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Authorities put cyberbullies in crosshairs

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Nation must take countermeasures against US export curbs, experts say

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CHINA DAILY

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Mongolian PM hails 'exemplary' ties with China

Oyun-Erdene eyes stronger cooperation in key sectors such as mineral resources, energy

By XU WEI
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Mongolian Prime Minister Luvsannamsrai Oyun-Erdene has underscored the strength of the "exemplary relations" between Beijing and Ulaanbaatar as both sides embrace the 75th anniversary of bilateral ties this year, saying that his country views China as "a trusted friend and partner".

In an exclusive interview with China Daily, the Mongolian leader said it has been encouraging for him to observe the growth of friendly relations and mutually beneficial cooperation in recent years.

"This growth has fostered a deepening of political trust, revitalized tangible cooperation, and strengthened people-to-people exchanges and friendship."

Mongolia was one of the first nations to have established diplomatic ties with the People's Republic of China after its founding in 1949.

This year also marks the 30th anniversary of the signing of a bilateral treaty on friendly relations and cooperation, and the 10th anniversary of the establishment of the China-Mongolia Comprehensive Strategic Partnership.

Oyun-Erdene said the primary focus for the two nations is on bolstering cooperation in pivotal sectors such as mineral resources, energy, infrastructure development and green development.

"Our dedication to expanding cooperation in these sectors and fostering mutual understanding underscores the strength of our enduring mutual support."

"Together, we are committed to advancing on the path of modern development, aiming for shared success, reinforcing our exemplary relations, and making significant contributions to regional and global peace, stability, and development," he continued.

Ties between the two nations have been built on the robust growth of bilateral trade, with China being Mongolia's largest trading partner and investor for many consecutive years. In 2023, trade between China and Mongolia grew 36.1 percent year-on-year to reach a historic record of \$17.49 billion, according to the General Administration of Customs.

The two sides have set a goal to increase the trade volume to \$20 billion in the coming years, which was outlined in a medium-term pro-

gram for developing bilateral trade and economic cooperation.

The Mongolian prime minister has underlined the enhancement of transportation capacity and border port facilities as crucial for boosting bilateral trade.

The upgrading of current railway links between border ports of the two nations will be prioritized, and the two nations are working together to build another railway link between the border ports of the two nations.

"The enhancement of infrastructure, especially railways, is pivotal in boosting commodity exports. The governments of Mongolia and China are actively engaging in discussions at all levels to connect cross-border railways," he explained.

Under the Belt and Road Initiative, Mongolia, one of the 32 landlocked developing countries globally, "aims to leverage its strategic geographic location as a crossroads between Asia and Europe", Oyun-Erdene said.

"We believe that the Belt and Road Initiative, through its promotion of infrastructure, trade, and financial cooperation among participating nations, has the potential to create new avenues for collaboration and drive regional and global economic recovery and growth," he said.

For Mongolia, the BRI offers "an opportunity to mitigate, to some extent, the challenges associated with its landlocked geographical location, thereby facilitating foreign trade", he added.

During a visit to China in June 2023, the Mongolian prime minister met with President Xi Jinping and other Chinese leaders, in addition to visiting the Tianjin port, where he discussed plans with its operators to use it to export the nation's energy resources to other countries.

In addition to the BRI, the Mongolian prime minister applauded the other major initiatives proposed by the Chinese president, including the Global Development Initiative, the Global Security Initiative and the Global Civilization Initiative.

"The idea of building a community with a shared future for humanity embodies a vision of global cooperation and mutual prosperity, aligning with the values of numerous countries," he said.

The initiatives "are essential in addressing the complex challenges we currently face, such as climate change, poverty, and security threats," he added.



Luvsannamsrai Oyun-Erdene

Forest wonderland



Actors and actresses perform during the international Lanterna festival held at the Fairy Tale Forest theme park in Cassino, Italy, on Sunday. Covering 110,000 square meters, the festival features more than 300 giant lanterns handcrafted by artisans from Zigong in Southwest China's Sichuan province. The festival will run through March 10. LI JING / XINHUA

Landmark ruling sparks debate on AI technology

By CAO YIN
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A court ruling that recognized the copyright of an image generated via artificial intelligence, together with other recent cases involving AI, has highlighted the need to regulate the application of the fast-developing technology and triggered public discussion.

The ruling made by a Beijing court was included in the capital's annual judicial work report, which Kou Fang, president of the Beijing High People's Court, delivered to the Beijing People's Congress last week.

Kou said the landmark decision by the Beijing Internet Court in late November had set standards and market rules for new technologies.

In the first ruling of its kind in China, the court said the picture, generated by the text-to-image

software Stable Diffusion, was an artwork under copyright protection because of the originality and intellectual input of its human creator.

Liu Bin, an intellectual property lawyer at the Beijing Zhongwen Law Firm, said that whether an image or a novel generated by AI can be copyrighted mainly depends on whether the content is filled with creativity or originality, which needs to be analyzed case by case.

The Beijing lawsuit was initiated in May last year by a man named Li, who used the AI program to create a picture of a young Asian woman and posted it on Xiaohongshu, a popular Chinese social media platform.

Li turned to the internet court after he alleged that a blogger named Liu used the image without his permission in a post on Baijiahao, a Chinese content-sharing platform owned by Bai-

du, claiming Liu had infringed on his copyright of the picture.

After hearing the case, the court ruled in favor of Li, identifying his AI-generated image as an artwork, and ordering Liu to make a public apology and pay 500 yuan (\$70) to Li in compensation.

The judge who heard the case, Zhu Ge, said the ruling was made based on the way that Li had continuously added prompts and repeatedly adjusted the parameters to come up with a picture that reflected his aesthetic choice and personalized judgment.

"Assigning generative AI content a legal status under certain conditions in this case is aimed at encouraging people to innovate with the new technology, and promoting the development of this emerging industry," she said.

But Zhu also emphasized that future copyright disputes related to AI-generated content should be

judged on a case-by-case basis.

Liu said that "with the rapid growth of AI, problems over its generated content are on the rise".

"However, because the existing laws don't have clear provisions in this regard, the identification of originality does require judges to spend much more time thinking and studying," he said. "Whether at home or abroad, the identification is a judicial challenge, and legal professionals need to step up efforts in related research and exploration."

Cui Guobin, a law professor at Tsinghua University, said the court's ruling provided a reasonable solution for copyright disputes about AI-generated content in a certain circumstance that had important reference value for future legal practice and academic research.

See AI, page 3

Embassy reopens



Nauru's Minister for Foreign Affairs and Trade Lionel Aingimea (second from left) and Luo Zhaohui (second from right), head of the China International Development Cooperation Agency, applaud on Monday after unveiling a plaque at the reopening ceremony of the Chinese embassy in Nauru. China and Nauru signed a joint communique on Wednesday in Beijing on the resumption of diplomatic relations at the ambassadorial level. CHEN GUOLONG / XINHUA

Smart cities offer solution to Africa's urbanization problems

The development of smart cities in Africa is on the rise. This is a result of the acceleration of urbanization across the continent through the emergence of growing economies that are advancing the African renaissance dream.

These smart cities are integrating technology within urban planning, infrastructure development and the overall governance system to enhance efficiency, sustainability and quality of life for all civilizations.

Smart cities are designed to solve urban problems and provide citizens with a better living environment. The United Nations has projected that by 2030, Africa's

WORLD WATCH
By Dennis Munene

urban population will increase by 350 million people. This in turn would push the continent's overall population to reach close to 2.5 billion people, and the global urbanization rate to increase to about 66 percent, by 2050.

This population increase in urban areas will create new challenges and problems. Crime, overcrowding, an increase in slum dwellers and environmental degradation, among other social disorder issues, will be on the rise.

Thus, to solve some of these issues, innovative information and communication technologies such as the internet of things, big data, cloud computing and data virtualization have become widely used in the design and development of smart cities.

Conceptually, the idea of the smart city has attracted worldwide interest, including among

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'HOMETOWN OF FIREWORKS' LIGHTS UP THE SKY

Impressive displays attract visitors from across China

By ZOU SHUO in Liuyang, Hunan
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To celebrate the arrival of 2024, Li Chao traveled from Shanghai to Liuyang, Hunan province, to watch a fireworks display.

Liuyang is known as the "hometown of fireworks", but the 23-year-old was unable to obtain a ticket to see a fireworks show at Sky Theatre, because they had sold out.

She and her friends, along with people from across China, settled on watching the display, which was also livestreamed, from an open playground.

To witness the pyrotechnic

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delights on Dec 31, more than 160,000 people traveled to Liuyang, which boasts a population of 1.4 million and is situated about 70 kilometers from Changsha, the capital of Hunan.

Li said: "I had never seen anything like these fireworks before. The evening was romantic, mesmerizing and festive. More important, after three years of the COVID-19 pandemic, everyone in the large crowd was ready to celebrate."

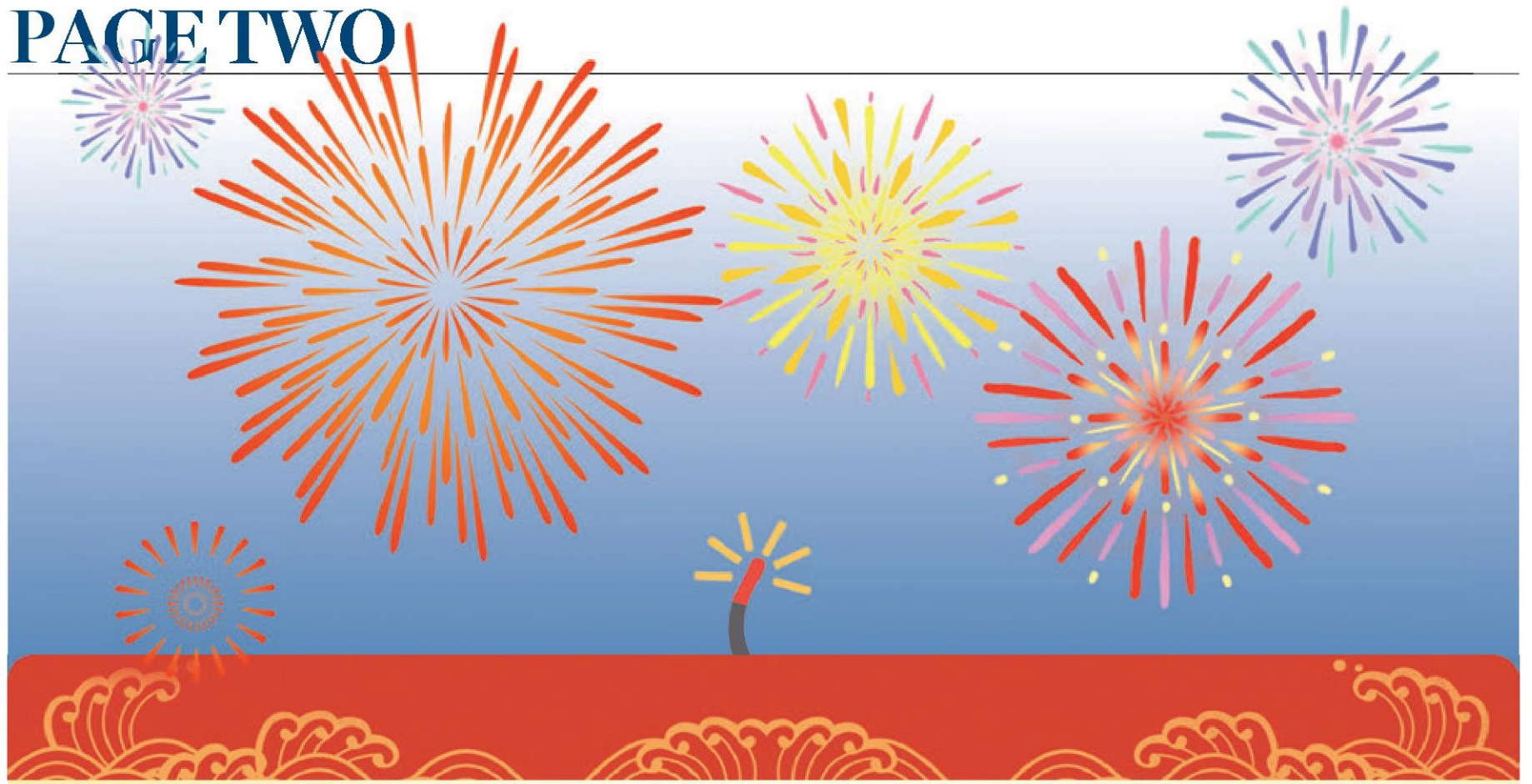
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Pyrotechnics: Loosened regulations welcomed

From page 1

She added that the fireworks were like stars shimmering against the dark canvas of the night sky.

After watching the display, which lasted more than an hour, Li said that the fireworks show she had seen at Shanghai Disney Resort seemed small in comparison.

The entire event on New Year's Eve lasted more than four hours, but Li and her friends returned to their hotel early to avoid traffic.

Wang Biao, head of Sky Theatre, said the show was livestreamed on short video platforms — trending on Douyin and Kuaishou — two of the largest such platforms in China, with more than 600 million views.

The theatre is located alongside the Liuyang River, with the stage for the display set against a backdrop of mountains.

Wang said the show featured a combination of water, mountains and fireworks, as well as a dance performance, adding that such displays can also be staged at other tourist sites or amusement parks.

A total of 50 fireworks shows were livestreamed at the theater last year during weekends and festivals, and people now know that such displays are held in Liuyang on Saturday nights, Wang said.

"People come to the city because it is the hometown of fireworks and showcases their aesthetic appeal," he said.

Wang said the theater can seat about 10,000, so for occasions such as New Year's Eve, spectators need to be creative in finding locations to watch the fireworks, such as from rooftops or balconies of apartment buildings near the theater.

Villagers set up small lounge chairs in hills near the theater, charging 100 yuan (\$14) for each seat, he added.

Yi Xin, who also works at the theater, said rehearsals are staged for the fireworks shows to ensure they are eye-catching.

Nearly 80 percent of audiences at the theater are younger than 50, and most of them are either in the 21-30 age bracket, or married couples aged 31 to 40, who also bring their children or parents to watch the shows, he said.

Yi added that the displays are happy occasions at which people bond with one another, and there have been no bad reviews for the shows.

Wang said the theater plans to show more than 50 fireworks displays this year to bolster its brand image and provide a venue for people to spend their weekends.

Historical ties

The Hunan cities of Liuyang and Liling, and the counties of Shangli and Wanzai in neighboring Jiangxi province, are China's four major fireworks-producing areas.

Ties between Liuyang and fireworks date to the Tang Dynasty (618-907), when Li Tian, a Liuyang native, is believed to have filled sections of bamboo with black powder, inventing the world's first firecrackers to drive away evil spirits.

Liuyang is the world's largest production hub for firecrackers and fireworks. Its domestic sales of fireworks account for 50 percent of the national total, and its export value for fireworks comprises 60 percent of this total.

Fireworks from the city light up birthdays, weddings and independence day celebrations in more than 100 countries worldwide.

Data from the Liuyang Firecrackers and Fireworks Industry Development Center show the 50 fireworks shows held in the city last year attracted more than 3.8 million visitors, including over 10,000 from other countries and regions.

The center, a government institution that oversees the city's firecrackers and fireworks industry, said the shows last year generated tourism revenue of more than 11 billion yuan.

In Liuyang, 431 enterprises are involved with manufacturing fireworks and firecrackers, 658 with related operational, wholesale and storage businesses, and more than 400 enterprises package these devices.

The city's pillar industry provides jobs for more than 300,000 people and generates almost 1 billion yuan in annual tax revenue, the center said.

Last year, the total output value of fireworks and firecrackers in

Liuyang reached 50.89 billion yuan, a rise of nearly 69 percent from a year earlier, it added.

Government efforts to curb pollution have led to bans on fireworks in many cities nationwide. However, late last year, the National People's Congress Standing Committee's Legal Affairs Commission ruled that it is illegal for local governments to enact complete bans on selling and setting off fireworks.

On Jan 9, the authorities in Changsha said they would allow the public to set off fireworks for more than 10 days during Spring Festival and Lantern Festival.

Ten days later, the authorities in Zhengzhou, capital of Henan province, said fireworks could be set off by people for eight days during the two festivals.

In Dayao township, Liuyang, which produces 70 percent of the raw materials used to make fireworks in China, an international trading center houses more than 400 fireworks stores.

Gu Jun, president of Liuyang Junzi Fireworks Trade Co, which is located at the center, said he welcomes the regulation on fireworks being loosened.

Busy times

As Spring Festival approaches, employees at his company have been busy keeping up with orders from different areas.

Fireworks are generally not used as much abroad as they are in China, and as the export process is complicated, Gu said the 700-plus products his company makes are sold in 26 provincial areas of China.

He added that many fireworks companies have "gone domestic-only" due to the growing market in China, especially after the COVID-19 pandemic.

"Fireworks are a big part of Chinese people's lives and are used for important occasions such as birthdays, weddings or funerals," he added.

"After the COVID-19 restrictions were lifted in 2022, nearly all the fireworks in Liuyang sold out, because people needed to express their feelings and desire for happiness," Gu said.

While safety is the most important consideration for fireworks businesses, Gu's company also focuses on making its products more environmentally friendly, such as ensuring they leave no waste after being lit.

