chinese business groups – such as Shanghai Automotive Company, Chint Group



June 29, 2016: Employees work on an assembly line of Honda Motorcycle & Scooter India in Vithalapur in the western state of Gujarat, India. REUTERS

(that deals in renewable energy proposes to invest US\$1.5 billion in India), Sopo Group, Dingshen (manufacturing sector that could create 3,000 jobs), and Shanghai Electric Company – have plans to make substantial investments in India. Besides, CFLD desires to set up 10 industrial parks in India and has applied for loans from the BRICS New Development Bank. He further said that Alibaba Group would raise its stake, from 30 to 70 percent and may also tie up with the government's Mudra Bank. "We can expect Chinese investments in India over the next few months to surpass their total investments made during the past year," he said. The world's third-largest smartphone maker, Huawei, is considering plans to set up

its manufacturing unit in India, while China's top car maker, SAIC Motor, is planning to take over U.S. car maker General Motors' facility in the western state of Gujarat.

The state power utilities of Rajasthan, Madhya Pradesh and Tamil Nadu have awarded Supervisory Control and Data Acquisition Systems (SCADA) implementation of 17 towns to M/s Dongfang Electronics, a duly empaneled company from China under the Restructured Accelerated Power Development & Reforms Program (R-APDRP). Huawei Telecommunications (India) Private Limited has been given security clearance by Ministry of Home Affairs (MHA) to set up a unit for electronics/telecom hardware and support

services in Sriperumbudur, in the southern state of Tamil Nadu.

He further said that given the glut in the Chinese economy, the industrial and business groups are looking more keenly at India as a prospective market. States with better environment and infrastructure – Gujarat, Andhra Pradesh, Tamil Nadu and Maharashtra – are on the radar of Chinese investors.

He explained that investments from China are the key to reduce the growing trade gap between the two neighbors. However, he also rued the fact that delay in business visas to Chinese nationals is delaying investments in India notwithstanding demands for FDI from the Modi government to boost the economy and create more jobs faster.

India-China bilateral trade, which was as low as US\$2.92 billion in 2000, reached US\$41.85 billion in 2008, making China India's largest trading partner in goods. In 2015, bilateral trade stood at US\$70.4 billion. India's exports to China touched US\$ 8.86 billion, whereas China's exports were US\$61.54 billion. In 2015, the trade deficit was US\$52.67 billion. Investment from Chinese firms in India in 2015 totaled US\$870 million – a six-fold increase compared to the previous year.

Investors and industrialists, however, still find bureaucracy a major stumbling block to ease of doing business. Even though, the Modi government has come up with the institutional mechanism of a Project Monitoring Group (PMG) working directly under his office for resolving a variety of issues including fast tracking the approvals for setting up and expeditious commissioning of large public, private and public-private-partnership (PPP) projects, radical changes are still needed at the level of bureaucracy to end corruption and execute citizen and investor-friendly policies.

The prime minister had begun well by meeting the secretaries but not his ministers. But somehow, the bureaucracy, after a while, started ignoring the ministers, as they had direct access to the prime minister's office. However, the bureaucracy has still not got out of the "officer culture" that they have been used to for decades, which shows that the role and orientation of the civil services have to change. Bureaucrats need to give up the role of 'administrators' and work on becoming 'developers.' Policy analyst Rajendra P. Gupta writes that the British Raj-era kind of bureaucracy and its officer culture was the biggest obstacle to implementing the vision of the Modi government. Until this is attended to and radical changes are made, India's dream of becoming a major manufacturing hub will remain a pipe dream.

The author is an award-winning writer and National News Bureau Chief of DNA in New Delhi.

42 october \cdot 2016

RAZIL USSIA NDIA HINA OUTH

Innovative Tradition

Text by Zi Mo

homas Dirksen is a German citizen who graduated from the Department of Chinese Language and Literature at Fudan University in Shanghai. Better known for his Chinese name "A Fu" among the locals, he completed a "no-cash day" in Hangzhou, capital of eastern China's Zhejiang Province, in late August, just a few days before the G20 Summit was held there.

He arrived in Hangzhou on a bullet train from Shanghai, bringing no cash or credit card but only his passport and smartphone with him. "I have been told that people can buy anything without cash in Hangzhou," he explains. "I doubted this was true, so I decided to try it for real."

After renting an umbrella with an app, Dirksen soon realized that mobile payments had indeed penetrated every corner of life in Hangzhou. During his day in the city, he continued paying by scanning QR codes with his smartphone, whether taking a bus, eating, buying tickets, consulting doctors in a traditional Chinese medicine clinic, or buying snacks at a roadside food cart.

Stunned by his cashless experience, Dirksen recalled that people in his hometown of Marienheide, about 50 kilometers from Cologne, never dare to go out without cash or credit cards. "We take coins to ride the bus and pay for water, electricity and gas bills by visiting banks or using online services," Dirksen grins. "But in Hangzhou, my primary concern is my cell phone battery."

As headquarters of Alibaba, the world's largest e-commerce company, Hangzhou has become the "capital of mobile payments." Data released by Ant Financial, an internet financial services provider under Alibaba, showed that thanks to the popularization of third-party mobile payment platforms such as Alipay and WeChat payment, 98 percent of taxis in the city, as well as more than 95 percent of local supermarkets and convenience stores, accept Alipay. This mode of payment is also available in more than half of the 40,000 or so local restaurants. All one needs is a smartphone with a payment app. In the Digital Inclusive Financial Index compiled by Peking University in July, Hangzhou topped the 335 surveyed Chinese cities in the overall development of internet finance.

Hangzhou is the torchbearer of the Chinese economy in the "Internet Plus" era. A recent report from the China Internet Network Information Center estimated the number of Chinese online payment

users at 455 million by June 2016, up 9.3 percent from the end of 2015. Meanwhile, the number of Chinese mobile payment users rocketed to 424 million, an increase of 18.7 percent in only six months.

New businesses related to the mobile internet and electronic payment, such as social networking platforms, ridesharing apps and online to offline (O2O) services, have ballooned in China, led by unparalleled global giants such as Alibaba, Tencent, and Didi. The "Internet Plus" tide has not only changed lifestyles in China, but also boosted the country's economic restructuring. Thanks to the incentives offered by the government and tireless work by players from a variety of sectors including agriculture, manufacturing, shopping, travel, catering, and real estate, the "Internet Plus" trend has become an important driver restructuring traditional industries and promoting innovation.

With the arrival of the information technology era, China, once notoriously labeled as lacking innovation, has transformed from a straggler into a leader in technological innovation in recent years. In an article of *The New York Times* titled "China, not Silicon Valley, Is Cutting Edge in Tech," Paul Mozer wrote "China's tech industry—particularly its mobile businesses—has in some ways pulled ahead of the United States. Some Western tech companies, even the behemoths, are turning to Chinese firms for ideas."

The 2016 Global Innovation Index, jointly published by the World Intellectual Property Organization (WIPO), Cornell University, and INSEAD, suggests that China has joined the ranks of the world's 25 most innovative economies. "That of course is right in line with all the developments we have seen in China in recent years, including the current enormous emphasis on innovation as a major component in the transition of the Chinese economy from 'Made in China' to 'Created in China," remarks WIPO Director General Francis Gurry.