Young customers

Great efforts have been made to upgrade the packaging of fireworks to make it more appealing to young customers, Gu said, adding that his company is at the forefront of producing trendy packaging for its products.

He said the company expects its sales revenue for last year to have risen by 20 percent from 2022, to stand at tens of millions of yuan.

With more cities introducing friendlier policies toward fireworks, and the strong public demand for them, the industry is witnessing a resurgence, he said.

He Rongqiang, general manager of Yinyang Fireworks Group, said the company's sales revenue has grown by 30 to 50 percent annually in recent years due to strong domestic demand.

Production at some of the company's factories is now automated, significantly reducing the accident rate, he said.

Fireworks are a family business, and He's father also works in the industry. People in Liuyang have a special feeling for fireworks, and you can see them trying out new varieties on the streets, He added.

"It seems that anytime in Liuyang is a good time to set off a few fireworks," he said.

The company has made great efforts to promote its products on social media platforms to attract young people, He said. It has also tried to make setting off fireworks a fun social event, so people can invite their friends to watch them together.

"We want more young people to fall in love with fireworks and for the public to enjoy them more often," he said.

"It does not have to be a special occasion or celebration to mark a festival. You can set fireworks off after you finish work, while always paying attention to the safety of yourself and those around you," He added.

Early memories rekindled along the riverbank on a wet and chilly night



Zou Shuo
Reporter's log

I remember first watching fireworks when I was still a primary school student, but since then have often asked myself whether it is childish for adults to set light to these combustible devices.

On a rainy and extremely cold night recently, a friend and I took some fireworks to a bank of the Xiangjiang River in Changsha, Hunan province. The main reason for our mission was for me to write this reporter's log.

Like many cities in China, the authorities in Changsha ban fireworks in urban areas, so to avoid attracting attention, we needed to find a place without many people.

The experience that night changed my view on adults playing with fireworks. My boyhood fascination with them was rekindled, and I was full of laughter on what proved to be a joyous occasion.

As we lit the fireworks and they exploded over our heads, it was as if a love poem had taken to the sky.

After setting light to one particular type of firework, I saw it rise into the air, followed by loud bangs and patterns of different colors as it exploded. The adrenaline kicked in, as this was

an exhilarating but dangerous experience.

We needed to handle some of the fireworks with extreme care. After being lit, they took to the air almost immediately, emitting loud shrieking sounds and short bursts of beautiful colors against the black sky.

A high degree of craftsmanship is required for each firework to produce the right sound, sparks and dazzling displays of color.

Those we set off that night were not much different from the fireworks I experienced during my childhood. However, back then, my father lit them, but now I had to perform this task myself, thus heightening the excitement.

For Chinese, fireworks are used to mark important occasions, such as key birthdays, starting college, buying an apartment, getting married, having children, and even for funerals.

Without fireworks and firecrackers, such important milestones are not complete for people to express their best wishes and the desire to lead better lives.

Shortly after my friend and I let off our fireworks, it began to snow in Changsha, a somewhat rare event for the city.

Amid the snow and the dark night, the colorful fireworks we lit that evening added spice to our lives and brought us fun and joy.



From left: A worker makes fireworks in Liuyang, Hunan province. YANG HUAFENG / CHINA NEWS SERVICE A fireworks show is held at Sky Theatre in Liuyang. DENG XIALIN / FOR CHINA DAILY A worker carries fireworks made at a factory in the city. YANG HUAFENG / CHINA NEWS SERVICE

TOP NEWS

Migrant workers shun long motorcycle trips

By QIU QUANLIN in Guangzhou
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Hu Weihai today runs a homestay and a restaurant serving local food in his hometown in Pingxiang county, Jiangxi province, after working at a furniture factory in Foshan, Guangdong province, for more than 20 years.

In the 1990s, Hu, now 51 years old, followed relatives from his hometown to Shunde in Foshan, a major furniture manufacturing hub in the Pearl River Delta region. He started as a carpenter, gradually growing into a versatile craftsman proficient in various processes such as sawing, assembly and painting.

Hu's decision to enter the hospitality business at his hometown put an end not only to his 20-year career in the furniture business, but also to the 650-kilometer journey he made home on his motorbike every Spring Festival.

"I used to return home on my motorbike with my wife and little son before Chinese Lunar New Year as it was difficult in those days to procure train tickets," said Hu.

Hu's decision to change his career was on the advice of his son, who returned to their hometown to engage in rural cultural and tourism research and development after graduating from college with a degree in design in 2022.

"The motorbike trips back to my hometown in the past years seem like a distant memory — my son wanted us to leave the path of working away from home," said Hu.

Hu's experience, from returning home by motorbike during the Spring Festival travel rush to starting businesses in his hometown, mirrors the huge change brought about by the country's rural vitalization drive over the past decades.

In 2022, the number of rural migrant workers who chose to work in their hometowns stood at 123 million, up 2.4 percent year-on-year, according to the National Bureau of Statistics. The rural vitalization drive nationwide has helped more migrant workers find employment closer home, experts said.

Meanwhile, with the development of road networks, high-speed railways and other transportation infrastructure, along with the continuous improvement in people's living standards, fewer migrant workers today choose motorbike rides to return home from Guangdong, which is home to millions of migrant workers thanks to its position as a manufacturing hub, experts said.

“

The motorbike trips back to my hometown in the past years seem like a distant memory — my son wanted us to leave the path of working away from home.”

Hu Weihai, a homestay owner, who was once a migrant worker

Statistics from China Petrochemical Corp indicate that the number of motorbike travelers hitting the highways during the annual Spring Festival travel rush has now decreased significantly to around 30,000.

Since 2013, Sinopec has been carrying out heartwarming campaigns each year to assist motorbike riders and truck drivers during their homebound journeys, providing free services such as refueling without charge, emergency medical treatment and vehicle maintenance.

According to data from the transportation authorities of Guangdong, the number of motorbike riders traveling from Guangdong to neighboring provinces such as Guizhou, Hunan and Jiangxi and the Guangxi Zhuang autonomous region and other areas peaked at around 1.1 million trips in 2013.

Over the weekend, as the Spring Festival travel rush got underway, hardly a handful of motorbike riders could be seen on the road from Zhaoqing in Guangdong to Guangxi. Once, the same route used to be teeming with motorbikes during the travel rush.

A few kilometers away from Wuzhou, Guangxi, a man surnamed Liu stopped to rearrange the luggage on the back of his motorbike. "Few people are making long-distance journeys home by motorbike," he said.

Liu, 56, who works for an aluminum factory in Sihui, Zhaoqing, still commutes between his hometown and workplace by motorbike as he says "the distance is not far, and it is both convenient and cost-effective".

China's annual travel rush for the Spring Festival holiday started on Friday. This year, about 480 million passenger trips are expected to be made via the railway network, 80 million trips by air, and an unprecedented 7.2 billion trips by car during the 40-day rush, with all the figures being new highs.



Welcome aboard

People visit China's Xuelong 2 icebreaker during an open day event at Lyttelton Port in Christchurch, New Zealand, on Sunday. The icebreaker, which is on China's 40th Antarctic research mission, welcomed around 400 visitors during the day. It completed replenishment of supplies and rotation of crew members at the port, and set sail on Monday for a new research station under construction in the Ross Sea.

LU HUAQIAN / XINHUA

Xinjiang lauded for its efforts on opening-up

Foreign guests given opportunity to witness decision-making process

By CHEN MEILING and MAO WEIHUA in Urumqi

Foreign guests praised the Xinjiang Uygur autonomous region's approach to opening-up and the Chinese path to democracy, after they were invited, for the first time, to attend the region's annual legislative and political advisory sessions.

"We're very grateful for the invitation. It's a good opportunity to learn about how the things are being done here responsibly by the Communist Party of China and the government," said Sohail Khan, deputy secretary-general of the Shanghai Cooperation Organization, after attending the opening ceremony of the second session of the 13th Xinjiang Committee of the Chinese People's Political Consultative Conference on Monday morning in Urumqi, the regional capital.

"The session has given a very detailed account of each and every direction that Xinjiang is chalking out in its plan for this year, which includes economy, agriculture and other social uplift programs," he said.

Khan said that everything he heard about the region's governance and management was very informative and instructive, adding, "I think it's very timely to inform us."

"We feel very proud that we are the first group to be here to listen to all these things and see with our own eyes what is happening on the ground here. And we are very confident that the future of Xinjiang is very bright and prosperous," Khan said.

The life of people in Xinjiang is "as good as in Beijing or other cities" in the country, he said.

After learning about how the region's political consultative body functions, the guests from the embassies of Kazakhstan, Pakistan, Mongolia, Iran and Belarus, and those from the SCO and the Central Asia Regional Economic Cooperation partnership, as well as foreign reporters, will also attend the opening ceremony of the second session of the 14th Xinjiang People's Congress on Tuesday. During the session, they will learn about how the Xinjiang government performed its duties last

year and its plan for this year.

Bilal Mehmood Chaudhary, minister and deputy chief of mission at the Pakistani embassy in China, said it was a new experience for him to know how the whole Chinese decision-making system works.

"I watched all the proceedings with great enthusiasm, and I'm going back with much more information about these unique Chinese characteristics of decision-making."

He said the quality of input and policy proposals made by the speakers was impressive. "It was in-depth and diversified. I think all these proposals were well researched, and a lot of homework went into the formulation of these proposals."

This year's hot topics among political advisers include tourism, the China (Xinjiang) Pilot Free Trade Zone, rural vitalization and air pollution control.

From Sunday to Monday, the foreign guests visited Urumqi's Urban Planning Museum, an archives center, a community service center and the grassroots

contact stations of deputies.

Khan said the whole system of the people's congress is democratic.

"It's very good to get feedback from the grassroots, and from different ethnic groups. It will bring harmony, unity and prosperity to the region," he added.

After learning how a shantytown was changed into a modern area in Urumqi, Desca Lidya Natalia, a journalist from Indonesia's Antara News Agency, said the government makes the utmost efforts to improve the livelihood of people in Xinjiang.

"It's good for me to see by myself what happened here. I think this trip can make me see the real Xinjiang and also hear from the Xinjiang people," she said.

Xu Guixiang, Xinjiang's deputy head of publicity, said the two sessions are not only important political events, but also a window of opening-up, as Xinjiang is a core region for the Belt and Road Initiative.

He expressed his hope that foreign guests can better understand the practice of comprehensively implementing people-centered democracy in Xinjiang, the achievements in the economic and social development of Xinjiang, and the changes in the lives of people of all ethnic groups in Xinjiang.

"We welcome journalists from around the world to learn more about the real Xinjiang and report it in an objective way," he said.

Contact the writers at chenmeiling@chinadaily.com.cn

AI: Range of controversies emerge amid use of tech

From page 1

Hu Ling, an associate law professor at Peking University, said the ruling offered the plaintiff protection for the resources and efforts he expended in learning and using the new technology.

"In other words, by protecting the content generated by the AI software, the court encouraged more people to apply similar technologies in their work and lives, so that social innovation and market development can be further promoted," he said.

In addition to AI-related copyright

disputes, some other controversies have emerged amid the wider use of the technology in recent years.

In December, the Beijing Internet Court began hearing the country's first case concerning the right to a voice generated by AI. It has to decide if an AI-powered imitation of a person's voice can be considered as the person's original voice, and if the technology used in the process infringes upon the person's right to that voice. The verdict will be announced later.

In a recent case in Zhejiang province, police detained a group of people after they were alleged to have

made more than 40,000 yuan by using AI to produce about 20,000 fake videos to attract online views.

In the United States, fake online images of the pop singer Taylor Swift also alarmed the White House recently as the fake sexually explicit images of Swift proliferated across social media last week, including one image shared on X, formerly Twitter, that was reportedly viewed 47 million times before the account was suspended.

White House press secretary Karine Jean-Pierre said on Friday that the image was "alarming" and showed that Congress should take

legislative action on the issue.

Liu, the lawyer in Beijing, also urged the formulation of a specific law to regulate the application of AI technology, highlighting the importance of seeking a balance between technological development and rights protection.

Considering that legislation takes time, he suggested that courts strengthen mediation in AI-related case handling, adding that "internet platforms should also enhance their technical means to help users identify or reduce risks associated with the use of generative AI software at an early stage".

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Smart cities: African countries embracing modernity to enrich people's lives

From page 1

governments, private companies, think tanks and institutions of higher learning. Appearing for the first time in the early 1990s as described by many researchers, the concept of a smart city has fundamentally changed the living environment of citizens and the governing model of cities that have adopted the revolutionary idea. Smart cities are better-governed cities. The population can express its opinions using various technological platforms, which are usually convenient, and so, in this way, responses are swift.

Thus, as Africa embarks on its 21st-century modernization path, the continent's countries are gradu-

ally making their mark in driving the smart city revolution. According to the IMD Smart City Index 2023, countries such as South Africa, Namibia, Kenya, Egypt, Algeria, Morocco, Nigeria and Ghana are leading in the promotion of the smart city concept in Africa. These countries are embracing modernity to enrich the lives of their people and shape a smart future for mankind that seeks harmony among innovation, humanity and nature.

As a case in point, the development of Konza Technopolis in Kenya as a smart city will see the integration of an urban information and communication technology network. Upon completion, Konza Technopolis will host over 230,000 people who will live and

The rise of smart cities in Africa is certainly the antidote for solving the challenges that accompany rapid urbanization, through the use of smart technologies and innovative practices.

work in the smart city. This initiative is a national flagship project under Vision 2030, Kenya's economic development blueprint, which seeks to catapult the country to middle-income status by 2030.

In November 2022, Kenyan President William Ruto also proposed the creation of five smart cities in the nation. These cities will be developed as special economic zones that aim for zero carbon. Therefore, if well implemented, all the proposed smart cities will have an innovation hub to promote creative startup companies and offer financial help to businesses to enable them to reach their potential.

In his state of the nation address in June 2019, South African President Cyril Ramaphosa expressed

the dream of building a South African smart city. In fast-tracking the initiative, South Africa has developed a smart cities framework to provide municipalities, provincial and national government, the private sector, civil society and other stakeholders with information about smart cities. Indeed, legislating the development of smart cities becomes the surest way to implement the initiatives.

What are the driving factors leading to the rise of smart cities in Africa? A report by Deloitte says that Africa has limited legacy infrastructure and systems to maintain, compared with other civilizations. In addition, Africa has a youthful consumer population that will provide a secure customer base for smart cities, and

the continent has a rising middle-income group that has disposable income to invest in smart cities. Last but not least, Africa has positioned information and communication technology as an enabler for driving the smart cities concept, due to the increase in access to internet and mobile phone connectivity.

The rise of smart cities in Africa is certainly the antidote for solving the challenges that accompany rapid urbanization, through the use of smart technologies and innovative practices.

The author is executive director of the China-Africa Center at the Kenya-based Africa Policy Institute. The views do not necessarily reflect those of China Daily.

CHINA

Fine fruit

Farmers trim excess cherry flowers to guarantee better fruit at a greenhouse in Luanzhou, Hebei province, on Monday. Cherries, cucumbers and tomatoes have become major winter produce in recent years thanks to the wide adoption of greenhouses. YANG SHIYAO / XINHUA



Mainland, HK begin mutual recognition of legal judgments

Civil and commercial case rulings can now be enforced reciprocally

By WU KUNLING in Hong Kong
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The Hong Kong Special Administrative Region and the Chinese mainland have implemented reciprocal recognition and enforcement of each other's judgments in civil and commercial court cases, which high-ranking legal officials from both sides agreed will greatly boost the city's standing as an international legal hub.

Also, Hong Kong is expected to establish a standing interfacing platform with the Supreme People's Court very soon, to take forward the research and practical work on judicial and legal matters relating to the Guangdong-Hong Kong-Macao Greater Bay Area and address issues stemming from differences in the legal systems, an official from the SPC told a roomful of about 300 people attending a high-level legal forum on the reciprocal arrangement on Monday in Hong Kong.

The Arrangement on Reciprocal Recognition and Enforcement of Judgments in Civil and Commercial Matters by the Courts of the Mainland and of the HKSAR — one of nine arrangements so far regarding mutual legal assistance in civil and commercial matters on both sides of the boundary — came into force on Monday.

The arrangement, concluded in 2019 by the SPC and Hong Kong's Department of Justice, ensures creditors do not have to file separate litigations of the same dispute and thus helps to save judicial costs, including the time and economic costs for parties involved.

However, under the arrangement, the judgments of courts on the mainland will not automatically be applicable in Hong Kong, and vice versa, and assets relating to the case will not automatically be confiscated by the other side. Whether or not to apply the judgment on the other side of the boundary is a decision for the creditor to initiate, provided he or she has prevailed in the court proceedings.

During the seminar, Vice-President of the SPC Yang Wanming said that after implementation of the new arrangement, which covers intellectual property — usually excluded from similar international covenants — judgments of more than 90 percent of civil and commercial cases between the mainland and Hong Kong will be mutually recognized and enforced. This achieves the maximum level of mutual recognition and enforcement within one country, Yang said.

Noting that so far nine mutual legal assistance arrangements have been signed by the mainland and

Hong Kong, Yang said that full coverage of mutual legal assistance regarding civil and commercial issues has been achieved. The "one country, two systems" principle has also been continuously enriched and developed within the judicial field, Yang said.

He added he believes that a sophisticated and convenient reciprocal recognition mechanism between Hong Kong and the mainland will encourage overseas business people and investors to choose Hong Kong courts to resolve cases involving mainland assets. The mechanism will also strengthen Hong Kong's role in helping mainland enterprises tap into the global market.

The new arrangement relieves people from having to go to the trouble of initiating litigations of the same dispute in two different jurisdictions, Yang said.

At the same event, Hong Kong Secretary for Justice Paul Lam Ting-kwok called the arrangement a "milestone", saying it would help solve civil and commercial disputes involving cross-border elements and benefit investors and businesses, especially those from overseas.

He believes that the arrangement will enhance Hong Kong's status as an international legal service and dispute resolution services center, and will also inspire confidence in investors and businesses to explore investment and opportunities on the mainland.

Si Yanli, deputy head of the Research Office of the SPC, said the arrangement, designed to serve the interests of residents in both regions, fully demonstrates mutual respect and willingness to seek common ground while observing the differences between the two sides.

Si revealed that discussion of establishing a judicial and legal standing interfacing platform within the Greater Bay Area, which Hong Kong Chief Executive John Lee Ka-chiu referred to in his 2023 Policy Address, is underway by the Department of Justice and SPC, and is expected to be completed soon.

Si said she hopes that Hong Kong will continuously deepen its integration with the mainland's judicial and legal rules, achieving closer judicial connections within the country. Simultaneously, Hong Kong should continue to leverage its important advantage of having connections with the world, serving the country's high-level opening-up globally.

She also revealed that there will soon be substantial progress in allowing Hong Kong-invested enterprises registered in the entire Greater Bay Area to adopt Hong Kong law and to choose Hong Kong's arbitration services, which the SPC has been actively conducting research and making progress on both in terms of legal aspects and practical implementation.

Cote d'Ivoire educators taught vocational skills

By ZHAO YIMENG
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Nearly 100 teachers from Cote d'Ivoire recently graduated from a vocational education course in China and returned to their home country to teach in-demand skills for domestic industries.

During the four months of training, the group of 91 experienced teachers and education inspectors studied in seven fields in vocational schools across China.

Recommended by Cote d'Ivoire's Ministry of National Education, Technical Education and Vocational Training, these teachers received vocational training in subjects including welding, food processing, printing technology and civil engineering.

Co-hosted by AVIC-INTL Project Engineering and seven leading vocational education institutes in China, the course aims to alleviate the vocational skills shortage and high unemployment rate of young people in Cote d'Ivoire.

The company has built seven vocational schools in major cities in Cote d'Ivoire to help nurture professional talent in the country, and the training course is the latest effort in cultivating domestic teaching resources.

Students from Cote d'Ivoire have grasped professional skills during the course, which also involved touring top Chinese manufacturers, the company said.

Cherif Diahou, an education inspector from the ministry, said the 12 trainees at the Inner Mongolia Technical College of Mechanics and Electrics have made great progress in boiler manufacturing and welding techniques.

"They have not only learned

knowledge in classes but also practiced excellent professional skills, unveiling the world of welding and boiler production," Diahou said during the graduation ceremony at the Jiangsu Vocational College of Agriculture and Forestry.

Kanga N'Guessan Michel, one of the four trainees at Shanghai Publishing and Printing College, said the printing course is very meaningful and will be helpful in their future work.

"The instructors from the college were patient and effective when teaching us knowledge and skills. We also got a chance to learn about the city and some aspects of Chinese culture," Michel said.

"The combination of theory and practice has greatly helped us understand the civil engineering course," said Amani Koffi Augustin, an inspector of the training course at Chengdu Aeronautic Polytechnic in Sichuan province.

The training course is part of a vocational education and training program initiated during the eighth Ministerial Conference of the FOAC Forum on China-Africa Cooperation in 2021.

The Future of Africa-China-Africa TVET Cooperation Program, jointly launched by the China Education Association for International Exchange and the Association of Technical Universities and Polytechnics in Africa, aims to build a platform to share the experience and achievements of Chinese vocational education, according to CEAIIE.

So far, the program has enrolled 392 African students in 13 countries, and dispatched 27 Chinese teachers to provide vocational education for more than 2,000 African technicians and teachers, it added.



Teachers from Cote d'Ivoire participate in an electrical engineering training session at Ningbo Polytechnic in Ningbo, Zhejiang province, in September. PROVIDED TO CHINA DAILY

Images capture wild cat at highest elevation to date

By YAN DONGJIE
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Images of an Asian golden cat have been captured at a record high elevation in the Yarlung Tsangpo Grand Canyon National Nature Reserve in Metog county, Xizang autonomous region.

The infrared footage was recorded at an elevation of 4,415 meters, surpassing the previous record of 4,300 meters in Lhari county, Nagchu, Xizang.

The Asian golden cat is a first-class national protected wild species and has been listed as near-threatened on the International Union for the Conservation of Nature Red List.

According to Li Cheng, an expert on the Asian golden cat from Xizijiang Ecological Conservation Center, the global population of these cats has experienced a significant decline in recent years due to factors such as the loss and fragmentation of habitat.

"In China, sightings of the Asian golden cat have been recorded in places such as southeastern Xizang, western Sichuan, western and southern Yunnan, southern Gansu and southern Shaanxi in the past two years. Currently, the Yarlung Tsangpo Grand Canyon region hosts a relatively large population of these cats," he said.

"Moreover, the Yarlung Tsangpo Grand Canyon area is one of the most diverse and complex regions in terms of the color variations of the Asian golden cat. At present, at least six color variations have been recorded, including tawny, reddish-

brown, deep red, marbled, gray and black. The genetic diversity here is relatively well preserved," he added.

"In the infrared camera footage, an adult Asian golden cat was seen surveying the ridgeline of a high-altitude meadow before slowly passing in front of the camera," Zhao Xiang, director of the Shan Shui Conservation Center, a non-government organization dedicated to species conservation.

Li said Asian golden cats generally inhabit tropical and subtropical forests. At elevations of over 4,000 meters, where snow covers the ground for half of the year, it is the domain of snow leopards, rather than the typical habitat for Asian golden cats.

"The discovery of the Asian golden cat at such a high altitude not only enhances our understanding of their behavior but also indicates their broad range of activity and good adaptability," he added.

The forestry and grassland bureau of Metog county, in collaboration with the Shan Shui Conservation Center, the Peking University Center for Nature Conservation and Social Development, and the Xizijiang Ecological Conservation Center, has conducted infrared camera surveys with the support of the China Green Carbon Foundation and the Zhongjin Public Welfare Foundation.

The research team has set up 304 infrared cameras, recording over 300 instances of Asian golden cat activity at 105 locations, ranging from 812 to 4,415 meters in elevation.

Researchers raise cloned rhesus monkey to adulthood

By YAN DONGJIE
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Chinese researchers have published a paper in the journal Nature Communications, reporting the successful cloning and survival to three years of a healthy rhesus monkey.

The monkey, named ReTro, is the world's first cloned rhesus monkey to reach adulthood. The study suggests that a promising cloning strategy for primates has been found through replacing a type of cell that helps provide nutrients to the embryo, enhancing the understanding of reproductive cloning mechanisms in primates and potentially improving its efficiency.

The research paper, published on Jan 16, mentions that in traditional cloning methods, most mammals have extremely low live birth rates, ranging from 1 percent to 3 percent, with high rates of embryo and newborn mortality.

Previous studies have indicated that cloned piglets and mice have shown abnormal placental structures compared to those derived from artificial insemination, and bovine and sheep embryos have experienced fetal losses due to placental defects.

The Chinese research team — including Sun Qiang and Liu Zhen

from the Center for Excellence in Brain Science and Intelligence Technology of the Chinese Academy of Sciences, along with Lu Fulong from the Institute of Genetics and Developmental Biology of the Chinese Academy of Sciences — established a cell replacement method that allowed the successfully cloned rhesus monkey to survive for over two years.

Sun and his team have been dedicated to primate cloning technology research for the past 10 years and have achieved several significant breakthroughs, which have had a considerable impact in the international academic community.

About 20 years ago, Sun stayed in the mountains in Xishuangbanna Dai autonomous prefecture, Yunnan province, for four years. During this time, he spent every day with the monkeys on the mountain, observing and conducting research. Finally, on the day of the 2007 traditional Chinese solar term Beginning of Spring, his team successfully established China's first group of test-tube macaques.

This was the first representative achievement of Sun and his team, and a photo of the first test-tube monkey has been displayed on Sun's desk ever since.

"Surviving macaques obtained through assisted reproduction

methods were reported in the United States as early as the 1980s. Whether it's creating transgenic and gene-edited monkeys or conducting monkey somatic cell cloning research, mastery of assisted reproductive technology in monkeys is a prerequisite," Sun said.

In 2017, the world's first cloned monkey was born in China. "Cloned monkeys" were listed as one of the top 10 popular science and technology terms by the National Language Resources Monitoring Center in China and were also selected by the Ministry of Science and Technology as one of China's top 10 scientific advances in 2018.

"This technology can potentially be used to construct non-human primate animal models with consistent genetic backgrounds and genotypes for applications in biomedical research," Sun said.

"Both Zhong Zhong and Hua Hua have now reached sexual maturity, are very healthy, live with other monkeys, and have produced offspring of their own," Sun said.

The Institute of Neuroscience of the Chinese Academy of Sciences' non-human primate platform is located on the remote Xishan Island in Suzhou, Jiangsu province.

At just 30 years old, Liu became the youngest team leader at the institute. When tackling the chal-

lenge of cloning monkeys in 2017, Liu spent nearly six months sitting in front of a microscope for up to six hours a day, manipulating mouse embryos and honing his skills to complete the removal of an egg cell nucleus in less than 10 seconds. The veterinary team also worked around the clock, observing the monkeys' menstrual cycles and births.

Newborn monkeys need to be fed every two to three hours, even at night. Without mental preparation, it's challenging to perform this job well. During the most difficult times at the platform, only seven people remained, but they persevered.

Sun said: "In past years, some masters came here to seek employment, applying for basic veterinary positions. I asked them to first become familiar with the monkeys. As a result, after a little over a month, they left because the living environment was not convenient enough or they couldn't accept starting monkey veterinary training from scratch."

The new breakthrough in primate cloning technology has sparked lively discussions internationally. However, Sun and his team have not stopped their efforts. Just this week he arrived at a monkey research base in Yunnan to embark on new research endeavors.

CHINA

Authorities put cyberbullies in crosshairs

China stepped up its fight against cyberbullying last year, taking administrative and judicial actions to strengthen the protection of netizens' rights and further purify the online environment.

Cyberbullying has caused great harm to some internet users in the past few years and has frequently sparked public outrage.

One high-profile case last year involved a mother in Wuhan, Hubei province, who took her own life after her son, a primary student, was killed when he was hit by a car.

When a video clip of her talking about his death was posted online, some internet users left derogatory remarks about her appearance, saying that she still had time to do her makeup even though she was grieving.

There was no suggestion the comments were a major contributor to her death in June, but they did trigger a public outcry over cyberbullying.

Earlier last year, the death of a university student who was bullied online because she dyed her hair pink also received widespread attention.

The young woman, from Hangzhou, Zhejiang province, became a cyberbullying target in July 2022 after she posted photos and videos online showing her proudly presenting her postgraduate admission letter to her bedridden grandfather.

Because of the color of her hair, some netizens likened her to a nightclub worker, while others fabricated rumors that the images showed an elderly man married to a young woman.

She fell into depression due to the harassment, and suffered from eating and sleep disorders. She tried to initiate a lawsuit against the cyberbullies, but the case was halted after she was hospitalized for depression, China Youth Daily reported. She took her own life on Jan 23.

Because cyberbullying, a hot issue around the world, has disturbed order in cyberspace and seriously affected people's sense of public security, Chinese police officers, prosecutors, judges and internet regulators have been ramping up efforts to solve the problem through rule of law.

In September, the Supreme People's Court, the Supreme People's Procuratorate and the Ministry of Public Security jointly released a guideline that clarified the definition of cyberbullying and set out harsher punishment standards for perpetrators.

It said those who produce or spread rumors that damage other people's reputations, causing serious consequences, should be charged with the crime of defamation.

It also said that those who organize online manhunts, or collect the personal information of others and send it to more people, should be charged with the crime of infringing upon people's personal data.

Zhou Jiahai, deputy head of the top court's Research Office, said the guideline was formulated to help police, prosecutors and judges deal accurately with cases of defamation and insult, "which are two major charges related to cyberbullying, but have seldom been laid in legal practice".

He said Chinese courts solved 618 defamation cases in 2022, about four times more than in 2013, "but just 43 defendants were given punishment".

He said a lot of litigation was initiated by individuals, who faced more

China's police, prosecutors, courts and cyberspace watchdogs helped purify the online environment last year. **Cao Yin** reports.



LIANG LUWEN / FOR CHINA DAILY

“The specific provisions will be conducive to preventing misconduct that seriously harms juveniles' physical and mental health.”

Liu Meichen, official at Beijing Chaoyang District People's Court

difficulties collecting than prosecutors, and laws did not clearly state when prosecutors should intervene in the investigation of such cases.

The guideline gave prosecutors a stronger legal basis to work from, not only requiring them to charge people who insult or slander several others, or spread defamation multiple times, but also allowing them to initiate public interest lawsuits if they find internet platforms fail to take measures or perform duties related to tackling cyberbullying.

In addition, individuals or organizations that bully the disabled, fabricate sex-related topics to infringe

upon others' dignity, or use generative artificial intelligence technologies to publish illegal content must be severely penalized, the guideline said.

The Cyberspace Administration of China, the country's top internet regulator, started the fight against cyberbullying in late 2022 by strengthening the management of online service providers.

It issued a notice requiring internet platforms to apply technologies to improve their alert systems on cyberbullying-related content, with channels for netizens to report misconduct and block unfriendly com-

ments from strangers.

While highlighting the scrutiny of livestreaming and short-video sharing platforms, the administration also reminded netizens to comment in a sensible manner, adding that online accounts inciting bullying would be shut down.

As a result of the notice, a number of social media platforms have optimized the identification and blocking of cyberbullying, and the exposure of accounts suspected of insulting others.

Data released by the Sina Weibo micro-blog platform in November showed that its high-tech content fil-

ters had blocked more than 120 million pieces of unfriendly information since the notice was issued, while 225,000 messages had been removed and over 20,000 accounts closed.

Sina Weibo had also provided protection services for more than 8,000 users suspected of being bullied, and had reminded netizens to comment in a sensible manner over 8 million times.

After receiving such reminders, about 60 percent of users deleted their irrational posts, and the number of netizens who sent unfriendly content was 70 percent lower than in the same period a year earlier.

In July, the administration began soliciting public opinion on a draft regulation on fighting cyberbullying designed to further clarify the responsibilities and duties of internet operators and cyberspace agencies. Work on that regulation is continuing.

Judicial and administrative departments promoting measures to fight cyberbullying through rule of law have made protecting young people a priority.

The joint guideline released in September said internet users who bully children should face tougher punishment, while the cyberspace administration's notice said that internet platforms must protect children from cyberbullying.

In June, the administration launched a two-month campaign aimed at purifying the online environment to protect the young, ordering cyberspace agencies at all levels to focus more on combating the cyberbullying of children.

In October, China's first regulation on protecting minors in cyberspace was issued by the State Council.

The 60-article regulation, which came into effect on Jan 1, responded to several hot issues affecting young netizens, including how to protect children's personal information, how to prevent them from becoming addicted to the internet, and how to fight cyberbullying that targets them.

By the end of 2022, China had 193 million netizens age 6 to 18, according to a report issued recently by the China Internet Network Information Center and the Central Committee of the Communist Youth League of China.

Liu Meichen, a judges' assistant at Beijing Chaoyang District People's Court, welcomed the anti-cyberbullying part of the regulation, saying "the specific provisions will be conducive to preventing misconduct that seriously harms juveniles' physical and mental health."

The regulation urges internet service providers to offer stronger protection for underage netizens by making it easier for them and their guardians to block unfriendly comments from strangers and collect evidence related to online bullying.

"Considering that cyberspace has become a new place where children are frequently bullied, the regulation was urgently needed and essential to help internet platform operators figure out what they should do," Liu said.

Also lauding the regulation for ordering internet platforms to use technologies including artificial intelligence and big data in the identification and oversight of cyberbullying, she said they would help build a safer online environment for children.

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Experts call for specialized law to be enacted to target online harassment

By CAO YIN

Legal experts are calling for the formulation of a specialized law to fight cyberbullying in a systematic and comprehensive manner.

With the number of netizens growing rapidly, more people have begun to vent their negative emotions online and engage in cyberbullying, said Liu Yanhong, a law professor at the China University of Political Science and Law.

Expressing her anger and sadness at tragedies linked to cyberbullying, she said legislation is needed to remedy the problem.

"Most provisions involving cyberbullying are scattered in existing laws, including the Civil Code and the Criminal Law, making it difficult

to comprehensively and effectively combat online misconduct," Liu said.

She urged lawmakers to integrate those provisions into a specific law targeting cyberbullying that would clarify the responsibilities and duties of related departments.

Zhu Wei, deputy head of the university's Communication Law Research Center, said that while administrative rules and judicial guidance have been issued, having a specialized law is "urgent and essential".

He said such a law would not only help people surf the internet in a civilized and sensible manner, "but also create a safer online environment".

A number of national legislators and political advisers have previously

suggested a similar course of action. One is Li Dongsheng, a deputy to the National People's Congress, China's top legislature, who submitted a proposal on formulating an anti-cyberbullying law to the first session of the 14th NPC in March.