As global recovery continues sluggishly, innovation has taken a more important position as a new engine to drive economic growth. As its economy enters a "new normal" phase, China seeks to transform from an investment-driven economy to an innovation-driven one. In this context, Chinese policymakers have made "mass entrepreneurship and innovation" one of the twin engines to reform economic structure and guarantee growth. In March 2015,



September 17, 2016: Visitors experience virtual reality (VR) at the 2016 Shanghai International Popular Science Products Expo, held from September 16 to 19 in the Shanghai Exhibition Center and themed "Science Makes Life Better." CFP

Chinese Premier Li Keqiang mentioned the "Internet Plus" Action Plan in his Government Work Report for the first time, which aims to transform traditional industries and promote innovation-driven development via new-generation information technologies such as the "Internet of Things," cloud computing, and big data.

According to Yang Peifang, former chairman of the China Information Economics Society, the "Internet Plus" could be an industrial revolution with greater penetrability than the previous ones driven by steam engines and electricity, and become the core productive force in the information age. More importantly, it is helping expand the size of the new economy while transforming the traditional economy, making economic stock more incremental.

Thanks to the prevalence of the mobile internet, the tide of "Internet Plus" has not only swept across cities of China, but it is now also extending its reach to some once-isolated rural areas.

Already, an "Internet Plus" village experiment has shown promising signs in Tongguan Village, Liping County in southwestern China's Guizhou Province, thanks to the joint efforts of the government and some charity organizations. Surrounded by mountains, the village has 460 households, and 93 percent of its



September 19, 2016: A visitor watches industrial robot "Fu Jiang" (Blessed Artisan) write Chinese calligraphy during an exhibition in Zhengzhou City, capital of central China's Henan Province. by Wang Wei/IC

people are from the Dong ethnic group. Like many other remote villages inhabited by ethnic minorities, Tongguan used to suffer from inconvenient transportation, and most working age natives migrated to cities to work. The majority of the people who stayed were children and seniors. Most had never used cell phones. The per-capita annual income was only 2,800 yuan.

The situation began to change in 2014, when an aid program named WeVillage was launched there. With the help from volunteers, villagers of Tongguan gained access to smartphones and established an online group on the social networking app WeChat. Through the platform, the village committee now can send messages about new farming and breeding technologies and job opportunities, and locals can advertise their agricultural products. In addition, the village launched the WeChat-based Tongguan Market, through which consumers can buy local products by scanning QR codes, see product photos and find contact information.

Thanks to the spread of "Internet Plus," the development gap between China's urban and rural areas caused by an imbalance in information accessibility and resource distribution is expected to shrink and eventually disappear.

China-South Africa Cooperation Enhances BRICS

outh Africa, home to 55.9 million people, is widely considered the most industrialized country in Africa. The country is rich in natural resources and ranks among the world's leaders in mining. It also has a relatively mature manufacturing sector, modern agriculture, a sophisticated financial system and relatively advanced infrastructure.

Challenges for South Africa's Resilient Economy

For a long time, South Africa's GDP accounted for over 20 percent of the continent. After the rapid development of other African economies during the last decade or so, South Africa's share of the continent's GDP has been declining. In 2009, due to the U.S. financial crisis and the following European economic recession, South Africa's economy suffered negative growth of -1.5 percent. However, it recovered quickly in 2010 and 2011 with growth rates reaching 3 percent and 3.2 percent respectively. Its 2011 GDP was US\$416.802 billion, and its per capita GDP was US\$8,023.

Since 2012, South Africa's economic development has slowed. That year, Nigeria surpassed South Africa as the biggest economy in Africa. In 2014, Nigeria's GDP accounted for 22.4 percent of the continent, while South Africa's share dropped to 13.5 percent. South Africa's annual GDP growth rate was 1.5 percent in 2014 and 1.3 percent in 2015, largely due to the collapse in international commodities prices and losses in the domestic mining industry.

Poor economic performance has fueled protests, social instability, and criticism of the government. South Africa also faces the risk of a credit rating downgrade by some agencies. Still, the general attitude within the South African business community is that the economy is more resilient than most people think.

Efforts to Revitalize the Economy

The country's economy has faced great difficulties since the 2008 financial crisis, and the government has responded by enacting structural reform to revitalize economic and social development.

South Africa's industrial policy has focused on structural changes to move away from a commodity-dependent economy towards more diversification by increasing manufacturing, value addition, jobs and export growth.

In 2012, to advance the government's strategic objectives to push industrialization, the 2030 National Development Plan (NDP) was adopted, following the Medium Term Strategic Framework (MTSF) for 2014 to 2019. Sectoral incentive programs were also implemented to foster NDP 2030. An Inter-Ministerial Committee on Investment Promotion was established to ensure the success of investment promotion initiatives of the Industrial Policy Action Plan.

Energy, infrastructure, Special Economic Zones (SEZs) and the automotive sector are among the priorities.

Electricity is the bottleneck hindering South Africa's development. Although South Africa generates 50 percent of Africa's electricity, it has been facing production losses due to increased demand and a capacity shortage. In order to stabilize electricity supply, the South African government had invested 83 billion South African rand (1 ZAR=US\$ 0.07 currently) in its national electricity company, Eskom, by the end of 2015. Energy investment in 2016 will amount to 70 billion rand and increase to over 180 billion over the next three years according to its 2016 budget plan to meet the country's rising demand for electricity.

The South African government has embarked on an aggressive infrastructure development program to stimulate growth. Every three years since the turn of the new century, the national budget calls for spending of 400 to 500 billion rand on infrastructure. For the years between 2016 and 2018, transport and logistics infrastructure expenditure will total nearly 292 billion rand.

The Special Economic Zone program is one of the most critical instruments to advance the government's strategic industrialization, regional development and job creation objectives. Ten state-owned industrial parks are under construction.

South Africa's automotive industry is a crucial cog in the economy that contributes at least 6 percent of the country's GDP and almost 12 percent of its manufacturing exports. The government has invested 25 billion rand in the automotive sector since 2007. In 2015, a steady stream of new investments in automotive parts manufacturing was seen in South African plants. The Department of Trade and Industry recently announced the establishment of a team of technical experts to develop a post-2020 Automotives Master Plan.

Meanwhile, a fund aiming to support small- and medium-sized

enterprises and grow the economy was established in September 2016. Finance Minister Pravin Gordhan called the contribution from the private sector a formidable achievement that would foster inclusive growth through joint activities by all social partners.

Smoothing relations between labor, business and government is a pressing issue for South Africa's economic and social development. To address related challenges, particularly the high youth unemployment rate, National Youth Policy 2020 was adopted to ensure that young people are provided the resources to grow and develop.

In 2015, about 700,000 new jobs were created. In the second quarter of 2016, South Africa's GDP growth rate reached 3.3 percent, much higher than predicted. The primary contributors to growth were the manufacturing and mining industries. And the numbers foster hope that a full-scale recession will be avoided.

FDI on the Rise

Despite political challenges that have contributed its currency's weakness, South Africa is still seen by international capital as "fertile ground" for the private sector. Foreign direct investment (FDI) inflow to South Africa was US\$8.3 billion in 2013, and US\$5.712 billion in 2014. Accounting firm EY ranked South Africa the continent's most attractive FDI destination in 2015, and government debt levels and the budget deficit are well within limits.

Thanks to South Africa's incentive-driven Automotive Production and Development Program (APDP), between 2013 and 2015, foreign motor companies including Ford, Volkswagen, BMW, and Toyota, invested some 25.4 billion rand in South African vehicle manufacturing.