He said cyberbullying is still a problem because the cost of violation is low, but victims have to expend a lot of time and energy to collect evidence to prove their cases, which is a big challenge.

But Zhao Hong, another law professor at the university, said such legislation needed to be promoted prudently, because cyberbullying is not a simple issue that can be handled by just increasing punishment or strengthening criminal sanctions.

She emphasized that not everything can be solved by legal means, adding that ensuring the healthy development of internet platforms and protecting netizens' rights to speak out in cyberspace also need to be taken into consideration when dealing with cyberbullying.

Li Junhui, an official from the China Justice Big Data Institute, said that finding out who is inciting bullies on the internet is more important, and online platforms could help in that regard by strictly implementing real-name registration and strengthening the management of their users.

He said large online platforms and judicial departments also need to share information related to cyberbullying.



A police officer explains the articles in the regulation protecting minors in cyberspace to students in Nantong, Jiangsu province, on Jan 1. The regulation took effect that day. XU HUI / FOR CHINA DAILY

WORLD



The idyllic countryside in Qingtian county, near Wenzhou in Zhejiang province. PHOTOS BY DJ CLARK / CHINA DAILY



An aerial view of the city of Prato in Tuscany region, central Italy.

Italy's fashion brands have Chinese connection

Immigrants from Wenzhou collaborate with local counterparts to transform clothing business

By WANG MINGJIE
and DJ CLARK in Prato, Italy

For centuries, Prato has stood as a prominent center of Italian fashion production, nestled within the picturesque central region of Tuscany, celebrated for its rich artistic heritage.

However, in the 1990s, this medieval city faced a pressing challenge — scarcity of labor and inability to keep pace with the rapid changes in the fashion industry.

Consequently, a wave of Chinese immigrants flocked to the city, answering the call to collaborate with their Italian counterparts for swiftly producing affordable garments.

As a result, Prato now boasts one of the largest concentrations of Chinese immigrants in Europe, with one in four originating from China.

Many of them actively contribute to the realm of “fast fashion”, or as it is known in Italian, *pronto moda*.

One such person is Xu Qijun, whose connection with Prato goes back to 1989 when he embarked on a career in fast fashion.

Recounting his modest beginnings, Xu said his first workshop occupied an estimated area of 150-200 square meters in the city, and the space was divided into five or six rooms, each equipped with around five or six sewing machines, sometimes even a dozen.

“I had a team of two or three workers, and I actively participated in material sourcing and assisting them with their tasks,” he said. “Communication posed a challenge due to my limited proficiency in Italian language.”

“When I first arrived, there were very few Chinese, only about five to six hundred. However, the Chinese population has now reached 50,000.”

His story highlights the significant growth of the Chinese community in Prato over the years.

In 2000, he ventured beyond the fast fashion industry and established a midrange clothing company called Giupel, which does some of its own designs.

Over time, the Chinese community in Prato has experienced a notable transformation, embracing the entrepreneurial spirit of their hometown, Wenzhou in Zhejiang province, while carving their own path.

“Wenzhou people are very smart,” Wang Zengli, a Chinese business owner in Prato, said. “After working in the Italian factories for a while, they realized it wasn't difficult to operate such factories.”

“Gradually, between 2000 and 2006, they all became their own bosses. Fast fashion reached its peak between 2005 and 2010. Almost the whole of Europe flocked here to place their orders.”

The influx of Chinese immigrants into Prato brought about economic growth, but also gave rise to feelings of grudge among some locals.

As the Chinese population continued to increase, these issues became politicized, with right-wing politicians making promises to take stronger measures against them.

Lamberto Gestri, former president of the greater Prato Province, said: “Prato has a long history of immigration, starting with internal migration within the Tuscany region, where people from other parts of Tuscany moved to Prato in search of employment opportunities. Later on, immigration from both the northern and southern parts of Italy also contributed to the city's diverse population.”

But the arrival of the Chinese community brought a unique dynamic to Prato, Gestri said.



A Chinese worker crafts a high-end luxury handbag at a Chinese-owned factory in Florence, Italy.

“The Chinese community has a distinct vision and mentality that differs from the Italian population. They have a strong emphasis on work and productivity,” he said. “These cultural differences have occasionally led to conflicts, as the Chinese way of doing business and their work ethic have posed challenges for Italian industries trying to compete. These conflicts have been one of the reasons for tensions between the two communities.”

Daniele Bologna, a professor at the University of Insubria and an expert on Chinese immigrants in Italy, said the blame for financial losses experienced by businesspeople in Prato lies with the Italians themselves.

“The fact that Italians were losing money had nothing to do with the Chinese; it had to do with the fact that the Prato garment district was unable to find a way to relaunch its business model in a globalized economy, and that is not on the Chinese, it's on us, it's on Italians,” he explained.

Ancestral lineages

Interestingly, as highlighted by Bologna, the majority of Chinese residents in Prato can be traced back to ancestral lineages originating from the vicinity of the Chinese city of Wenzhou.

Yan Xiaohai, an officer of the Overseas Chinese Bureau in Qingtian, a small town near Wenzhou, said Zhejiang province has witnessed four major waves of immigration to Europe, with the immigration from Qingtian playing a crucial role.

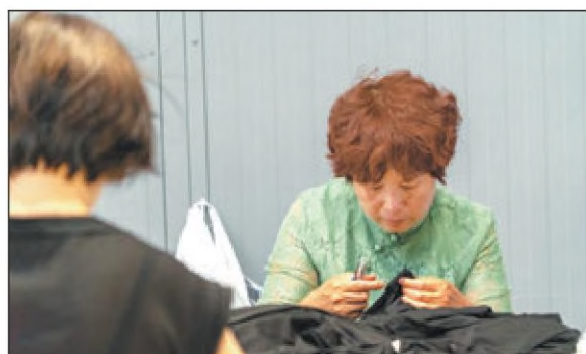
“It began in the late 19th century when opportunities arose through exhibitions,” Yan said. “In 1911, a devastating flood struck the county, prompting people to seek new opportunities elsewhere, leading to an increase in immigration to Europe.”

The first major wave of immigration occurred in 1925-30, ending with the onset of a worldwide economic crisis. World War II further slowed immigration for about 20 years.

The second significant wave began in the 1980s, after China's reform and opening-up.

Yan estimated that the population of Qingtian is about half a million, with approximately 300,000 individuals officially recorded as having emigrated to Europe, accounting for nearly 60 percent of the population.

“People from Qingtian were among the first Chinese immigrants to Europe, primarily due to the limited resources and opportunities in their small county,” Yan said. “The lack of



Chinese women make fast fashion garments at a workshop in Prato.



A Chinese man measures materials for fast fashion garments in Prato.



Exquisite luxury fashion items are showcased at a high-end store in Milan, Italy.

natural resources and limited space for agricultural work pushed the rural population, including the farmers, to seek better prospects abroad.”

But why did a large number of people from Wenzhou choose to settle in Prato, a city 20 kilometers from Florence with a population of 200,000?

Zhang Yili, a professor of economics at Wenzhou University, whose research focuses on Wenzhou immigrants in Italy, said that in the late 1980s, the local youth in Prato showed less interest in working in their parents' textile workshops. Instead, they sought opportunities

in larger cities, including Milan and Rome, which caused a decline in the development of the garment industry. This created a pressing need for a new labor force.

Because people from Wenzhou living in Europe are a tight-knit group and are willing to share information with each other, it was not long before word spread that Prato had launched new preferential policies to encourage more people to move there. Thus began their new journey.

“This is a very good opportunity for ‘Wenzhou-nese’, because many of them had gained experience in clothing manufacturing in Wenzhou, a city renowned for its expertise in this field,” Zhang said.

“Upon arriving in Prato, they discovered that the local industry was similar to what they had been doing in their hometown or what their relatives were engaged in in places like France.”

Wenzhou people were instrumental in the transformation of Prato from a textile-focused industry to a center of fast fashion, Zhang said.

“The Wenzhou model is famous for its specialization in the production of small-scale products for a large market. The people who made the community had a tendency to come together and form industry clusters based on shared interests and expertise,” he said.

Drawing from their experience in China, he said, they brought their collective knowledge and skills to Prato. With their extensive background in shoes and clothing, they knew how to effectively transition from traditional textile manufacturing into *pronto moda*, he added.

Going upmarket

Made in Italy — these are more than just three words on a manufacturing label. They have come to represent quality. What makes “Made in Italy” so special that consumers are willing to pay a premium price?

Cologna from the University of Insubria said it is the combination of beauty, rich historical heritage and a certain form of elegance tied to a job well done by a fine Italian hand.

“But now, of course, we also have a fine Chinese hand working at it,” he added.

Italians take the “Made in Italy” label seriously — so seriously that they even passed a law in 2009 saying companies can claim a “Made in Italy” tag only if products are designed, planned, processed and packaged on Italian territory. But the law did not put any restrictions

on the workers who make the products. Workers did not have to be Italian, or even European.

For more than two decades, Chinese fast fashion factories in Prato have been operating, initially catering to the lower end of the Italian fashion market and providing affordable clothing to the masses across Europe. However, some Chinese factories are now breaking into the high-end market, manufacturing for reputed fashion houses such as Armani, Gucci and Prada.

Fu Fanghui, a first-generation Chinese immigrant, has made a name for himself as a producer of bags for prestigious Italian high-fashion brands. He emphasized the utmost importance of embracing a mindset that places the brand's quality above any short-term gains.

“You must prioritize quality as if it were your own life,” he said. “Once you possess such a spirit, there is nothing you cannot achieve. Over time, these esteemed fashion houses have become increasingly convinced that we Chinese possess this remarkable spirit.”

“It is not only our dedication to product quality that impresses them, but also our ability to seamlessly integrate their culture and concepts. This is particularly evident among the Chinese people, particularly those hailing from Zhejiang province, who readily assimilate these values with great enthusiasm.”

Six out of 10 factories in Florence producing products for big Italian high-fashion brands are owned by Chinese entrepreneurs, Fu said.

The Chinese in Italy are not solely engaging in fast fashion or manufacturing for Italian brands. Some individuals have managed to break the glass ceiling and ascended to the upper echelons of Italian design.

Xu Yuejuan represents a striking departure from the prevalent perception of native Chinese involvement in the Italian fashion industry, which often revolves around fast fashion, assembly-line production, long work hours and cheap labor.

Xu has become the first native Chinese member of the esteemed Milan Fashion Club. Her fashion label, Delves-JK, is now mentioned in the same breath as industry icons such as Armani, Christian Dior and Louis Vuitton.

However, Xu's journey to the top tier of Italian design was not without its challenges, as she encountered bias along the way.

“When people see me, they often remark, ‘You are not Italian’, as if assuming that European designers are inherently superior,” she said.

“There was a prevailing bias within the fashion industry that Chinese designers were only capable of imitation and copying. The perception was that our strengths lay primarily in replicating the work of others.”

Xu emphasized the significance of originality in gaining recognition from European counterparts, saying: “When you create something unique and authentic, Europeans will undoubtedly acknowledge it. The key lies in your originality.”

Xu also believes prioritizing quality is paramount.

“It is through maintaining impeccable quality within your brand that your reputation can endure and thrive over time,” she said.

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Online
Watch the video
by scanning
the code.

WORLD

First deadly strike against US troops since flare-up

WASHINGTON — Three US service members were killed and at least 34 wounded in a drone attack by militants on US troops in Jordan, said US President Joe Biden and US officials on Sunday, the first deadly strike against US forces since the Gaza conflict erupted.

The attack marks an escalation in tensions that have engulfed the Middle East, amid concerns Israel's military campaign against Hamas militants could spread into a wider conflict, Reuters reported.

At least 34 personnel were injured in the attack, but that number is expected to change as more people seek care, according to a statement from the United States Central Command. Eight personnel were evacuated from Jordan for higher-level care, but are in stable condition.

Biden said in a statement that his administration was still gathering facts about the attack. Biden said the United States "will hold all those responsible to account at a time and in a manner (of) our choosing".

Nonetheless, Biden attributed the attack to Iran-backed militant groups operating in Syria and Iraq.

Iran has denied any link. Iran's mission to the United Nations said in a statement on Monday that Tehran was not involved in the attack.

"Iran had no connection and had nothing to do with the attack on the US base," the mission said in a statement published by the state news agency IRNA.

It added: "There is a conflict between US forces and resistance groups in the region, which reciprocate retaliatory attacks."

The US military said the attack occurred at a base in northeastern Jordan, near the Syrian border.

The Jordanian government said the attack occurred at an "advanced post" along its border with Syria.

US troops in Syria and Iraq have frequently come under attack since the Israel-Hamas conflict broke out on Oct 7. US retaliatory strikes against militant groups in the region have so far failed to deter them.

Since then, US forces have come under attack more than 150 times by militant groups in Iraq and Syria, causing at least 70 casualties.

Warships targeted

US warships have also been fired at by Houthi forces in Yemen, who are regularly attacking commercial ships passing through Red Sea waters off Yemen's coast.

Yemen's Houthi group on Monday said they have launched a missile attack on a US military ship in the Gulf of Aden.

The Houthis said they had targeted the USS *Lewis B. Puller*, an expeditionary mobile base vessel.

"One of the ship's missions is to provide logistical support to the American forces involved in aggression against our country," Houthi military spokesman Yahya Sarea said in a statement.

He said the Houthis would continue to attack Israeli ships or those heading to Israel until Israel ended its blockade on the Gaza Strip.

The US military did not immediately comment.

The US and the United Kingdom have carried out several retaliatory airstrikes on Houthi positions in recent weeks aimed at preventing further attacks on shipping and protecting global trade.

AGENCIES—XINHUA



People receive food at a center run by UNRWA in Rafah, Gaza Strip, on Sunday. XINHUA

Medical facilities on verge of collapse in Gaza Strip

GAZA/JERUSALEM — Medical facilities are at risk of collapse in Khan Younis, the southern Gaza city now at the focus of Israel's offensive, the Gaza Health Ministry warned on Sunday, as fighting raged across the Palestinian enclave.

Residents said Israeli planes and tanks also pounded areas in Gaza City to the north, where Israel has been pulling out troops. The fighting could be heard in the nearby towns of Beit Lahija and Jabalia.

Israel's military said it was engaged in "intensive battles" in Khan Younis, where it said troops "eliminated terrorists and located large quantities of weapons".

The conflict in Gaza began on Oct 7 when Hamas fighters launched a surprise attack on Israeli bases and towns, killing more than 1,200 people and seizing more than 200 hostages.

The Gaza Health Ministry said Israeli strikes have killed at least 26,422 since the conflict began.

Palestinian medics and residents said Israel continued to bomb areas around the two main hospitals in Khan Younis, hindering efforts by rescue teams to respond to desperate calls from people caught in the Israeli bombardment.

"There is a complete failure of the healthcare system at Nasser and Al-Amal hospitals," said Gaza Health Ministry spokesperson Ashraf Al-Qidra.

The Palestinian Red Crescent Society said in a statement that medical teams at Al-Amal Hospital in Khan Younis would be unable to perform surgeries because oxygen supplies were depleted.

The fighting came as United

Nations officials and aid groups urged countries to reconsider their decision to pause funding for the UN refugee agency for Palestinians, a vital source of aid in Gaza.

At least nine countries, including the United States and Britain, have paused funding following allegations by Israel that a dozen of UNRWA's staff members were involved in the Oct 7 Hamas attacks.

Funding pause slammed

Arab countries on Sunday slammed the recent Western suspension of funding for the agency, saying it would further impact the already vulnerable Palestinians.

Warning against the decision as a "collective punishment" on the Palestinians, Arab League Secretary-General Ahmed Aboul Gheit said in a statement, "This campaign is not new, and the desire to liquidate the work of the agency that serves millions of Palestinian refugees has been repeated in different forms over the past years."

The US decision is unjustified, as it is based merely on allegations at this stage, said Raed Omari, political analyst and a senior political editor at the Jordan Press Foundation.

Meanwhile, talks held on Sunday initiated by Qatar, the US and Egypt to broker a hostage deal between Israel and Hamas were "constructive" but meaningful gaps remain, the Israeli prime minister's office said.

Hamas said on Monday that releasing hostages it is holding would require a guaranteed end to the Israeli offensive in Gaza and the withdrawal of all forces.

AGENCIES VIA XINHUA

A bet against smoking



A gambler lights a cigarette while playing a slot machine at Harrah's casino in Atlantic City, New Jersey, on Monday. A New Jersey Senate committee advanced a bill on Monday that would end smoking at Atlantic City's nine casinos. WAYNE PARRY / AP

China fast fashion lifts global air freight cargo

By BELINDA ROBINSON

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The demand by American and European consumers for fast-fashion goods from Chinese e-commerce sites such as Shein and Temu has led to a boom in business for international air freight and logistics companies in Asia, as China reshapes the global online-retail market.

The most popular Chinese fast-fashion brands shipped approximately \$155 billion worth of e-commerce goods abroad in the first half of 2023, the Financial Times reported.

Of all air freight cargo, at least 80 percent is believed to come from China's fast-fashion companies on some days, industry publication Supply Chain Dive reported.

Analysts suggest that China's new strategic approach to global online-business trade is shaking up the industry abroad.

Z. John Zhang, a professor of marketing at the Wharton School of the University of Pennsylvania, told China Daily: "[Fast-fashion brands] are successful in the US market for three reasons. First, their prices are lower, helped by a significant extent by zero tariffs that the US is levying on small parcels of less than \$800 in value.

"Second, they use intense and over-the-board price promotions that have not been seen in the US market. Finally, both companies rely on low-cost suppliers and designers in China," he said.

To be the fastest and most efficient, the e-commerce sites are reportedly willing to pay elevated prices to air freight carriers to ensure that customers in the US, UK and elsewhere get the goods they have ordered in record time.

In November 2023, a surge in e-commerce cargo from China, including Hong Kong, to the US and

Europe pushed worldwide demand up 5 percent compared with November 2022, figures from Xeneta's Clive Data Services showed.

International shoppers are more at ease than ever buying an expensive designer handbag from an online seller on eBay or purchasing a \$5 top from Shein. But all will have the expectation that their goods will be delivered to their doorstep in a couple of weeks or less.

In 2022, Shein accounted for one-fifth of the world's fast-fashion market, Reuters reported. Shein serves customers in 150 countries and has 11,000 staff members.

The brand has quickly risen to outpace European stalwarts like H&M, Primark and Zara by appealing to the young, with direct marketing and social media campaigns. Those Western stores, which have had a solid online presence for decades, are considered the pioneers of fast fashion.

The essence of the businesses is that they remake looks from the runways by high fashion houses for less money and sell them to fashion-conscious consumers, especially young, social media-savvy girls.

H&M and Zara also have a large footprint of brick-and-mortar stores world but take longer to identify future fashion trends. They tend to order in larger volumes than China's e-commerce offerings, say analysts.

George Yip, emeritus professor at Imperial College London and distinguished visiting professor at Northeastern University in Boston, said it is "inevitable" that Chinese companies will overtake and dominate the field for several reasons.

"Chinese companies are the fastest in the world at everything they do," Yip told China Daily. "The Chinese managers make decisions quickly. And also, because of that, manufacturing, operating capabilities, they can manufacture quickly.

"The essence of fast fashion is to

see what the trend is, then respond to it very quickly in terms of manufacturing and in terms of getting the distribution out," he said.

While supply chain issues are some of the biggest detriments to global trade, China's e-commerce giants have revamped the model of selling overseas by "building a connected supply chain that has the shortest distance between the manufacturer and the final customer" the trade magazine Supply Chain Management Review reported.

Shein strategically changed its headquarters from Nanjing to Shanghai and relies on Guangdong province in South China, a garment manufacturing district in the Pearl River Delta with 25,000 apparel shops.

The Pearl River Delta is famous for generating 40 percent of all Chinese exports. It is near the shipping ports of Yantian and Hong Kong and the airports of Hong Kong and Guangzhou.

That helps Shein take just days to transport goods to a distribution facility to ship them to customers worldwide.

Shein's sales are almost entirely online, which enabled the retailer to generate \$23 billion in global revenue in 2022, according to research firm Coresight. The company's overhead is also low, as it doesn't operate any stores full time. Ruthless efficiency is also a key factor.

Yip added: "They now manage much more on digital platforms, which allows for much quicker decision-making; instead of moving up and down the hierarchy, small teams can give the platform access resources and then just launch whatever it is that they want to do."

Willie Walsh, director general of the International Air Transport Association (IATA) said: "November air cargo demand was up 8.3 percent on 2022 — the strongest year-on-year growth in almost two years."

Geopolitics poses risk to Canada, China trade

By RENA LI in Los Angeles

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Geopolitical and bilateral concerns have taken center stage in Canada-China business relations, overshadowing conventional business challenges that usually impede such trade, according to a survey by the Canada China Business Council.

Conducted in partnership with the Rotman Institute for International Business, the survey examined the most relevant issues for Canadian companies' business with China and for Chinese companies operating in Canada over the last year.

The survey revealed a consistent decline in metrics related to performance and attitudes concerning business relations, and trends of deteriorating sentiment and performance have been consistently observed in past surveys.

"It's all about politics," said Sarah Kutulakos, executive director and chief operating officer of the Canada China Business Council, which hosted a media webinar last week.

Geopolitical tensions have taken a central role, she said, dominating the traditional business challenges that also continue to impede operations.

The Canadian business community has called for improving Canada-China ties for strategic economic growth.

Top challenges faced by Canadian businesses include bilateral relations, geopolitical risks and China-US relations, according to the report. Policy-related obstacles scored the highest on a weighted-average scale and were most frequently cited.

"It's bad for all, but worse for Canada," Kutulakos said.

The survey found that government policies significantly influence travel, with nearly 70 percent identifying direct flight availability and increased travel time as the top travel barriers.

Despite China's post-COVID recovery early last year, survey results showed "a lasting impact" of the pandemic on Canada-China business. Approximately 50 percent of respondents noted a contraction or reduction in activities, with 19 percent placing business on hold due to travel restrictions.

Experts suggest that actively participating in the Chinese market is crucial for gaining insight and competing effectively at the pace of the Chinese market.

When considering China's role in global business, the survey found that 36 percent of Canadian companies view it as a market for export or sales, and 30 percent are in China because their clients or customers necessitate their presence. Despite challenges, 43 percent plan to expand their business in China over the next five years.

Unlike Canada, competitor countries like the United States and Australia maintain high-level visits to China, which has contributed to the improvement in diplomatic relations.

"As we reflect on 45 years of fostering Canada-China business ties, we have consistently anticipated positive strides in the bilateral environment," Kutulakos said.

Book reveals importance of Sino-US engagement

By MAY ZHOU in Houston

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While the conversation on US-China relations has become almost exclusively about security issues and the potential for conflict, the editor of the recently published book *Selling to China* said it covers the commercial relationship to make sure that it has not gotten lost.

Ker Gibbs, past president of the American Chamber of Commerce in Shanghai and an executive in residence at the University of San Francisco, said the book "shows examples of American companies that actually are doing quite well in the China market and benefiting from China's economic rise".

He spoke at a webinar hosted by The Carter Center and the US Heartland China Association on Jan 23.

Out of concern that the United States is trying to contain China not just militarily but also economically,

a group of US corporate executives who have operated in China for years offered their realistic views in the book about doing business in China.

As the subtitle suggests, they are "stories of success, failure and constant change" in doing business in China.

Gibbs said it is not a pro-China book or a China-bashing book.

"It's very much a pro-engagement book," he said.

He pointed out that in Washington at the policy level and in corporate boards at the business level, people have an idea that everything is top down in China and everything happens in Beijing.

"That's actually not the case," Gibbs said. "The smart companies have found a way to partner with government at the local provincial and municipal level where a lot of the action happens."

Gibbs, who has split his time

between China and the US since the 1990s, said many asked him why it is so important to be in China in the first place.

"It's because it's a large market. In certain industries, it's such a large market and so important that literally if you are a global company and you don't have a business in China, you are not a global company. It's also true if companies exit the China market," he said.

It is also true that Chinese companies have become more competitive and innovative, Gibbs said. Global companies need to be in China to not miss it.

On the auto industry, Gibbs said General Motors and BMW used to dominate the Chinese market, but "they lost that edge because the move to electrification has happened, and the Chinese companies just picked up on that much faster".

And US carmakers missed a lot of this because they were unwilling

to copy their Chinese competitors, he added.

China has entered a period of moderate economic growth of 4 to 5 percent for the foreseeable future. That is still a lot of economic activity on top of the existing economy, and China is still a very attractive market because of innovation, Gibbs said.

Both have to listen to each other and try to understand the situation from the other's point of view to improve the relationship, he added.

Gibbs sees that people-to-people exchange is a positive factor in the bilateral relations.

Currently teaching at the University of San Francisco, Gibbs took eight of his students to China with him last summer.

"They loved it. We did tours, I took them to a bunch of companies to tour. They all want to go back," Gibbs said. "I'm going to do the same this summer."

THE HANDS OF TIME

Traditional arts and crafts are supreme samples of Chinese cultural heritage. China Daily is running this series to show how master artisans are using dedication and innovation to inject new life into these age-old heritages. In this installment, we explore the legacy of lanterns as icons of Chinese New Year celebrations — and much more.

Illuminating tradition

Lantern making is an ancient folk art that continues to shine and casts light on how the past connects with the days and nights yet to come, **Yang Feiyue** reports.

Lanterns continue to light up Chinese cultural tradition, in every sense of the phrase. Indeed, the ancient art form illuminates both the literal darkness of night but also casts light on culture to ensure it doesn't fade to black with the passage of time. And they brighten moods, too, as they invoke happiness and nostalgia among Chinese and are, likewise, internationally recognized as icons of the country.

Ordinary people have revelled in festive celebrations lit up by such lanterns since the Western Han Dynasty (206 BC-AD 24).

Then the greater social harmony and economic prosperity of the Tang Dynasty (618-907) propelled their popularity to a peak, and Lantern Festival became an annual milestone event on the 15th day of the first lunar month.

Numerous ancient poems recount emotional scenes in which various shapes and sizes of bright lanterns are crafted to light up bustling scenes enjoyed amid prosperity.

This heightened sense of lantern appreciation persisted into the Ming (1368-1644) and Qing (1644-1911) dynasties, marked by the emergence of lantern markets that fostered growing numbers of designs.

Today, such large-scale events as the Qinhua lantern fair in Jiangsu's provincial capital, Nanjing, and the Zigong lantern festival in Sichuan province captivate much attention.

Time and place have, indeed, literally shaped these handicrafts, which have come to bear increasingly distinctive regional characteristics from their conception to completion.

Zhai Yuliang becomes extra busy whenever the holidays are around the corner, starting with New Year's Day. The Beijinger, who's in his 60s, has just finished a pair of "palace lanterns" for a courtyard home in the capital.

"The owner wants every part of them to be done the old-fashioned way so that they will fit perfectly with the majestic style of their historical house," says Zhai, who has prepared for more than four decades the craft that was listed as a national-level intangible cultural heritage in 2008.

Brilliant origins
One of the most popular styles, which is also Zhai's favorite, is the double-layered hexagonal palace lantern that features arched spines, dragon heads, eaves, pillars and windows.

"It's full of Chinese elements, and has maintained typical models and structures for thousands of years," he says.



Above: Niu Junqi (left) and Zhai Yuliang show lanterns they created. **Top:** A lantern maker prepares for the upcoming Spring Festival in Binzhou, Shandong province. PHOTOS BY XINHUA AND PROVIDED TO CHINA DAILY

took an apprenticeship at a lantern factory in Beijing in 1975, under masters who used to make lanterns for the royal family.

"One of them would usually get instructions from the (imperial court) management officials, who asked him to make certain lanterns for certain places, regardless of the costs in terms of time and materials," Zhai recalls.

"The palace lanterns were initially primarily used for decoration, with illumination as a secondary purpose, and since they were exclusively for the imperial court, they all exuded a royal grandeur," Zhai says.

It wasn't until China's final dynasty, the Qing, that the emperors began to bestow palace lanterns on officials as rewards. Gradually, they started becoming more common among commoners, and, by the end of imperial China, they had become part of most ordinary people's lives.

"For festivals, folks (in Beijing) started making (palace) lanterns from materials like bamboo and sorghum, on which they pasted paper-cuts," Zhai says.

Production soon expanded to include other places like Shanghai, Guangzhou in Guangdong province and Hebei province.

"They've retained their general shapes as they've spread over time, but you'll notice some differences in the feel if you look closely," Zhai says.

"In the south, for instance, they tend to be more delicately and intricately carved, while in the north, and especially in Beijing, they are grander and more solemn."

However, he stresses, they must retain the essence to be classified as palace lanterns — that is, they must comprise a wooden frame with panels featuring painted scenes and traditional tassels or Chinese knots as adornment. Most importantly, they must be created using the specified production techniques, which require over 100 steps, including wood preparation, carving, assembling, gluing, painting, attaching

dragons and hanging tassels. In the old days, a single craftsman had to do everything from the woodwork to painting.

"Sometimes, it took several months to make a palace lantern," Zhai says. The favored wood varieties are rosewood and sandalwood from Guangdong and Guangxi Zhuang autonomous region, since they have a fine, hard texture and lack pores, he says. A thin iron wire tied to both tips of a bow is used as a saw to cut delicate patterns, like dragon heads, out of the wooden boards, before further carving with a knife followed by polishing.

Craftspeople sometimes cut two or three boards with the same pattern at the same time to increase efficiency. "That really tests your skills because a novice might do well with the top board but ruin the bottom board," he says.

"It took me three years to learn how to do the woodwork."

Palace lanterns are always built using mortise-and-tenon joints. The frame has to be well-designed to ensure it's sturdy since no nails are used.

Hollowed-out decorative patterns are carved into the completed frame. The protruding parts of the notches are called "flower teeth" and are rendered in dozens of styles with many variations.

"Most carvings' locations are flexible, but dragon and phoenix heads must be placed atop the pillars," Zhai says. The panels also need to be covered with silk that's painted with images before it's pasted on the glass.

Palace lantern craftspeople need the skills of a carpenter, the knowledge of a mechanic, an appreciation of classical architecture, a proficiency in poetry and painting, and additional talent for fashioning mortises and tenons before they can create the right carvings and layer combinations, he says.

Regional revivals
In Shengfang town, Hebei's Langfang city, Niu Junqi has just finished a massive set of Shengfang-style lanterns for

the Qinhua lantern fair that will open in early February. His work features a circular pool that's 6 meters in diameter with a leaping carp in the center, surrounded by lotus flowers and leaves.

"It represents the prosperity and charm of a northern water town," says Niu, whose family has created lanterns in this town for four generations.

The lanterns from his hometown have evolved to absorb elements of local life, customs and environs that contrast them with Beijing's palace lanterns.

There are about 20 major varieties, the most distinctive of which feature motifs of water towns or are actually children's toys that resemble ducks, watermelons, cars, goldfish and mythical figures, he adds.

Shengfang lanterns also made the national-level intangible cultural heritage list in 2008.

Chinese lanterns have been shining brighter overseas, too, as more lantern festivals are held abroad, attracting not only people of Chinese ancestry but other visitors, too.

Li Yuanyuan, who's an experienced curator of exhibitions of Chinese intangible cultural heritage, says: "These kinds of lanterns embody the unique beauty of light as expressed by Chinese people. They have witnessed our civilization's evolution and illuminated its development path. They're one of the oldest household items and once were among the most intimate daily necessities used by all people. So, they carry cultural history and cohesion."

She believes they showcase artisans' ingenuity across dynasties, as they refined gold and jade to likewise make bamboo and wood radiate.

The approach of Spring Festival means Zhai has received many invitations from communities and institutes to showcase palace lanterns' charm. He particularly enjoys hosting workshops where he teaches people to make lanterns themselves. He delights in the proud smiles of children and the nostalgic expressions of adults, when they complete their works under his guidance.



Above: Traditional lanterns still glow with vitality thanks to the dedication of generations of artisans. **Below:** The French Yuyuan Lantern Festival lights up the sky in Paris. PHOTOS PROVIDED TO CHINA DAILY

Firelight fancies

By **YANG FEIYUE**

When the night draws in at the Jardin d'Acclimation park in the north of Paris, a dazzling and fantastical world of colorful animals and plants comes alive.

Since mid-December, visitors to the park have been transported into a world of ancient Eastern mythology through an immersive sound-and-light show. Featuring 2,000 fabulous traditional-style lanterns shipped from China, the French Yuyuan Lantern Festival, developed by Yuyuan, the well-known traditional Chinese-style garden in Shanghai, has kicked off the 2024 China-France Year of Culture and Tourism.

In keeping with the arrival of the Year of the Dragon, the makers of the traditional-style lanterns have been inspired by a variety of Chinese dragon totems and mythical creatures from the ancient *Shanhaijing* (Classics of Mountains and Seas), says Chen Jia, chief cultural officer of Yuyuan Inc that is in charge of the show.

Each of the divine creatures depicted has unique cultural and spiritual significance. "We tapped deep into the cultural classic that has a history of more than 2,000 years and distilled its essence before creating a series of lantern designs," Chen says.

The Spirits of Mountains and Seas lantern set is rendered as a dynamic series in which mythical fish are transmuted into big birds after jumping out of water to symbolize lofty ideals and aspirations, which dragons are fashioned as warriors to indicate courage and strength.

At the Leap of the Fish in the Dragon's Gate section, a soaring dragon is endowed with a long neck and wings, breaking through the waves.

The image is inspired by the *Hetu* (Yellow River Chart) and the *Luoshu* (Inscription of the Luohe River), two cosmological diagrams used in ancient China.

"It showcases the positive, open, and dynamic aspects of Chinese culture, expressing China's willingness to develop together with the world," Chen explains.

Other innovative highlights include the White Deer section. It features a majestic white deer leading a group of fawns, making for a harmonious and heartwarming scene.

"The white deer, phonetically associated with 'hundred blessings' in Chinese, carries auspicious and abundant connotations, while the overall lantern design provides a tranquil and delightful visual experience, conveying the kindness and benevolence at the core of Chinese culture," Chen says.

Additionally, the lantern show incorporates a multitude of elements from ancient Chinese culture, including architecture, sculptures, paintings and costumes.

These dragon-related elements are

interwoven into the gateways, pathways, and lawns of the Parisian park and enable visitors to feel the festive atmosphere of the Year of the Dragon, she says.

Modern technology, such as "find-out-more" QR codes on the logo of each set of lanterns, has also been employed to enable visitors to enjoy a more immersive experience.