Chinese auto companies have also made remarkable investments in South Africa. Chinese First Automotive Works (FAW) South Africa assembly plant in the Coega Industrial Development Zone cost 600 million rand. The Beijing Automotive Industry Company (BAIC) joined the Industrial Development Corporation (IDC) of South Africa to plan a 12 billion rand plant in Port Elizabeth that will begin production in November 2017.

International financial institutions are also interested in posting representatives in South Africa due to long-term interest in South Africa and the continent at large. Germany's Deutsche Bundesbank announced in August 2016 that it was opening an office in Pretoria, marking the first such representative in Africa.

China-South Africa Cooperation

China and South Africa established formal diplomatic relations in 1998. Since then, bilateral cooperation has been developing rapidly, driven by deepening political trust and the mutual benefits

of economic cooperation. A strategic partnership between China and South Africa was established in 2004 and upgraded to a "comprehensive strategic partnership" in 2010.

South Africa became a member of the BRICS in December 2010. South Africa joined BRICS with an African agenda as well as unique attributes that complement the BRICS mechanism.

Bilateral trade surged quickly from 2010 to 2013 despite the slowdown of the international economy. China-South Africa trade totaled US\$65.15 billion in 2013, 43 times that of 1998. In 2013, South Africa accounted for 32 percent of China's total trade to Africa.

Meanwhile, China has been South Africa's most important international trading partner. In 2011, China accounted for 71.5 percent of South Africa's 263.5 billion rand trade with other BRICS

China and South Africa both face challenges in economic structural reform, and more emphasis has been placed on investmentdriven cooperation in manufacturing and innovation.

China-South Africa cooperation in manufacturing has been energized by some major investment deals. China's FAW invested US\$100 million to build a vehicle and truck assembly plant in Coega. When it opens, the plant will assemble 5,000 trucks annually for the Sub-Saharan African market. BAIC's minibus taxi assembly plant in South Africa started production in January 2013.

Aside from the automotive industry, China has also invested in South Africa's railroads, information and communications technology, electronics, science and technology and financial areas.

Financial cooperation between China and South Africa has been increasing. The Forum on China-Africa Cooperation (FOCAC) and BRICS each formulated specific plans for financial cooperation between China and Africa as well as among BRICS countries.

The New Development Bank (NDB) has been established through an agreement and arrangement adopted by 2013 BRICS Summit in Durban, South Africa. The NDB is intended to finance infrastructure and sustainable development projects in BRICS and other developing countries. At the first NDB annual meeting in Shanghai in July 2016, discussions covered the bank's five-year strategy, the role and scope of the Africa Regional Centre in South Africa, as well as preliminary issues on the expansion of the NDB's membership.

China and South Africa share much in common as they work to shape a more inclusive multi-polar world. BRICS will become even more successful thanks to joint efforts and common development.

The author is a senior research fellow at the Institute of West Asian and African Studies, Chinese Academy of Social Sciences

OCTOBER • 2016 CHINAPICTORIAL 47



The best things come to those who wait, or so the saying goes. On August 21, the final day of the 2016 Rio Games, the Chinese women's volleyball team secured the country's third gold in Olympic volleyball and first since Athens 2004 by defeating Serbia in the final match. Understandably, head coach Jenny Lang Ping was celebrated as a national hero.

A Legend Is Made

Above and beyond a "sports star," Lang has reached legend status. Lang was born in Beijing in 1960 into an ordinary family. Despite her parents' pressure to study medicine and become a doctor, the vertically endowed young woman embraced volleyball and excelled at it so much that she became an iconic player and household name in the country of more than a billion inhabitants.

Lang earned the nickname "Iron Hammer" as a dominant athlete. As the star of the Chinese women's volleyball team, Lang led the team to a streak of victories in the 1980s including the World Cup, World Championships and Olympics, which not only cheered up the nation, but also helped revive public morale and kindle a great sense of national pride. These triumphs meant even more internationally. As the leading figure of the Chinese women's volleyball, Lang became representative of China's return to global sports after the "cultural revolution" (1966-1976).

August 21, 2016: Lang (center, front row) and her team celebrate winning the gold medal in women's volleyball at the Rio 2016 Games in Rio de Janeiro. by Jack Gruber/USA TODAY Sports



Lang spikes. In late 1978, Lang joined the Chinese national women's volleyball team and quickly became the team's ace spiker. by Guan Tianyi/CFB



Lang (second right) and her teammates claimed victory at the Third FIVB Women's Volleyball World Cup in November 1981 in Japan, the first time Chinese women's volleyball team won a world title. by Li Qirona/CFB



November 17, 1985: Lang celebrates victory at the Fourth FIVB Women's Volleyball World Cup. by Guan Tianyi/CFB

Lang training in Beijing. She led the team to a streak of victories in the 1980s and became a national icon nicknamed the "Iron Hammer." by Zhou Tiexia/CFB



The Chinese public adored her. In the 1980s, while the West was glued to Prince Charles and Princess Diana's nuptials, Lang Ping's wedding was broadcast on national television in China. Her face graced postage stamps, and stadiums were named after her. During the 1980s, as China began to implement reform and opening up, the "spirit of the women's volleyball team," which was widely interpreted as "becoming a champion through hard work," became the driver of an entire generation. As some American publications noted, the U.S. has never seen a sports star achieving Lang's scale of popularity-not even Michael Jordan.

However, when Lang's career as an athlete reached an end, it was clear that she would not be content with a routine life. In the late 1980s, Lang declined an offer to become an official with China's General Administration of Sport and instead opted to travel to the U.S. to study. She later moved to Italy, where she began her career as a professional coach. In 2005, she took over at the helm of the U.S. national team and later led the team to win silver at the 2008 Beijing Olympics.

At the Beijing Olympics, Lang led the American team to a 3-2 win over China, which kindled heated discussions in her home country. Some Chinese people found the development hard to swallow and a few more radical voices dubbed Lang a traitor. However, the mainstream reaction was beaming pride for Lang's international success and China's successful "export" of top sports professionals to other countries.

Return to China

In 2013, Lang returned to China to become head coach of the women's national volleyball team just as the team had reached a low point. "The women's national volleyball team is loved deeply by the Chinese people and achieved many glories in the past," she remarked. "Chinese volleyball faces major difficulties and we have a lot of work to do."

She wasn't joking. China's sports system, which has long been criticized for being too rigid and failing to cater to the individual talents of some athletes, has undergoing gradual reforms in many fields in recent years, but improvements in volleyball were few and far between. For example, the inaccessibility of science-based training concerned Lang a great deal when she first took over the team. "We don't have much detailed analysis of physiology, such as how to adjust certain muscles and calculate the calorie intake required to sustain certain sports activities," Lang once commented.

Lang spearheaded bold reforms herself. Her experience as a player and professional coach in Asia, Europe, and the U.S. gave her broad global vision. She changed outdated training concepts and rehabilitation techniques and built a multi-faceted support group. A personalized physical training program was designed for each and every player. Lang eliminated a few training exercises which had been used for decades, but increased the chances of injury. Implementing cutting-edge injury treatment was a key strategy, with an eye on lengthening careers. "In terms of protecting our players, I hope to set an example for volleyball teams across China," Lang once declared. "I'm not trying to give up on training when I talk about protecting athletes—I'm saying that scientific training and management really matter."