Pierced and pierced
The French lantern show is just one of the ways in which traditional Chinese lanterns are gaining a new lease on life.

In Xuzhai village, Dongyang city of East China's Zhejiang province, lantern maker Xu Bin has added a new dimension to needle-pierced frameless lanterns, an intangible cultural heritage.

With documented records dating back to the Tang Dynasty (618-907), the lanterns are made by pasting different-sized and shaped pieces of paper together. Through the balanced application of glued paper, they retain their form without any internal frame.

Various patterns are formed by using a needle to prick surface of each lantern, and the thickness and density of the needle holes strictly require talents for precision and attention to detail.

The light of the lanterns shines through the myriad small holes, creating a delicate and translucent effect, which has under a spell as a youngster when he watched a local "bench dragon" lantern show in 2000.

"The pierced lanterns were fashioned on long benches, before local residents carried them in parades during festivities. It was the first time the traditional performance resumed after years of interruption."

Xu started to learn how to make the lanterns from his mother who was a dab hand at the craft. It didn't take long before he was creating mini-sized pierced frameless lanterns at his art class in primary school.

In 2008, one of his lanterns won the gold prize at a traditional lantern making competition jointly hosted by Zhejiang and Jiangsu provinces and Shanghai, which inspired him to apply more innovative elements into the traditional artwork.

He takes pride in having introduced more intricate needlework to the craft with the incorporation of landscape and figurative elements for the pierced designs rather than the relatively simple auspicious patterns that used to be the norm.

"For outlining, I use a pointed needle, delicately creating the contours with dotted lines. The primary image is fashioned through the use of the 'coiling dragon' stitching, spiraling outward in a way similar to stitching a shoe sole," he explains.



From top: Xu Bin is devoted to innovative lantern making. A lantern showcase is about to open in Hua'an, Jiangsu province. Children learn to make lanterns in Yantai, Shandong province. Red lanterns are popular in Spring Festival. A lantern created by Xu.

densities are employed to depict elements such as water and mist."

Materials and designs
Xu has also applied other Chinese cultural elements, such as paper-cuts and fine brushwork, to the local lanterns, and he has also incorporated the use of new materials, such as silk.

The young man has also applied his college education to upgrading the lanterns' structures.

"A layer of cotton paper or *zuanzhi* (rice paper) is mounted onto the glossy paper to give it thickness, so it can better stand without a supporting frame," he says.

"However, it cannot be too thick, or the lantern won't be translucent."

Through precise calculations, Xu has managed to enhance the lanterns' aesthetics and sturdiness and create lanterns with more layers of texture.

Due to technological limitations, traditional needle-pierced frameless lanterns typically range in size from 20 to 40 centimeters. However, Xu can create lanterns that reach a height of 1.2 meters.

He says he has drawn inspiration from the practice of adding a horizontal beam when building houses in the countryside. So, when increasing the height of the lanterns, he applies architectural principles by adding a horizontal beam, which makes the lanterns sturdier.

At the same time, he has crafted clearer lines through meticulous planning of the cutting and pasting.

"The design of the lanterns involves the use of geometric knowledge, transitioning from solid geometry to plane geometry, and then back to solid geometry. Fortunately, I am particularly sensitive to this area, and my learning in this aspect has been quite helpful," he says.

Now, Xu has opened an online shop selling his lanterns, and received orders from home and abroad.

"People will place orders (for the lanterns) as a prop for a photo shoot wearing traditional costumes, and many tourist attractions use them for decorations," he says.

Xu has also developed an innovative kit that enables amateurs to enjoy the fun of putting together a pierced frameless lantern.

He says it's his wish to improve the local lanterns, so they can be better appreciated by the modern world and used in more occasions beyond the holidays.

He has already adapted some lanterns into lamps to go with modern home settings.

As his innovative works have been collected by various museums in recent years, Xu says he feels more motivated to find opportunities to combine novel ideas with the traditional craft.



LIFE

Firming up folklore's foundations

Multivolume series introduces materials not seen in the country before, opening up new avenues of academic study, **Yang Feiyue** reports.

A book series containing rare documents related to Chinese folklore held in collections outside the country was finally introduced to the public after seven years of work by experts.

Chinese Folklore Documents Overseas was launched at the National Library of China in Beijing on Jan 20.

The series was compiled by the Institute of Chinese Intangible Cultural Heritage at Sun Yat-sen University and published by Shaanxi Normal University General Publishing House.

The first 18 books primarily focus on presenting original material, explains Wang Xiaobing, chief editor of the series.

"The processing of the materials can be divided into three main categories: the first involved the direct reprinting of folk artifacts and documents found outside China," Wang says.

Examples include images of tilling and weaving, paintings, contractual documents and shadow-puppet play scripts.

Researchers have added introductions, explanations and annotations to these documents, Wang says.

The second category consists of translations of records and studies of daily life in China made by Western visitors to the country between the 17th and 20th centuries.

This includes Western visitors' abstracts and summaries of the content of Chinese literary documents, ranging from travel accounts, fairy tales and folk songs, to information about ethics and folk customs.

The third category consists of specialized studies of overseas collections of folk materials. They include many precious images, documents and texts that demonstrate the deep cultural heritage and appeal of Chinese folklore.

"These documents reflect the daily lives of people during specific historical periods and in specific regions of China, as well as the interests and academic ideas of Western collectors," Wang says, adding that this category serves as a vivid testimony to the cross-border dissemination of modern Chinese culture, and the collision and exchange of Chinese and Western cultures.

"Some of the materials are being published for the first time in China," she says.

Wang says that she and her



Top: The book series *Chinese Folklore Documents Overseas* is donated to the National Library of China in Beijing on Jan 20.

Above: Wang Xiaobing, chief editor of the book series, introduces the compiling process. **Left:** A certificate of the books' donation issued by the National Library of China to the publisher, Shaanxi Normal University General Publishing House.

PHOTOS PROVIDED TO CHINA DAILY

team discovered that the depth and breadth of the collections of Chinese folklore materials overseas far exceeded their initial expectations.

"Despite nearly seven years of exploration and effort, the documents and artifacts we have found can only be considered the tip of the iceberg," Wang says. "To fully catalog these overseas treasures is actually an extremely challenging task that cannot be completed by a single person or team in just a few years."

She stresses that the project has

also helped open up new areas of research in folklore studies, and has delivered fruitful results.

Qu Ruixin, vice-president of Shaanxi Normal University General Publishing House, says the series was developed based on "the research related to the compilation, study and creation of a database of rare Chinese folk culture-related documents and cultural relics preserved overseas", which was a major 2016 National Social Science Fund project.

"(We) believe that the organization, research and publication of rare Chinese folk culture documents overseas are significantly important in preserving and passing on cultural heritage, as well as

in promoting mutual exchanges and interactions among cultures," Qu says, explaining why the publishing house was interested in the prospect of cooperating with Wang and her team.

Qu says that Wang demonstrates a broad range of expertise that includes folklore, ethnology, Chinese literature, Japanese studies and economics, among other disciplines.

"With her extensive research experience and broad academic perspective, Wang is in communication and collaboration with research institutions and experts domestically and internationally," Qu says.

"She has also undertaken many

"I was able to read about interactions and exchanges among Chinese, Japanese and Westerners during that era. So this is very valuable information."

Thierry Meynard, professor with the philosophy department of Sun Yat-sen University

significant research tasks closely linked to overseas contacts, laying a solid foundation for the smooth running of this project."

The series includes many precious images, documents and texts that Qu says showcase the richness of Chinese folk culture.

"Due to the advanced age of the materials, and tasks such as translating foreign-language documents, compiling color illustrations and reproducing original texts, the editing and proof-reading were challenging, and the restoration and design of the images were time-consuming and labor-intensive," Qu says. "However, the team and project group overcame these difficulties, persevered in their efforts and contributed to the rescue of cultural heritage held in different parts of the world."

He believes the publication of these initial achievements will allow more people to understand and come to love China's folk culture.

"The series will promote a greater emphasis on the study of documents and artifacts in Chinese folklore studies. It will also provide new research materials for disciplines, such as historical anthropology, bibliography, cultural relics and linguistics, and the research produced by overseas Sinologists will open up new perspectives on folklore research," Qu says.

Thierry Meynard, a professor with the philosophy department of Sun Yat-sen University, says that he is especially drawn to a book titled *Collection of Japanese Artifacts Detailing Trade With China During the Ming and Qing Dynasties*.

"I believe that this kind of book is meaningful. It's informative, and the layout is also exquisite," the French national says.

Meynard points to the historical research on trade and folklore contained in the book, including information about the relationship between folk customs and complex, nuanced human connections.

"While going through the book, I was able to read about interactions and exchanges among Chinese, Japanese and Westerners during that era. So this is very valuable information."

Zhang Juwen, a professor of Chinese studies at Willamette University, believes the series has at least two significant meanings.

"On one hand, it provides us with historical materials from different perspectives to reflect on the evolution of modern Chinese cultural traditions," Zhang says.

"On the other hand, it establishes and promotes a model of learning from the strengths of others and then refining what has been learned, because this series not only translates texts but, more importantly, provides positive and critical commentary from a historical perspective."

Zhang has read two books in the series — *Proverbs and Common Sayings From the Chinese and Chinese Fairy Tales* — and says that he notices that the team not only chose to translate words to align with changes in Chinese culture and the contemporary context but also provided critical commentary on the original author and historical background of the text.

"This is a commendable model. I believe the significance of this series transcends the boundaries of nations, cultures and eras."

At the book launch, a copy of the series was donated to the National Library of China.

It will enrich the existing folk culture collection in the National Library of China, says Shen Xiaojun, head of the library's research institute, adding that the books' addition to the national library will enable scholars and the general public to make use of these rare documents.

According to Wang, the study of folklore is a discipline steeped in both historical materials and field research.

"We hope that through a thorough examination of these materials, we will not only strengthen the foundations of the discipline but also contribute to the development of other disciplines, such as literature, history, museology, religious studies, art and anthropology," she says.

"However, the conclusion of the project does not mean the end of research. There are still many materials overseas for us to explore, as well as organize and interpret, and many new questions are worth further exploration."

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The book series covers Chinese folklore-related documents that flowed out of China to foreign countries. PROVIDED TO CHINA DAILY



By XU FAN
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Many people have experienced the frustrating moment when, as they turn on their TV sets, they have to wait for the advertisements to finish before they can navigate through complicated menus and finally are able to settle down on the couch and enjoy their favorite shows.

In China, this practice is now coming to an end. According to the National Radio and Television Administration, the country's top sector regulator, those annoying adverts that pop up when you turn on a cable TV set or an internet protocol television (aka IPTV) device, have been canceled.

During a news conference on Jan 23, the administration and a num-

ber of associated authorities announced that a four-month nationwide project to curb fee stacking and simplify navigation for television services has achieved fruitful results.

The campaign benefited 92.5 million cable TV subscribers and 192 million IPTV users, allowing them to go directly to broadcasts without immediately encountering adverts after starting up the devices. Additionally, the time it took to turn on devices was reduced to less than 35 seconds. The longest previous duration was 118 seconds.

Paid packages — such as those charging for popular shows or theatrical releases — have been reduced by more than half, with those for cable TV dropping by 72 percent, for

China makes watching TV cheaper and easier



A news conference held in Beijing on Jan 23 announces that efforts to curb fee stacking and simplify navigation for television services have achieved fruitful results. PROVIDED TO CHINA DAILY

IPTV by 79 percent and for internet TV by 55 percent. The overall number of paid packages for a single terminal device has been reduced from a peak of 86 to six.

As part of the project, a free channel broadcasting classic TV shows began airing in seven provinces on Jan 15 and will be expanded to other parts of the country from Feb 1.

The number of paid subscribers for cable TV and IPTV surged by 784,700 and 4.29 million, respectively, during the period between late September and late December last year as a result of these beneficial measures. Additionally, active ratings for livestreaming channels have seen a consecutive increase over the past four months, rising by 13.6 percent.

The administration also unveiled

key goals for this year, ranging from simplifying remote controls and making TV watching easier for hotel customers to accelerating the proliferation of high-definition TV sets.

Cao Shumin, director of the National Radio and Television Administration, says that more than 80 percent of TV audiences have found it easier to discover free programs since the project was launched.

Cao said that another aim is to help the elderly watch TV shows more easily, as China is on track to become a relatively elderly society and will promote the development of advanced technologies, such as enabling remote control functions via smartphones or voice activation.

COMMENT

Editorials

Knee-jerk reaction to Tel Aviv's UNRWA charges shows some countries putting cart before horse

Israel's intention in alleging that 12 staff members of the United Nations Relief and Works Agency for Palestine Refugees in the Near East were involved in Hamas' Oct 7 attacks is open to question.

The head of Israel's Military Intelligence Directorate, Aharon Haliva, met with senior United States officials on Friday, and gave them "specific names and which organizations they are affiliated with, whether Hamas or Palestinian Islamic Jihad or others, and what exactly they did on Oct 7," and showed them that "we had solid intelligence from different sources", Israeli officials familiar with the matter told the media.

The US State Department said it had "temporarily paused additional funding" to the agency in the wake of the allegations. And Australia, Canada, the United Kingdom, Italy, Germany, Switzerland, Finland, the Netherlands and Japan soon followed suit. This means the UNRWA, which is in charge of providing subsistence for millions of refugees in Gaza, who are already struggling with hunger, will soon be put out of operation if no new sources of funding are forthcoming in a short time.

It is no secret that Tel Aviv wants to paralyze the agency, if not totally uproot it from the Palestinian enclave. It has viewed the agency as a protective umbrella for anti-Israel forces in Gaza since its founding in the late 1940s, and its disabling has been a key part of Tel Aviv's long-term plan to "neutralize" the Gaza Strip. Israeli Foreign Minister Israel Katz suggested on Friday that Israel will seek to stop the UNRWA from operating in postwar Gaza.

But despite Israel's allegations, the international community, including the US and its allies, has regarded the UNRWA as an indispensable player in Gaza and

beyond over the past more than seven decades, during which it has taken care of about 5.9 million Palestinian refugees that have been displaced from their homes since the war in 1948. The existence of the agency is a testimony to Israel's continuous expansion and the grave impacts it has had on Palestinians.

With about 13,000 employees, the UNRWA represents one of the few channels that still enable humanitarian assistance to trickle into the besieged Gaza Strip. Over the past more than three months, about 152 employees of the agency have died in Israel's "self-defense" offensive. That's why not all the US allies, including Norway and Ireland, are following its lead and they insist they will continue to give funding to the agency.

That the agency has sacked the suspected members of staff before the UN launches its investigation into the charges conveys the urgency with which the UNRWA is acting in an effort to persuade all funding parties to continue their support. The move should by no means be taken as evidence that the UNRWA admits Tel Aviv's allegations are true.

It is notable that the Israeli allegations against the UNRWA on Friday came almost at the same time the International Court of Justice issued orders that Israel must act immediately to prevent genocide in Gaza. The timing effectively diverted the world's attention from the ICJ's condemnation of Israel's actions in Gaza.

Even if Israel's allegations are substantiated, as long as the agency takes all necessary measures to solve the problem and plug its loopholes, Israel has no reason to deny the legitimacy of it. Shame on those immediately suspending their support for the Palestinian refugees even before Israel's charges are substantiated while talking big about their concern for civilians' lives.

Solar protective measures to hurt Sino-EU ties

The European Union is reportedly planning emergency support measures, including an antidumping probe, for Europe's solar panel manufacturing industry to counter what it considers a flood of cheap Chinese imports.

Four European factories have shut down or announced plans to do so in recent weeks mainly due to increasing Chinese competition, prompting calls from the sector to "deal with the Chinese threat". The European Solar Manufacturing Council warned that the bulk of Europe's manufacturers — which were already "on the brink" — could be shut within three months if no emergency actions are taken.

It is not uncommon for some European policymakers to blame China for the industrial woes that Europe faces during the energy transition process. Should any safeguard measures be put into place against Chinese solar power companies, it would be the second time that Europe resorted to trade protectionism after the EU initiated an anti-subsidy investigation last October into imports of Chinese electric vehicles.

The latest move bodes ill not only for smooth development of Sino-EU economic and trade relations, but also for Europe's ambitious goal of having 45 percent of energy generated by renewables by 2030. History shows that trade barriers would create a "lose-lose situation" and they would leave the realization of the bloc's climate goals in question.

China now holds a pivotal position in the global solar energy supply chain, producing more than 90 percent of the silicon wafers that go into solar panels and more than three-quarters of the world's solar panels, mainly thanks to innovative efforts by Chinese high-tech enterprises and economies of scale.

In comparison, Europe produces fewer than 3 percent of the solar panels needed to meet the bloc's 2030 solar power targets. Implementing any trade protectionist measures targeting Chinese producers would surely disrupt the market. "Today the Chinese are not only the most competitive on price, but also on quality", as Henning Rath, chief supply chain officer at German solar installer Enpal, which sources solar panels from China, said. Actually, the EU initiated antidumping measures against Chinese solar cells, wafers and panels in 2013, only to lift them five years later to increase the supply and boost renewable energy installation.

China and the EU, as the world's two major markets, should conduct negotiations to try to resolve their solar panel dispute in the spirit of maintaining an open, fair, just and nondiscriminatory business environment in compliance with the World Trade Organization rules. Any move aimed at erecting trade barriers goes against the trend of the times and risks hampering their joint efforts to address climate change, which is at the core of China-EU strategic partnership.