The most consistent face in Chinese volleyball over the past three decades turned out to be the harbinger of a new era. In recent years, the Chinese team has participated in more international matches to keep pace with volleyball's latest devel-



September 1, 2015: Lang coaches at the 12th FIVB Women's Volleyball World Cup. Since she took over the Chinese women's volleyball team in 2013, Lang has carried out bold reforms. by Ma Ping/CFB

opments. Lang has encouraged Chinese players to play overseas. With her help and support, Chinese spiker Zhu Ting played in the Turkish league and participated in some of the world's most competitive matches. With her acute observation on how globalization and commercialization can fuel sport, Lang fostered fresh insight into volleyball.

"Old Spirit" for the New Era

Against the backdrop of China's historic reform and opening up in late 1970s, the Chinese people were proud of and greatly inspired by the "spirit of women's volleyball team," which came to represent hard work, unity and perseverance. However, honor brings responsibilities. "In my playing days, players could never make excuses for a lousy performance and never relax because the whole nation was watching them," Lang once explained. "The country as a whole needed their success."

However, a lot has changed within Chinese volleyball and even Chinese society since then. Things are very different today. While still craving sports successes, Chinese people have begun to enjoy a broader range of sports and appreciate competitors' efforts instead of focusing only on medals. Patriotism and sportsmanship no longer directly correlate with results at major international events.

Thus, the spirit of the Chinese women's volleyball team, which once emphasized the pursuit of championship, has been revived and amended to become more inclusive. "Winning is not everything," Lang admits. She now prefers to define the spirit as investing all out of one's strength even when facing the most meager possibility of winning. "We may fail, but when we pick ourselves up and get back in the saddle, we don't get discouraged and remained focused. We may not win, but we never give up trying."

Wang Aolin: Reaching Deep

ell-built and sun-tanned, national freediving (skin diving) record holder and founder of the Freefall Freediving Academy China (FFAC), Wang Aolin has been the face of deep diving in many ways. Once, he was just a boy afraid of water. Today, swimming down into the depths of the blue is the defining passion of his life.

Making a Difference

In April 2016, Wang Aolin set the Chinese freediving record by venturing 92 meters deep with fins at Vertical Blue at Dean's Blue Hole on the Bahamas' Long Island, becoming the first Chinese to join the world's top freedivers.

Dean's Blue Hole in the Bahamas is the second deepest blue hole in the world at 203

meters deep. It is surrounded by mountains on three sides and features a sand beach and became the global mecca of freediving because the waves are blocked. Every April or May, the International Association for Development of Apnea launches a depth challenge there, attracting dozens of national and world record holders.

Competitive freediving not only requires good physique but also intense concentration to avoid several life-threatening risks such as oxygen deprivation, decompression sickness ("the bends"), and cramps. In front of Dean's Blue Hole are two steles, one for a local young expert swimmer who never returned after a swim, and another for Nicholas Mevoli, an American athlete who, while competing in 2013, died on the way to the hospital after suffer-

ing a pulmonary edema during a dive. The plaques are silent reminders of the dangers of freediving.

The dangers inspire international freediving organizers to encourage competitors to compete within their physical limits. Results are not announced until the competitor accomplishes three required routine tasks after emerging from the water: taking off face equipment, showing "OK" sign with his hand, and saying "I am OK."

During his practice sessions, Wang could dive stably as deep as 90 meters, and 92.9 meters was his best. "My tension and excitement melt when I go really far down," he explains. "Water makes a big difference in me."

Feelings over Figures

"I used to be like many other people: afraid of some unknown creatures deep in the water, like in movies," grins Wang. Born and raised in the inland city of Kunming, Yunnan Province, he made his first "intimate contact" with water during his sophomore year in college on a trip to Southeast Asia. Training in the Philippines four years ago opened his eyes to the world of freediving. After a first attempt of a mere eight meters, he started worshipping those who could reach 30 meters down.

He was inspired by the 1988 French movie *The Big Blue*, which recounts the stories of two of the world's top skin divers. The sea becomes darker, the deeper one gets. Divers must conquer not only physical difficulties but also psychological fear the darkness brings.

Wang was plagued by a fear of water for a long time. The situation changed dramatically in 2013 when he was inspired by the line "Danger is real, fear is a choice" from the movie *Star Trek: Voyager*. He tattooed the English on his forearm to help drive away his fear while diving.

April 2016 marked his second trip to Vertical Blue, at which he broke four of his own Chinese records: 80 meters, 85 meters, 90 meters, and 92 meters. He found himself enjoying more and more of the deep. "There is nothing to be afraid of down there," he asserts. "You should be afraid of blindly challenging your own limits." He has witnessed too many mistakes and accidents, and he himself experienced oxygen toxicity by rising too fast during a snorkel dive. The phenomenon can lead to dizziness, weakness, fainting, and even drowning.

"I hate to pursue numbers, which runs counter to the spirit of freediving," notes Wang. "The ocean will punish me if I don't show respect to it and nature." After his early successes, he began practicing diving in a more scientific manner and learning the practices to do and avoid. Still, he dives for feelings over figures.

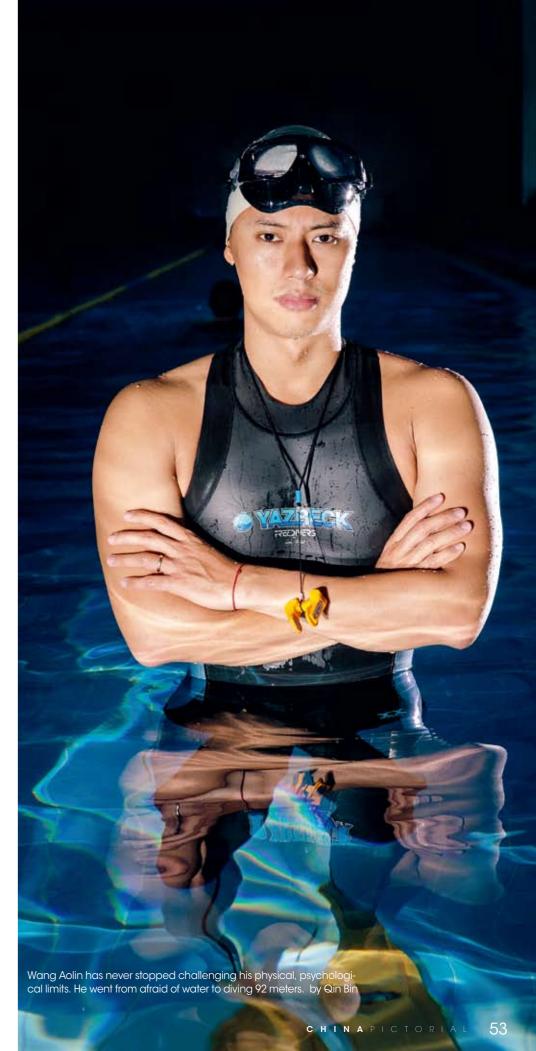
Life Without Answers

After majoring in communications engineering at college, Wang Aolin joined a foreign company as a manager for business development and customer relationship affairs. Diving remained a "heroic dream" buried beneath his ordinary life. When he started training, Wang quickly realized that Chinese divers have few places to purchase diving gear. So, he quit his job to open an online shop to feed increasing demand. Eventually, he joined hands with some friends to establish China's first professional freediving institute, FFAC.

Today, alongside teaching core curriculum, FFAC has launched various campaigns such as overseas trips, public benefit activities, and master diver interaction. Wang Aolin also serves as president of AIDA China. "I hope to popularize the sport, inspire more people to participate, and see more Chinese athletes to compete in the world arena," he declares.



from Wang's photo album



Giant Panda Upgrade

n September 5, 2016, the International Union for Conservation of Nature (IUCN) downgraded giant panda from "endangered" to "vulnerable" on the group's Red List of Threatened

Species. Founded in 1964, the red list is widely recognized as the most comprehensive inventory of plant and animal species and the world's main authority on the conservation

OCTOBER

status of species.