US' calculations loss-leading for chip industry

The "signature economic initiative" that the Joe Biden administration is highlighting continues to take on a darker hue. According to The Wall Street Journal, the administration is set to award billions of dollars in subsidies in the coming weeks to leading semiconductor companies to help them to build new factories.

The report says the grants are part of the \$53 billion Chips Act, intended to reshore production of advanced microchips and fend off the Chinese mainland, which is fast developing its own chip industry. The report cites industry experts as saying the funding is aimed at kick-starting the manufacturing of advanced semiconductors for artificial intelligence and weapons systems applications, which should come as no surprise given the Biden administration's war lust.

While the Biden administration is trying to paint a picture of a rosy new dawn for the industry, the move will only distort the chips market.

Further, even though an unnamed official of the US Department of Commerce was cited as saying "this is a merit-based process with tough commercial negotiations — CHIPS awards will be entirely dependent upon which projects will advance US economic and national security", there is an additional criterion at play. The companies that are reportedly set to receive

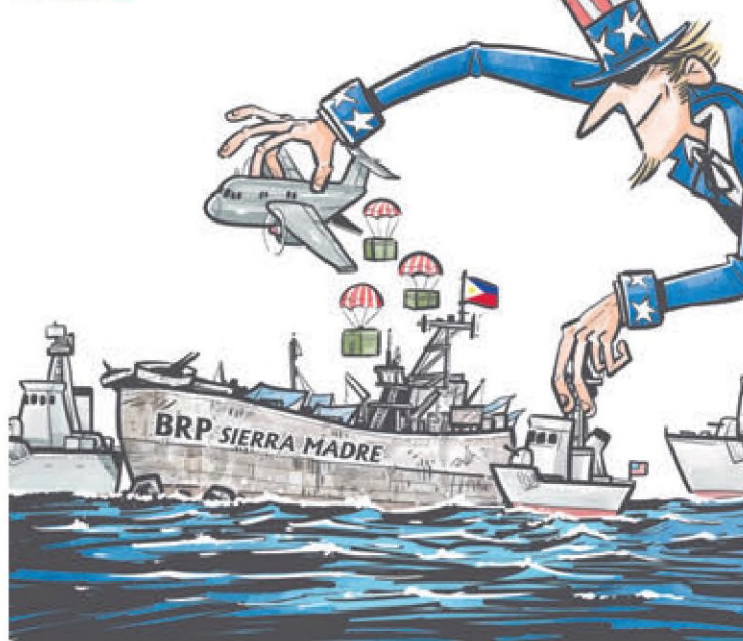
the new subsidies are Intel, which has projects underway in Arizona, Ohio, New Mexico and Oregon, and TSMC, with plants under construction in Arizona, exposing the Biden administration's intention of buying votes with more jobs in wavering states.

This additional political calculation, along with the plan's failure to address the domestic labor shortage, is only making the market-distorting effects of the administration's ill-designed economic policy worse. The move is unlikely to hold back the Chinese mainland for long, while also putting needless obstacles in the way of the industry's development. Some lawmakers and industry officials worry that, because of permit requirements and other factors, it could be years before the subsidized factories are churning out made-in-America chips.

And Jensen Huang, CEO of Nvidia, has suggested that the US' moves to keep an iron grip on the industry might be counterproductive and self-harming to the US' own technological leadership as they are only spurring Chinese companies to step up their efforts to produce advanced chips.

The Biden administration's blinkered view of the industry and its blindness to the mutually beneficial nature of China-US cooperation mean that it is unable to see the wood for the trees.

Cai Meng



Opinion Line

Two parties setting out their stalls ahead of the presidential election

Former US president Donald Trump said on Sunday that he appreciated Texas for standing up to the Joe Biden administration in the fierce immigration battle the federal government and the state of Texas are fighting in the run-up to the presidential election.

Due to a large number of immigrants crossing the US-Mexico border into Texas and other places to enter the United States illegally, Texas Governor Greg Abbott adopted a tough policy of building a border fence and even sending the National Guard to stop immigrants from entering the state, saying "Texas will continue to exercise its constitutional right to protect and defend our southern border".

However, such practices were at odds with the federal government, and the US Supreme Court granted an emergency request filed by the Biden administration in a 5-4 vote

on Jan 22, giving the green light for federal agents to cut through or remove the razor wire installed by Texas along the US-Mexico border. In order to prevent the removal of the fence, Abbott mobilized the local National Guard forces to reinforce the fence, which led to an armed confrontation with federal law enforcement officers.

So far, 26 states, including Texas, in the US have publicly opposed Biden's immigration policy. At the Sunday rally, Trump said if he were president, he would use all the resources and powers of the office to defend the country from the terrible trespassing that is taking place. With the immigration conflict breaking out at the Texas border, Republican House Representative Marjorie Taylor Greene called for a "national divorce" between the "red states" controlled by Republicans and the "blue states" controlled by Democrats.

The escalating tensions underscore just how far apart Democrats and Republicans are on the immigration issue, the US Business Insider recently commented, citing The Washington Post as saying that the dispute has led to rumors of a "civil war" and a backlash against the federal government from conservative media and politicians.

The number of illegal immigrants in the US has continuously reached new highs in recent years, with data from US border authorities showing that the number of immigrants apprehended at the border has increased sixfold since 2018. It can be seen that the extreme attitude Trump took toward immigrants from certain countries four years ago remains the same and the immigration issue will remain a long-term pain point in US politics and society.

— CHINA NEWS.COM

'Decouplers' can't have their cake and eat it

An article published on the official website of Deutsche Bundesbank, Germany's central bank, claims that China "has severe economic problems to contend with that could also spill over to Germany".

That has turned a blind eye to the Chinese economy continuing to be a main engine of world economic growth, with a contribution rate of over 30 percent. China's GDP grew by 5.2 percent in 2023. Technological innovations, industrial upgrading, the accelerating of the country's green transition and the development of the service sector inject new vitality into the economy.

Therefore the "severe economic

problems" statement is wide of the mark. What makes the article interesting, however, is that even though it claims the Chinese economy is bad, it firmly opposes decoupling. An abrupt decoupling "as a result of a geopolitical crisis" would deal a heavy blow to German industry, in particular to sectors such as the automobile, mechanical engineering, electronics and electrical engineering that are all significantly reliant on the Chinese demand. A Deutsche Bundesbank survey found that nearly one out of every two companies in Germany's manufacturing sector directly or indirectly sources critical intermediate inputs from China.

The article also admits that German companies have generated high sales and profits from production in and high revenues from exports to China, which echoes a report of the Chinese Chamber of Commerce in Germany that found more than 90 percent of the 566 responding German enterprises will stay in China while over half will even increase their investment in China in the coming two years.

Maybe it's time more German and European policymakers and analysts listened to the voices of enterprises so as to arrive at conclusions that better fit the reality.

—ZHANG ZHOUXIANG, CHINA DAILY

What They Say

Costly idea of replacing Chinese EV batteries

As the United States government continues to escalate its export controls on China, some car companies of the Republic of Korea that are dependent on Chinese battery materials are having a hard time. To this end, these companies have made submissions calling on the Joe Biden administration to relax its restrictions to allow them to purchase key battery materials from China. Tesla has also encountered similar problems. Due to the deadlock in battery production for its new Cybertruck, the US company had to turn to Chinese manufacturers for battery component support.

It is obvious that China plays an important role in the development of new energy vehicles. As China's new energy vehicle production and sales account for more than 60 percent of the world's total, it has ranked first in the world for nine consecutive years. In 2023, China's exports of power batteries hit 127.4

gigawatt hours, a year-on-year increase of 87.1 percent. The market size of China's power batteries has ranked among the top of the world for seven consecutive years. Among the top 10 power battery companies in the world in terms of vehicle installation volume, six are Chinese.

There is no doubt that China's power battery industry has multiple competitive advantages that are difficult to replace. The country has achieved independent production of almost all key raw materials of power battery production, such as cathode materials, anode materials, and electrolytes, forming complete power battery industry and supply chains.

China also dominates the core raw materials needed for battery production. Statistics show that in 2023, more than 80 percent of global shipments of key materials such as lithium battery electrolytes and separators came from China. The

country's long-term and huge input in technological innovation has also become the key to success for Chinese companies in the industry. Currently, China holds 74 percent of the world's power battery patents. The development of China's power battery industry has greatly promoted the green and low-carbon transformation of the global automobile industry. China is by no means a threat, but an opportunity to the world.

It is ridiculous that some US politicians are trying to exclude Chinese batteries from the US electric vehicle supply chains. If Chinese power batteries are excluded from the supply chains of the US EV makers, that will markedly push up the price of electric vehicles for US consumers. What the handful of politicians are pushing for not only undermines market rules and harms US companies, but also makes the US people pay the bill.

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COMMENT

Liu Qiang

China's national reunification inevitable

After Democratic Progressive Party candidate Lai Ching-te and his running mate Hsiao Bi-khim won the leadership election in Taiwan recently, some foreign media began claiming the risk of military conflicts across the Taiwan Strait has increased.

China is a big country that has achieved rapid economic and social development, yet it has not realized national reunification. It wants to realize the reunification of the Taiwan island with the motherland through peaceful means, for example, by following the "one country, two systems" principle.

But "Taiwan independence" forces on the island have been opposing this with the help of some countries and by "internationalizing the Taiwan question". This has compelled Beijing to reiterate its position that it does not "renounce the use of force" to achieve the goal of national reunification.

The Chinese mainland has been making increasing efforts to settle the Taiwan question. Claiming Beijing has proposed to realize national reunification before the 100th year of the founding of the People's Liberation Army in 2027, the Taiwan authorities have alleged that the mainland would seek reunification using military force only in 2027. So they sought more help from the United States to prevent the inevitability of national reunification.

On its part, the US has been playing the "Taiwan card" and stirring up trouble across the Taiwan Strait. It has also been spreading lies that Beijing seeks to reunify the Taiwan island with the motherland through force before 2027.

The year 2027 marks the 100th year of the founding of the PLA, and Beijing has vowed to build the PLA into a world-class military by then. Is it wrong for a country to modernize its military and set special strategic goals?

Washington has been hyping up the Taiwan question and getting increasingly involved in cross-Strait affairs, in order to prevent not only the Chinese nation's reunification but also to distract the American people's attention from burning domestic issues such as a slowing US economy and the widening income gap.

What the US has said and done have greatly affected the judgment of the Taiwan authorities on how the mainland would deal with the Taiwan question. Such misjudgments by the Taiwan authorities and their subsequent moves

But "peaceful reunification" based on the principle of "one country, two systems" remains the best way of resolving the Taiwan question.



LI MIN / CHINA DAILY

have worsened the situation across the Strait.

One of the dirty tricks of the US in the "balance of military power game" across the Strait is increasing its arms sales to the island. The Joe Biden administration has announced 12 rounds of arms sales to Taiwan, includ-

ing five in 2023. Although Washington knows that Taiwan, even with US military supplies, cannot change the cross-Strait strategic balance, it continues to sell weapons and military equipment to the island.

Worse, the US claims to help bolster Taiwan's defense and "boost its deter-

rence" against the mainland, sending the wrong signal to the "Taiwan independence" forces on the island. No wonder outgoing Taiwan leader Tsai Ing-wen said she is proud to spend large sums of money on buying US weapons.

The reunification of Taiwan with the motherland is an inevitable, and irreversible trend. It is only a matter of time before national reunification is achieved. But that does not mean there is a specific timetable for national reunification. That Beijing has vowed to achieve national reunification before 2027 is a figment of the US' imagination, even though the Chinese government and the Chinese people are determined, more than ever, to realize that goal.

But the biggest obstacle to resolving the Taiwan question is the interference of the US. As long as the US adheres to the one-China principle, does not play the "Taiwan card", and stops selling arms to Taiwan and sending the wrong signal to the Taiwan authorities, the Taiwan question can be resolved through peaceful means.

A conflict cannot be ruled out if "Taiwan independence" forces go too far. But "peaceful reunification" based on the principle of "one country, two systems" remains the best way of resolving the Taiwan question.

The white paper titled "Taiwan Question and China's Reunification in the New Era", issued by the Taiwan Affairs Office of the State Council and the State Council Information Office in 2022 said, "the basic policy of upholding One-Country, Two-Systems", is to never "allow any person, any organization, or any political party, at any time or in any form, to separate any part of Chinese territory from China". The white paper also said, "China is firmly committed to peaceful development", and highlighted a series of measures to improve cross-Strait relations and realize peaceful national reunification.

But "Taiwan independence" forces have been opposing the mainland's call for peaceful reunification, challenging the one-China principle, and seeking the US' support to counter the mainland, thus poisoning cross-Strait relations. The newly elected leaders of Taiwan need to better understand the future path, and work for the benefit of the Chinese nation and people.

The author is director of the academic council and a senior research fellow at the Shanghai Center for RimPac Strategic and International Studies. The views don't necessarily represent those of China Daily.



Kang Bing

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Lao-da US should act like a big brother but not in the Orwellian sense

Lao da, the two Chinese characters, in the past, meant the eldest son of a family. Later, the term was used by bandits and gangsters to address their boss. Now, it is a popular but unofficial term used to address the top official of a company, a university, even a government organization.

Traditionally, being the eldest son of a family more often than not meant he would inherit the family business, because he was expected to be fair to the other brothers and guide them to win new glory for the family, even at the cost of sacrificing his personal interests.

Although modern laws stipulate that all children, both sons and daughters, have equal rights of inheritance, older generations still tend to give Lao-da a bigger portion of the family fortune, if not the entire family wealth and business. That kind of arrangement, though unequal judged by present laws, was usually accepted by the other brothers and sisters as a show of respect to their elder brother, who among other things would also protect them from bullies in school.

One of my neighbors in Sanya, Hainan province, is such a Lao-da of five brothers and sisters. Each year, when he, a retired English teacher, visited the tropical city to escape the freezing cold of his home city in Northeast China, he brought one or two of his brothers and/or sisters with him and paid for all their expenses, from boarding and dining to travel. His siblings told me that they respected their eldest brother because he behaved like a real Lao-da — he was kind, fair and was always ready to sacrifice his interests for the sake of the other siblings and to maintain harmony in the family.

People feel unhappy when another US president says it would be a disaster if people in a certain country lived the same high-quality life as Americans.

I wish we had more Lao-das like the retired English teacher who would peacefully and tactfully resolve family disputes. I wish we had more such Lao-das in our companies and government organizations who would help settle internal conflicts. I wish we had a global Lao-da like my neighbor who would help bring peace and prosperity instead of triggering wars and confrontations.

The mention of global Lao-da would prompt some people to turn their eyes to the United States. The US became the world's biggest economic power just before the turn of the 20th century and has maintained its position for more than 130 years. It became the No. 1 military power after the end of World War II and its defense budget now makes up more than 36 percent of the world's total. More important, it became the only superpower after the collapse of the Soviet Union in the early 1990s.

Few countries today will dare to question the authority of the US, which has nearly a dozen of its aircraft carriers patrolling the oceans and has built hundreds of military bases in other countries.

We common folks respect the US' Lao-da status, thanks to its role in defeating Nazi Germany in World War II, its help to China in the Chinese People's War of Resistance Against Japanese Aggression (1931-45) and its support to liberation movements that freed many countries from colonial rule.

But the global Lao-da should behave like a real Lao-da, not sometimes but always, not only by showing its authority and strength but also by playing fair.

It should not have sanctioned countries for decades just because they refused to toe its line. It should not have bombed countries for months on flimsy ideological grounds. It should not have invaded countries, especially one country where it has killed hundreds of thousands of civilians by showing to the public a small bag of washing powder as the evidence of "weapons of mass destruction". It should not have vetoed UN proposals to end the Israel-Palestine conflict in which more than 25,000 Palestinians have already been killed.

People feel uncomfortable when a US president says he wants peace and democracy while hurting the interests of others. People feel unhappy when another US president says it would be a disaster if people in a certain country lived the same high-quality life as Americans.

The US will be in the Lao-da's position for many more years. So we can only pray that it behaves like one.

Zhao Huirong

Peace still elusive in Moscow-Kyiv conflict

In the tumultuous theater of the Russia-Ukraine conflict, this year seems full of uncertainties and shifting alliances. The fervor over Ukraine in Western corridors has metamorphosed into palpable weariness, mainly due to the Israel-Palestine conflict. With Ukrainian forces being compelled to shift from an offensive to a defensive stance, the scales seem tipped in favor of Moscow, which was perhaps evident in Russian Defense Minister Sergei Shoigu's claim of having been in complete control of Mariupol on Dec 25, 2023.

Ukraine is caught between the pursuit of war and the clamors for peace at home. The Ukrainian government's call for an immediate withdrawal of Russian forces and the need for the international community to recognize Ukraine's borders with Russia reflect the harsh reality of a divided population. The majority of the Ukrainian people, though, still believe that the "resistance" against Russia should continue and Ukraine should not make any compromise on its territorial integrity.

But since those demanding a "cease-fire" are in a minority in Ukraine's corridors of power, the Ukrainian government is not only unwilling to engage in negotiations but has also refrained from changing the piece of legislation implemented in October 2022 which explicitly prohibits its negotiations with Russian President Vladimir Putin.