The red list covers nine categories, in which Critically Endangered (CR), Endangered (EN) and Vulnerable (VU) highlight plants and animals that face a higher risk of global extinction.

Protection Work

The new designation is based on a nationwide census in China from 2011 to 2014, which found 1,864 giant pandas in the wild, not including cubs under the age of 18 months, a 17-percent rise over last decade. Efforts by the Chinese government have reversed the slide of the giant panda population and contributed to the rebound of the species. The improved situation confirms that the Chinese government's

reforestation efforts, especially

for bamboo forests and forest protection, are working, the IUCN said.

"When push comes to shove, the Chinese have done a really good job with pandas," says John Robinson, primatologist and chief conservation officer at the Wildlife Conservation Society. "So few species actually get down-listed, so it really is a reflection of the success of conservation."

China banned trading panda pelts in 1981, and the enactment of the 1988 Wildlife Protection Law banned poaching and conferred the highest protected status to the animal. The creation of a panda reserve system increased the number of available habitats. Today, 67 panda reserves including 26 national-level ones in China protect about 67 percent of the population, according to the World Wide Fund for Nature (WWF).



A newborn begins showing black-and-white fur about 20 days after birth. CFP



September 9, 2016: Two infant pandas sleep at the Chengdu Research Base of Giant Panda Breeding in China's Sichuan Province. China has made huge efforts to promote panda-breeding over the last 30 years. CFP





A feeder checks a panda cub's physical condition. CFP

Risk Remains

However, Marc Brody, a senior adviser for conservation and sustainable development at China's Wolong Nature Reserve, notes, "It is too early to conclude that pandas are actually increasing in the wild—perhaps we are simply getting better at counting wild pandas."

"While the Chinese government deserves credit and support for recent progress in management of both captive and wild giant pandas ... there is no justifiable reason to downgrade the listing from endangered to threatened," he continues. "In fact, 'suitable' or high-quality panda habitats are decreasing due to ongoing fragmentation from highway construction, active tourism development in Sichuan Province, and other human economic activities."

"Despite the improved status, the giant panda still faces great challenges in the wild," agrees Lo Sze-ping, director general of WWF in China. "Many of their habitats are under increasing threat of human activities such as infrastructure construction—and remember: There are still only 1,864 left in the wild."

China's State Forestry Administration is also comparatively pessimistic about the animal's progress. On its website, the administration disputed the conservation group's decision, dubbing it a theoretical conclusion based on statistics and indicators. Considering the current situations on the protection of the animal, the giant panda is still in danger and it is too early to downgrade its designation.

Pandas' natural habitats have been splintered by natural and human causes. Wild giant pandas live in 33 isolated groups, among which 22 with less than 30 pandas face risk of disappearing and 18 with less than 10 pandas face high risk of disappearing. Meanwhile, the fragmented habitats hinder the gene communications and population diversity, causing low vitality of the species.

IUCN's report also says that in the next 80 years, climate change could destroy more than one-third of the world's bamboo forests. Given that pandas survive on a bamboo-only diet, that would drastically hurt conservation efforts.



January 27, 2016: Workers wearing panda costumes measure a new-born panda. CFP



Sunbathing. Like a newborn human, panda cubs also need regular sun. The feeder helps them turn over. CFP

Protection Continues

"Although IUCN adjusted the giant panda's status to vulnerable, in terms of domestic and international regulations, protection efforts will not decrease," says the head of a wild animal protection station under the Forestry Administration Department of Sichuan Province.

A flagship species, the giant panda

can attract heavy participation from the general public to aid its ecological protection. Also, the biological diversity of giant pandas' reserves is unparalleled in the temperate world and rivals tropical ecosystems, making the giant panda an excellent example of an umbrella species conferring protection on many other complementary species.

"If we downgrade their conservation status, or neglect or relax our conservation work, the population and habitats of giant pandas would suffer irreversible loss, and our achievements would quickly be lost," the forestry administration stresses. "Therefore, we're not being alarmist by continuing to emphasize the species' endangered status."

The IUCN also wrote in its report on the animal, "Whereas the decision to upgrade the giant panda to vulnerable is a positive sign confirming that the Chinese government's efforts to conserve this species have been effective. It is critically important that these protective measures are continued, and that emerging threats are addressed."

Infectious Education

n a day as gloomy as a dirty rag, clouds shuffle around like bumper cars as the people below wait for one of them to drop rain. Eventually, the rain pelts the roof of an old log cabin before streaming through the trees at the back of the house.

In the dim light, an old woman and her grandson sit around a meager fire.

The boy, Xiao Lei, clings to his grandmother, who can hardly move about. The 11-year-old hasn't seen his parents in years, and doesn't even know they died of AIDS.

His father became infected with HIV through intravenous drug use soon after the boy was born and infected his mother. The

couple had no idea about the disease until the late phases because symptoms didn't present and they were never tested. When Lei was two years old, his mother left to work in another city and died three years later. In 2012, his father died too.

Xiao Lei lives in Sudian Township, Yingjiang County of Dehong Dai and Jingpo Autonomous Prefecture in Yunnan Province, a remote mountainous area along the border of China and Myanmar. The geographic location, directly adjacent to the "Golden Triangle" of drug trafficking, has plagued the area with one of the highest HIV infection rates in China. Furthermore, outdated transportation infrastruc-

ture and weak information flow always result in poverty and underdevelopment. The popularity of intravenous drug abuse in the region makes it a hotbed for HIV infection, and few locals have access to live-saving medicine after testing positive.

Greater numbers of locals are realizing steps that can be taken to fight drug abuse as they are faced with the fact that AIDS still can't be cured. Medicine must be taken regularly to stop HIV from causing AIDS, and once it breaks out, little can be done. And unfortunately Xiao Lei, whose family has been torn apart by drugs and AIDS, is not an isolated case. Thousands of identical situations have emerged across the country.



September 8, 2016: Michel Sidibé, Executive Director of UNAIDS, leads a group of officials to visit a "Youth Love Cabin" in Ruili National High School in Dehong Prefecture, Yunnan.



September 8, 2016: Parents of the students at Ruili National High School sign to join the efforts of fighting against AIDS.



School Battles

Statistics show that by October 2015, of 575,000 reported cases of HIV infection. 177,000 patients died. Fifteen provinces have reported populations of the infected surpassing 10,000 each.

In 2015, the Joint United Nations Programme on HIV/AIDS (UNAIDS) announced its plan to eliminate AIDS globally by 2030. "Concern about AIDS is only the first step," asserts Dr. Su Karen, UNAIDS' representative in China. "Much needs to be done in terms of prevention."

This, of course, begs the question: "What can be done in terms of prevention?"

The three most common ways of transmitting HIV are sexual contact, blood contact and mother-to-baby transmission,

but data shows that 90 percent is transmitted through sexual contact. It has become clear to activists that better access to reproductive healthcare and sexual education are two of the most effective means of preventing the disease.

For traditional Chinese people, however, sex is a topic never discussed openly, so distributing better information to the public is not an easy task. Today, China has 300 million children and adolescents in school, and 20 million reach sexual maturity every year. However, sex education has never been integrated into the educational system, leaving many completely oblivious to the risks associated with sexual contact: Parents are too shy to talk about it, schools ignore it, and society provides no code of conduct.



September 9, 2016, Sudian Township, Yingjiang County, Yunnan: Zhang Yinjun (second left), director of the Office of AIDS Prevention Education Project for Chinese Youth and president of the Youth Love Education Fund, pays a visit to a student's family plagued by poverty.



September 9, 2016: APEPCY staff members distribute donated money to students from impoverished families at a school in Sudian Township, Yingjiang County, in hopes of helping them receive better education.



September 8, 2016: Parents of 480 students at Ruili National High School attend a class on AIDS Prevention Education Project for Chinese Youth.

Upon fully grasping the urgency of teaching AIDS prevention, Zhang Yinjun and Li Bian quit their well-paid jobs in the media to establish a non-governmental organization, AIDS Prevention Education Project for Chinese Youth (APEPCY), in December 2006. "Schools only supply ABCs," stress Zhang and Li. "The battle is to provide sexual education that promotes the health of Chinese teenagers and makes them aware of AIDS prevention

techniques."

Space for Dreams

To get their message into schools, APEPCY launched the "Youth Love Cabin" program, which provides a trained educator for each school to disseminate information related to sexual health and AIDS prevention. Alternately, schools can choose an existing teacher to receive systemic training by APEPCY.

Disseminating such knowledge in schools that have never experienced this kind of education is far from an easy task. "The top priority is to convince the school to let us in," explains Li Bian.

In the early days of the program, most schools refused without hesitation even though APEPCY paid for everything. Both Zhang and Li still remember all the cold shoulders. They considered giving up many times, but ultimately kept at it. Their efforts were all worthwhile.

"In the past, neither parents and students nor teachers had much knowledge about sexual education," remarks Zhang Yinjun. "People were too shy to talk about anything related to sex, let alone sexually transmitted diseases. Our painstaking efforts over the last few years have made a difference thanks to the establishment of our 'Youth Love Cabins' at schools: Sex is no longer a forbidden topic on campus."

This year marks the 10th anniversary of the Education Project, which has now yielded very encouraging results. By August, 724 Youth Love Cabins had been established in 48 areas across 21 provinces,

municipalities and autonomous regions. Both Zhang and Li have a renewed sense of hope, even though their goal of 10,000 such cabins is still a long way off.

In August 2015, China's Ministry of Education and National Health and Family Planning Commission jointly issued a notice on the establishment of a system to report on the epidemic and improve AIDS prevention in schools, underscoring the organic connection between AIDS prevention and sexual education, with focus on sexual

morality, responsibility, and avoidance of unprotected sex, topics that are very familiar to APEPCY.

On September 8, 2016, Michel Sidibé, Executive Director of UNAIDS, led a group of officials to visit a Youth Love Cabin in a Ruili high school in Dehong Prefecture, Yunnan. He said that what he saw here increased his confidence about creating a world with zero new HIV infections, zero discrimination and zero AIDS-related deaths by 2030.



My Beautiful Hometown

have enjoyed traveling since childhood and made up my mind at a young age to travel around the world when I grew up. I've now visited 80 countries. Out of all the places I've been, the most stunning scene I've ever seen was in Xilin Village of Ninghai County, Zhejiang Province, where I was born and raised.

The summit of Mt. Zishan (Purple) embraced by bamboo grooves behind my village remains fresh in my mind. On the mountain, pines and cypresses set off each other, azaleas bloom all over the hills, and birds sing year round. In front of the village, a brook trickles down from the tea-growing mountain, supplying water to the simple, diligent villagers who measure success by how much they help each other, as they farm for generations.

My fellow villagers relocated elsewhere due to the construction of Xilin Reservoir after I joined the army. Today, the landscape around the reservoir has transformed with

Chu Jiwang is president and founder of the Ningbo Ruyi Joint Stock Co., Ltd., a major

recipient of the China Charity Award, the top philanthropic honor in the country. In each

Chinese logistics equipment manufacturer. More than just an entrepreneur, Chu is a

new charming scenery, but I still miss the original scene from my youth.

Not long ago, the reservoir was emptied, which uncovered the old site once again. I rushed to make a visit upon hearing the news: The tall stone walls of a former residence still stand – the house in which I was born. I still remember the close relationship with my neighbors. We shared food all the time: My mother often sent me to deliver bowls of food to my next-door "aunts" and "uncles," who would thank me with kind words before I ran back home with a big smile. Most of the stone walls close to my home were built by my father, a well-known bricklayer. It had been over 30 years since the houses were submerged, and my soul was taken back to childhood upon seeing them.

To preserve memories of my hometown, I branded my products Xilin, and they are now seen throughout the world.

I was deeply impressed by prose praising the beauty of Ninghai by famous Chinese

writer Pu Zi, who described my hometown in incredible detail, taking me back to that tract of land.

Text by Chu Jiwana

I traced my childhood memories in Mt. Xiangshan (Fragrant Hill) in Xidian Town, Ninghai County, where I became peaceful and content after visiting Guangde Temple.

One kilometer from Guangde Temple is Ruyi Temple, the same name as my company, making this place feel even more like home.

A local named Shi Dahui told me that the temple was originally known as Jixiang (Auspiciousness) and renamed to avoid confusion with another one in Meilin. We took a stroll around the temple, watching a spring trickling from the mountain top through the bamboo groove down to the temple. I enjoyed the breeze and the gurgling brook by the plank road sandwiched by oddly-shaped rocks, feeling as if I was in Shangri-La.

Standing on the summit, I saw a vast expanse of grassland surrounded by streams, highways running through abundant trees, and high-speed rails stretching along the mountains. As I returned to Xilin, the Fragrant Hill was bathed in the setting sun.

Nowhere else on this planet can rival with my hometown in beauty.



issue, he shares his business insights and inspirations gained from his life experience.

Photographing Shanghai Text by Laurent Hou



The team featured world-class talents including legendary Associated Press photographer Nick Ut, who won the 1973 Pulitzer Prize for capturing one of the most memorable images of the 20th Century: "Terror of War", in which children flee napalm bombing during the Vietnam War. Another participant, Neal Ulevich, won the Pulitzer in 1977 for "photographs of disorder and brutality on the streets of Bangkok" before working as a photojournalist in China between 1983 to 1988. Two more American photographers worked alongside them: Michael Nelson, a senior photographer working for the European Pressphoto Agency who has won several awards including those from World Press Photo and the National

Press Photographers Association (NPPA), and Ringo Chiu, a freelance photojournalist with Chinese origin. The other participating photographers were Yamada Shinji from Japan (*Kanagawa Shinbun*), Shin Dong Yeung from Korea (*Korea Joongang Daily*), Olesya Kurpyaeva from Russia (Mayak Radio), Vincenzo Rubano from Italy (*La Repubblica*), Fred Dufour (AFP) and Laurent Hou from France (*China Pictorial*).

For some photographers, the event facilitated their first trips to Shanghai. One such participant, Michael Nelson, enjoyed the completely fresh experience and tried to understand the city as much as he could during the short stay. For others like Neal Ulevich who had been to the city before,

the project presented a perfect opportunity to catch up with the tremendous changes that have been happening in Shanghai. In his speech at the launch ceremony, Nick Ut praised the beauty and singular aura of the metropolis, emphasizing its uniqueness. As much as he likes Los Angeles, New York, Paris and Hong Kong, he noted that a different vibe in Shanghai caught his attention, and he warmly recommended the city to everybody. Fred Dufour, AFP's Beijing correspondent, had often visited Shanghai, but still appreciated the opportunity to spend eight full days exploring the buildings and digging deep into the lives of the people, tasks that can hardly be accomplished during a one or two-day assignment.



A scene viewed from the bridge near the entrance of Yu Garden. by Shin Dong Yeung



Tea is served in a restaurant near Yu Garden. by Fred Dufour



A man is flying his kite on the Bund. by Michael Nelson



A young man can't put down his smartphone even while practicing Tai Chi in Mengqing Park. by Nick Ut



A young man playing soccer. by Neal Ulevich



A soap bubble reflects the buildings around Yu Garden. by Ringo Chiu



People who gather in Mengqing Park to play music together are seen through an artificial waterfall. by Shin Dong Yeung

Shanghai caught the attention of the photographers in a variety of ways. The clash between tradition and modernity is the core of both Nick Ut and Michael Nelson's pictures. A Nick Ut photo of a young man practicing Tai Chi in a park is a good example: At first, it seems to represent Chinese tradition, but closer inspection reveals that the man is holding a brand new smartphone and that the mist behind him isn't natural; it's produced by a device in the park.

Similarly, Michael Nelson's shot of a man flying a kite on the Bund creates a striking juxtaposition between a traditional hobby and the futuristic skyline of Pudong. Neal Ulevich tried to catch moments that "clicked" and grabbed a perfectly timed picture of a young man playing soccer. Ringo Chiu managed to capture a soap bubble near Yu Garden that nicely accented his poetic vision. Yamada Shinji was drawn to the people in parks and old streets. Shin Dong Yeung focused on traditional places such as Yu Garden. Olesya Kurpyaeva alternated between landscapes and portraits to depict the city as she saw it. Although he is a writer by trade, journalist Vincenzo Rubano shot the city with great enthusiasm and didn't hesitate to communicate with everyone he met. Fred Dufour focused on the ambiance that underscores daily life in the city. Laurent Hou zeroed in on the romantic side of Shanghai, shooting a lot at night.

Although many strong and very visually appealing scenes attracted the attention of several photographers, in the end only 10 images were chosen as the visions of Shanghai. The group of pictures provides a diverse and stunning view of a city so massive and complex that so few snapshots can hardly do it justice.





A mother and her son playing with the first autumn leaves at Shanghai Jiaotong University, by Vincenzo Rubano



Smiling dancers on Nanjing Road. by Olesya Kurpyaeva



: Books



Hangzhou at a Glance

Compiled by Hangzhou Tourism Bureau, published by the Commercial Press, August 2016

The city of Hangzhou, Zhejiang Province, has become an increasingly popular destination for travelers from around the world thanks to its successful application to list West Lake and the Grand Canal as World Heritage sites as well as its recent hosting of the G20 Summit.

The English travel book *Hangzhou at a Glance* highlights the abundant tourism resources of Hangzhou and provides suggested itineraries for visitors, who are categorized into 10 groups, including most interested in historical sites, those concerned with environmental protection, pilgrims, start-up entrepreneurs, foodies, young artists, shoppers, partiers, families and health conscious people. With such a wide range of visitors, the book describes Hangzhou's tourist attractions from a variety of perspectives and outlines the city's history, culture, environmental protection efforts, commerce, and economics.

Not only is the content innovative, the layout and printing style is cutting edge as well. With an exposed spine, the book releases readers from the restraints of binding, so as to freely enjoy the photos on every page. The jacket presents a panoramic view of the whole city with a hand-drawn map noting major scenic spots of Hangzhou.

The book's editor-in-chief is Tyler Roney, former senior editor of *Global Times* and China Radio International, and its chief contributor is Christopher Cottrell, a well-known American writer who lived in Hangzhou for a period during his 17 years of travel writing experience. He has covered travel for CNN and served as senior editor for many travel journals.

The editorial board featured some foreign journalists who had lived and worked in Hangzhou for many years. They visited museums, theaters, restaurants, and bars to gather stories about start-ups, ordinary locals and foreign residents, to give readers a real, vivid picture of charming Hangzhou in colloquial English with a strong sense of humor.

Moreover, its publisher invited eminent Chinese photographer Yu Guangming and bird photographer and independent filmmaker Zhu Chenzhou to contribute illustrations.



A panoramic view of West Lake and Baochu Pagoda from atop Baoshi Hill, north of the lake



West Lake in snow. by Yu Guangming



A freehand sketch map of Longjing Village. If hiking around West Lake isn't exhausting enough, one can also take the road northwest of Longjing Village, which leads to the Three Temples at Tianzhu, Linyin Temple, and more.



Nine Brooks and 18 Streams. Hangzhou's southwestern mountains are a treasure for those seeking tranquil, meditative day hikes.



Dubbed China's Top Villa for Great Merchants of the Late Qing Dynasty, Hu Xueyan's Former Residence in Hangzhou, Zhejiang Province, rivals the Forbidden City (Palace Museum) in Beijing in craftsmanship. by Yu Guangming

/() oo



The Order Breaks From Within by Jyothi Basu (b. 1960, Bardoda), oil on canvas, 182.88×214.63cm, 2005.

Yinchuan Biennale: Light Speed **Text by Nancy Gong**

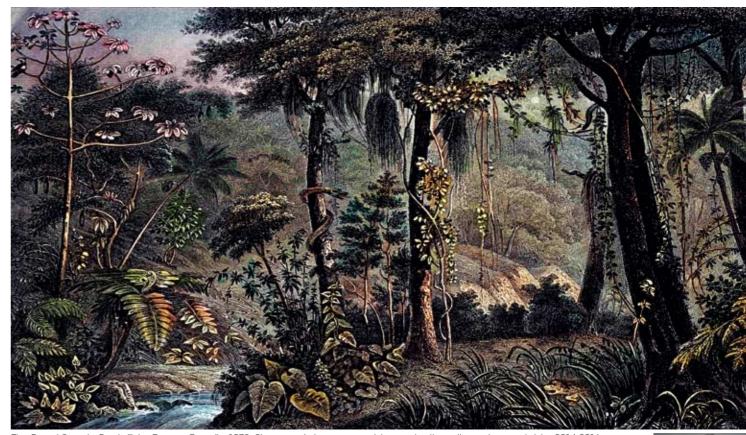
▼inchuan, seat of the Ningxia Hui Autonomous Region in northwestern China, was once capital of the Western Xia Kingdom (1038-1227). It was also a key stopping point on the ancient Silk Road, especially bustling as a trade hub linking China to the West. Marco Polo, a famous Italian traveler of the 13th

Century, documented thriving commerce and diversified Western Xia culture there when he passed through.

On September 9, 2016, the First Yinchuan Biennale kicked off at Yinchuan Museum of Contemporary Art after eight months of preparation. Designed by Bose Krishnamachari, a distinguished international artist

and curator from India, the Biennale invited 73 artists from 33 countries, who brought works including video, installation, photography, painting, and sculpture.

Themed "For an Image, Faster Than Light," it aims to align artistic creations from around the world with current social problems.



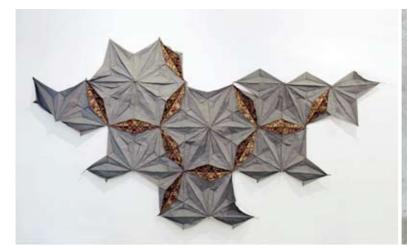
The Forest Speaks Back (I) by Donna Ong (b. 1978, Singapore), two screen video projection, dimensions variable, 2014-2016.



Dubious Age by Popok Tri Wahyudi (b. 1973, Indonesia), mural (emulsion paint), 165.8×118.6cm, 2016.



CHINAPICTORIAL 73 72 october · 2016



Sewed Ceiling (Decke genäht) by Alke Reeh (b. 1960, Düsseldorf), grey textile, 300x480cm, 2011.



Storybook 1,8 and 9 by Alaa Mahmoud Alqedra (b. 1994, Dubai), acrylic paint on concrete slabs, dimensions variable, 2015-2016.



Rock Series, by Shi Zhiyang (b. 1979, Shanghai), oil on canvas, 130x200cm, 2016.



Shoonya Ghar (Empty Is This House) by Sduarshan Shetty (b. 1961, Mumbai), film, 60", 2016.





China III, by Liu Wei (b. 1965, Beijing), ceramic, metal, 260×135×160cm, 185×128×158cm, 220×190×155cm, 260×130×170cm, 2006.



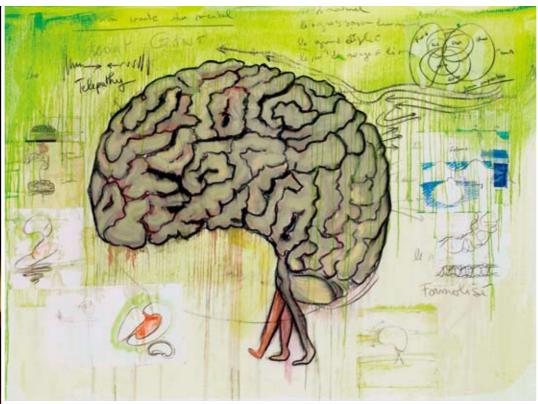


In the Future They Ate from The Finest Porcelain by Larissa Sansour (b. 1966, London), film, 28'37", co-produced and co-directed by Søren Lind, 2016.





Rose Marie by Andrew Miller (b. 1969, Glasgow), lampshades, LED lights, 383x55x55cm, 2012.



Walking Brain by Fabrice Hyber (b. 1961, Paris), charcoal and oil on canvas, 200x150cm, 2010.



"We Are in War Without Enemy...
I", from the series This is My Home,
My Land and My Country... by Hit
Man Gurun (b. 1986, Kathmandu),
stippling drawing on printed canvas, acrylic on canvas, 4 panels,
230×20√5cm each, 2016





This Land Is Your Land, ladder (Water Tower), 2016, neon, wood, painted steel, galvanized steel, aluminum, mirror, one-way mirror and electric energy, 480.1x267x267cm, by Ivan Navarro, born in 1972, New York.



Participating artists include modern international heavyweights as well as a new generation of budding artists such as Anish Kapoor, a well-known Indian sculptor who fuses Indian philosophy with Western art, Yoko Ono, a Japanese-American performance artist and musician, and Liam Gillick, a noted modern artist from Britain, in addition to young Chinese artists such as Song Dong, Tu Hongtao, and He Xiangyu, who have earned loyal followings in recent years.

The curtain of the exhibition will

fall on December 18. For Bose, the curator, Yinchuan is the best place for such an event due to its geographical location at the juncture of the Yellow River and Helan Mountains, an important central point along the ancient Silk Road, which can still be evidenced by the local architecture, food, folklore, and traditional culture that reflect the integration of the Chinese and Islamic cultures. He hopes that the exhibition can transform Yinchuan into a stronghold for modern Chinese art featuring flavors of the Silk Road.

[] On Display



The Hare, oil on canvas, 400×400cm, 2012.

Zeng Fanzhi: Parcours

Born in Wuhan, Hubei Province, in 1964, Zeng Fanzhi graduated from the Oil Painting Department of Hubei Institute of Fine Arts. He now lives and works in Beijing. He made a splash in international art circles in the early 1990s and has since become one of the most internationally influential artists in modern China thanks to his singular visual language to depict Chinese society and its cultural aura.

This exhibition is the largest of his kind documenting his three-decade career with 60 paintings and sculptures.

September 19 – November 19 Ullens Center for Contemporary Art, Beijing

Bai Xiaogang: Quotidian Wonders

Born in Shanxi Province in 1973, Bai Xiaogang graduated from the Mural Department of the Central Academy of Fine Arts, and now serves as an associate professor there.

On display are over 100 works he completed over the last decade. Bai often compares his work to "picking up stones." He draws inspiration from myriad sources: teaching, daily life and traveling. This fragmented style reflects the reality of the art world, comfortable yet restrictive, as the young artist came of age.

September 17 – October 12 798 Art Bridge Gallery, Beijing



Studio, oil on canvas, 60×60cm, 2011

Wang Haiyang: Dynamic Field

Born in Shandong Province in 1984, Wang Haiyang graduated from the Printmaking Department of the Central Academy of Fine Arts. Over the past few years, Wang has been exploring the fusion of painting and animation. On display are his works since 2012.

Wang integrates hyper-realistic expression with imaginative shape-shifting, as seen in the randomness of his portfolio, which reflects the spiritually invisible waves hidden in

September 17 – October 16 Minsheng Art Museum, Shanghai



Return of Elegance - Chinese Contemporary **Art Exhibition**

This exhibition feeds features about 40 works by 14 contemporary Chinese artists including Yin Zhaoyang, Feng Fang and He Sen from Beijing, Zou Ming and Ying Tianqi from Shenzhen, Chihung Yang from Taiwan and Ng Fong Chao from Macao - each representing the styles of their respective homes.

"Since the turn of 21st Century, modern Chinese art has shown a tendency to regress in terms of concept and form, in favor of aesthetics, human emotion and technique," comments curator Peng Feng. Contrasting Western culture that focuses on rationality and "truth," Chinese culture is highlighted by sensibility and "beauty," traits embedded within the ancient Chinese language.

Since its founding in 2002, Shenzhen Art Museum has held a series of exhibitions of modern Chinese art, which have helped catalog the development of modern Chinese art while showcasing its style and status and exerting widespread influence globally.

September 23 – October 7 Shenzhen Art Museum, Shenzhen



Marble Valley by Yin Zhaoyang, oil on canvas, 150x280cm, 2015.



LOVE PACKAGE

SCHOOL SUPPLIES, SPORTS GOODS, LIFESTYLE PRODUCTS, AND ENERGENCY KITS ARE PART OF THE PACKAGE FOR KIDS.





DONATION HOTLINE: 010-6510 3490/6513 2438

LIFE IS DISCOVERY,

And we have the directions to get you there.

A Historic Village of Distinguished Culture © Yunnan

CHENGZI ANCIENT VILLAGE

National Scenic Area · National Geopark · National 4A Tourist Attraction · Historic Village in Yunnan

Discover Chengzi at: Alu Ancient Cave, Luxi County,
Honghe Hani and Yi Autonomous Prefecture, Yunnan Province
Phone: 0873-6652600
Web: www.7alu.cn





Fly on Air China to Two of the world's Great Destinations



Service Hotline: 4008-100-999 or 95583

Phoeniziviles Hotline 4006-100-666

www.airchina.com.cn

A STAR ALLIANCE MEMBER

Starting September 1, Air China will increase its services between Beijing and Los Angeles to two daily flights. Passengers traveling from a wide range of Chinese cities to Los Angeles can benefit from our extensive network and "seamless connection between the ground and the air" arrangement via Beijing and have their baggage checked all the way to the final destination.



We go above and beyond