The fulcrum of Ukraine's military capabilities rests precariously on the lev-

er of Western support. A decline in military aid from the West could lead to a more severe crisis. The pivotal variable in the United States' policy toward Ukraine is the looming specter of the US presidential election in November. Should former US president Donald Trump or his endorsed candidate win the election, a seismic shift in US support for Ukraine could recalibrate the geopolitical chessboard, and prompt the US administration to divert its military and strategic resources to the Asia-Pacific region.

The US, meanwhile, has been treading cautiously, continuing to support Ukraine and coaxing European allies into making greater commitments to help Ukraine, with the ultimate goal of strategically weakening Russia so that the Russian people vote out Putin in the presidential election scheduled for March. But the fact that Hungary, Poland and Slovakia have halted their military support to Ukraine shows the US policy is a failure. Worse, thanks to the support of the US and the European Union to Ukraine, the European Parliament elections in June threaten to cause a surge in far-right parties, widening the divisions within the EU.

In Ukraine, internal strife and corruption have undermined the Ukrainian military's resolve. A combination of factors, from a shortage of recruits to poorly trained and inexperienced soldiers, paints a bleak picture of the Ukrainian military's spirit and fighting capability. In the quest to bolster its ranks, Ukraine has widened the conscription net, by inviting

older and inexperienced individuals to join the armed forces.

Besides, Ukraine's massive economic quagmire has exacerbated the country's predicament, not least because its national debt had increased further to \$136.35 billion by November 2023. That prompted Ukrainian Finance Minister Vladimir Martynenko to seek more foreign aid, citing a shortfall of \$290 billion in the required \$410 billion. The economic strains mean the government will struggle to provide adequate logistical support to the Ukrainian armed forces, creating a perfect storm of challenges.

On the opposite side of the chessboard, Russia sees Ukraine not only as a piece on the geopolitical chessboard but also as an internal affair. Though there were initial anti-war rumblings in Russia, the Russian government has successfully molded public opinion into resolute support for its actions against Ukraine. And since Putin is widely expected to be re-elected as the Russian president in March, the stage seems set for a bolder, more confident Russia.

Russia says it's on a mission to demilitarize and "de-Nazify" Ukraine, and simultaneously counter neocolonialism, oppose hegemony and reshape the global order to make it fairer and equitable. In fact, the political unity, economic rebound and efficient production of military equipment and weapons have helped Russia take forward its agenda.

However, the road ahead is not without challenges. Russia still faces resistance to its plan to "reclaim" southern Ukraine so

as to establish a land route between "New Russia" (sparsely settled land south of Russia) and "Transnistria" (strip of land between Ukraine and Moldova). And should Ukraine show signs of retreat, Western support might recalibrate, plunging both sides into a longer conflict, perhaps with diminishing intensity.

A cease-fire seems like a distant dream and comprehensive peace a mirage on the geopolitical horizon given the recent developments. The prolonged conflict is inherently tied to the geopolitical tug-of-war between Russia and the West. It's a high-stakes geopolitical game where neither side is willing to yield. As a result, the future of Ukraine hangs in the balance.

Only when one side exhausts its military capabilities or faces strong opposition at home can one expect any change in the stances of Russia and Ukraine. A cease-fire agreement may follow in such a case, but territorial disputes are likely to persist. The conflict also shows that Russia and the US-led West are locked in a zero-sum game, making it difficult for both parties to agree to a compromise.

The quest for peace, elusive yet imperative, has to navigate a treacherous path, highlighting the dance between diplomacy, military might and the human cost of conflict.

The author is a research fellow at the Institute of Russian, Eastern European and Central Asian Studies, Chinese Academy of Social Sciences. The views don't necessarily reflect those of China Daily.

GLOBAL VIEWS

LI KING AND PEDRO STEENHAGEN

Missed opportunity

Argentina not joining BRICS is likely to prove a costly mistake

Argentina's newly elected and populist president, self-defined as an "anarcho-capitalist", announced his country would not be joining the BRICS grouping. While the decision was not entirely unexpected within the region, given his clear stance on this during his election campaign, the significant shift in foreign policy between the previous and current administrations remains puzzling.

But contrary to apocalyptic predictions about BRICS and its enlargement, Argentina's non-participation does not foreshadow difficulties for the expansion of the group.

The BRICS Plus initiative remains strong, with Egypt, Ethiopia, Iran, Saudi Arabia and the United Arab Emirates joining as new members, various nations from the Global South expressing interest in joining, and others showing significant interest.

However, it is undeniably a setback for Argentina. Facing significant political, economic and social challenges, including an inflation rate nearing 150 percent and 40 percent of its population living below the poverty line, Argentina has missed a golden opportunity to strengthen relations with established partners and to expand its connections with other markets. The BRICS Plus collectively represents approximately 27 percent of the world's GDP and 47 percent of the world's population. It controls more than 60 percent of global oil and gas reserves and includes the world's largest exporters and importers of petroleum.

The BRICS Plus framework would still welcome Argentina, should it reconsider its position in the future. However, dramatic changes in domestic and foreign policies can have detrimental effects on a country, affecting its society and straining its bilateral and multilateral ties with other nations.

Frequently, countries grapple with finding a balance between overarching state policies that encompass principles, norms and long-term objectives, and more immediate government policies tied to specific areas such as health, education, defense and social justice. While the former has a long-term perspective, the latter is often shaped by short- or medium-term considerations influenced by domestic political factors.

Political representatives across the spectrum — be they leftist, centrist or rightist — should collabo-

rate on a shared vision for the nation. At the very least, they should find common ground on strategic principles, objectives, and policies to guide the country forward. Lacking such consensus allows the nation to be influenced by the agendas of interest groups, which might not always resonate with the broader national interests in the medium or long run. This situation can perpetuate a detrimental cycle within the political landscape and its mechanisms for power distribution.

Argentina has been one of the United States' closest partners in South America since the end of the Cold War. As President Milei's rhetoric and economic plan indicate, his intention is to further strengthen ties with the US. But joining the BRICS Plus grouping would not present any obstacle to this pro-US stance; rather, it might encourage increased attention from the US and Europe toward the region. Brazil, for instance, has had a strong and historical relationship with the US, encompassing political, economic, social, cultural, and even military dimensions. It was a founding member of BRICS and the very first developing country in the world to establish a strategic partnership with China.

Given their geographical proximity to the US, it is inevitable that South American countries such as Brazil and Argentina will seek to cultivate positive ties with the US. Similarly, fostering a positive relationship with Europe is also economically and politically beneficial. However, while maintaining relations with the North is important, it should not come at the expense of the need to forge robust connections with nations from the Global South. Given that the US and the EU have shown limited engagement or even indifference toward South America for several decades, and considering the distant prospects for cohesive South American economic integration, it is a strategic mistake to overlook ties with China in terms of trade, investments, and experience sharing in a number of areas, such as industrial policies.

As Beijing's Belt and Road and Global Development initiatives continue to generate global impact, South America should adapt to the new geopolitical context. By fostering political and economic ties that extend beyond the OECD and by engaging with new entities such as BRICS, the region can uphold its non-aligned or balanced position and effectively navigate the com-

plexities of the 21st century.

The political calamity that is taking place in Argentina is tantamount to its economic crisis. Milei's victory in the presidential election, his stance against joining BRICS, and the sweeping changes he intends to introduce highlight a broader issue in South America. Amid serious economic challenges and social-political polarization, party politics, often characterized by personalistic agendas and fueled by narrow ideologies and values, leave real national interests behind.

The current political divide in Argentina and other nations around the globe is not a healthy phenomenon. The "Donald Trump effect" in the US has hit South America hard, particularly Argentina and Brazil, the two predominant economies in the region. While Brazil has moved back toward political stability with the leadership of Luiz Inacio Lula da Silva, the lingering impacts of "bolsonarism" continue to pose challenges and to drive polarizing forces in the country.

Argentina and Brazil should move away from populist and extremist approaches and, instead, focus on creating a new social-political contract. This contract should prioritize pragmatic policies rooted not just in short-term government initiatives, but also in long-term, state-led strategies centered on a sustainable and human development. Furthermore, fostering greater collaboration among themselves, their peoples and other Global South partners, such as China and other BRICS countries, will allow for shared experiences and better strategies to address mutual challenges. Expanding civic unity and involvement, international engagement and the forging or strengthening of partnerships, as opposed to isolationism, can contribute to achieving those goals.

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TONG JIAHANG / FOR CHINA DAILY

JORGE HEINE

Green path partner

Latin America's future lies in the green economy where China can play a key supporting role

As Latin America gears up for 2024, what the new year will bring to the region is a mixed picture. On the one hand, the region's economy continues to underperform, still unable to fully come out of its 2020 downturn, the worst in 120 years, according to the United Nations Economic Commission for Latin America and the Caribbean. Growth in 2023 is expected to be around 2.2 percent, less than the global average of 3.2 percent, and projections for 2024 are not much better. Economists, such as former Colombian finance minister Jose Antonio Ocampo, talk openly about a "second lost decade", very much like the one that took place in the 1980s — only worse, since the growth for 2014-23 averaged 0.9 percent, lower than the average of 1.3 percent in the 1980s.

A region that every 30 years experiences "lost decades", in which much of the previous progress is undone, only to return to the situation ex ante, cannot but produce enormous frustration. This was underlined by a recent report of the Group of Thirty (G30), an influential forum of current and former policymakers and academics, which explores the reasons for Latin America's chronic economic under-performance. That said, there are some hopeful signs of a turnaround. And this is something in which China, already South America's main trading partner, plays a key role, one that should switch into higher gear in 2024.

Latin America's, and particularly South America's, bane is its dependence on exports of commodities and natural resources, with little value added. As the world economy goes through boom-and-bust cycles, commodity producers are particularly exposed to price variations, in a way that industrialized countries are not. Mexico is in many ways the exception that proves the rule, with a thriving automotive and auto parts sector, among other manufacturing activities. Brazil and Argentina also have a (shrinking) industrial sector that has stood them in good stead, but by and large, agriculture, mining and services remain Latin American countries' main productive activities.

Yet the possibility of turning back the clock and reviving industrialization via policies such as the

import substitution strategies of the mid-20th century are non-existent. Latin America is too enmeshed in global economic flows to undertake anything along those lines, which would face unsurmountable obstacles on many fronts. That ship has sailed.

So, what is to be done? What some of the new crop of Latin American leaders, such as Colombian President Gustavo Petro, Brazilian President Luiz Inacio Lula da Silva and Chilean President Gabriel Boric, are betting on is that the region's future lies in the green economy. The region is already the one with the cleanest electricity grid in the world, largely based on hydro, but also now more and more drawing on solar and wind energy sources.

According to some estimates, Chile's Atacama Desert, the driest in the world, could provide power to much of South America due to its solar intensity, unmatched anywhere else. China, which is on the cutting edge of both solar and wind energy technologies, and whose companies already have a strong presence in Chile, can do much to make that happen. A key challenge in South America, given its long distances, is power transmission, since long-distance transmission entails not insignificant power losses. China has also developed cutting-edge technology to transmit electricity at long distances, which means it could play a key role both in-country, regional and subregional projects aimed at making this happen. China's State Grid, the world's largest power company, has already a strong presence in Brazil and in Chile, among other countries in the region, laying the ground for such undertakings. Given the intermittent nature of energy sources such as solar and wind, connectivity, which makes it possible to reach areas at peak-demand periods when demand is lower elsewhere, is critical. That is why this technology is so significant for the green economy.

As it happens, South America also has many of the key minerals needed for the transition to e-mobility, another key component of the new economy. Chile and Peru have over 30 percent of the world's copper reserves, and the so-called lithium triangle formed by Argentina, Bolivia and Chile has 53 percent of the world's lithium

reserves. With China producing 70 percent of the world's e-batteries, there is an enormous complementarity here, whose potential remains to be fully leveraged.

A recent report of the Inter-American Dialogue, a Washington DC think tank, entitled *New Infrastructure: Emerging Trends in Chinese Foreign Investment in Latin America and the Caribbean*, provides abundant evidence of how Chinese investment in the region has been morphing in accordance with the times. It illustrates how Chinese investment in the region, estimated to have reached \$187 billion from 2003 to 2022, has been changing from the initial burst into extractive activities first, to heavy infrastructure later, and now, to "a growing emphasis on innovation, whether in information and communication technology, renewable energy or other emerging industries".

An important part of this has been Chinese investment in the manufacturing of electric vehicles, in which Brazil has taken center stage, with BYD set to make a major investment in the Camacari industrial park in the northeastern state of Bahia, Brazil, and Great Wall Motors another in Sao Paulo state. According to the report, "electric vehicle and battery manufacturing accounted for 42 percent of the total value of Chinese manufacturing investment" in the LAC region from 2018-23.

This is very much in keeping with the transition to the new economy that Latin America so badly needs. By accelerating this process, establishing joint ventures with Latin American companies, deploying its cutting edge technology and moving forward across all fronts of the renewable energy frontier, China could play a key role in giving badly needed, renewed impetus to Latin American development.

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WANG XIAOYING / CHINA DAILY

BUSINESS

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Equity curbs herald capital market reform

More steps likely, to boost supervision, level playing field, restore confidence

By ZHOU LANXU
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China fully suspended the lending of restricted shares on Monday, indicating that regulators are taking serious steps to restore investor confidence, with additional measures anticipated soon, experts said.

The move will help level the playing field for smaller investors while limiting short selling, as part of the unfolding fundamental reforms that prioritize the interests of investors, they said.

Restricted shares, usually owned by listed company employees and early-stage investors, are subject to restrictions on transfer in a specified period to prevent excessive volatility or insider trading.

The China Securities Regulatory Commission said on Sunday that it would temporarily halt the lending of all restricted shares, effective from Monday, to strengthen supervision and strictly crack down on behaviors that use securities lending as a cover for illegal shareholding reduction.

The move came just after the commission assured on Friday that it will optimize regulations on securities lending and other areas, indicating that it is taking concrete, quick steps to realize a shift in regulatory focus from facilitating financing to prioritizing investors' interests, experts said.

"It's a sign that the CSRC is making rules to level the playing field for small investors and is an answer to recent calls by market participants to stop trades of this nature," said Hong Hao, chief economist at GROW Investment Group.

Hong added the move will alleviate downward pressure on the A-share market as short-selling turnover remained relatively high before this new rule.

The practice of strategic investors lending their shares in the securities refinancing market has ignited controversy as it could facilitate short selling, intensify downward market pressure and put retail investors in a disadvantaged position.

In September, key employees of Shandong Golden Empire Precision Machinery Technology Co Ltd lent their holdings to other investors for short selling via the securities refinancing market on the company's very first trading day in Shanghai, triggering public discontent.

Xu Kang, research head and chief analyst for the financial industry at Hua Chuang Securities, said while

Monday's suspension might not have a major direct impact on the whole A-share market, it is still of significance in terms of policy implication.

In October, the CSRC refined relevant rules, making restricted shares owned by listed company employees ineligible for use in securities lending.

Monday's move, Xu said, extends the ineligibility to restricted shares held by strategic investors who are not listed company employees. Such shares' estimated worth is about 324.4 billion yuan (\$45.2 billion), equivalent to only about 0.99 percent of the A-share market's total free-float capitalization.

The real significance of Monday's action lies in the policy signal it delivers. "It sends out a potent policy signal, highlighting the regulator's firm commitment to creating an investor-centric market," Xu said.

Also, in a bid to fairly safeguard the interests of smaller investors, securities finance firms that borrow shares will need to wait one day before offering them to brokerages for clients' short selling, instead of the stock being immediately available, starting from March 18, the commission said.

A report from Guotai Junan Securities said the new rule means that the information of securities being borrowed is disclosed on the first day, and only from the next day onward can they be used for short selling, providing ample time for various investors to digest the information.

The CSRC decided at its two-day annual work conference through Friday that it will optimize rules regarding issuance, pricing, quantitative trading and securities lending to strengthen the protection of smaller investors in line with an investor-centric mindset.

In a sign that the A-share market still needs more policy support to revive investor confidence, the benchmark Shanghai Composite Index closed 0.92 percent lower at 2883.36 points on Monday, despite the new restrictions on short selling.

Luo Zuanhui, an analyst at Shenwan Hongyuan Securities, said additional supportive measures are expected to be gradually unveiled, covering areas like listed company governance, the inclusion of market capitalization in the evaluation system for central State-owned enterprises and incentives for medium and long-term funds to invest in A shares.



An employee supervises container unloading at a yard in Horgos, Xinjiang Uygur autonomous region, in September. ZHAO GE / XINHUA

Xinjiang 2nd in terms of trade growth

By WANG KEJU in Beijing
and MAO WEIHUA in Urumqi

The Xinjiang Uygur autonomous region, China's northwest doorway to Central and West Asia, ranked second among the country's fastest-growing provincial-level regions in terms of foreign trade in 2023, highlighting its significance as a key player in the country's global trade network, officials and experts said.

Going forward, the establishment of a pilot free trade zone and a proactive policy package, coupled with Xinjiang's diverse range of industries and geographical advantages, bode well for further bolstering the region's trade growth and economic development, they said.

Trade value of Xinjiang, which holds extensive trade connections with 192 countries and regions, reached 357.33 billion yuan (\$55.72 billion) last year, up almost 46 percent, outpacing the national average by 45.7 percentage points, said Li Qinghua, deputy head of Urumqi Customs, at a news conference.

Xinjiang's trade with Kazakhstan, Kyrgyzstan, Tajikistan, Turkmenistan and Uzbekistan grew by 50 percent in 2023 year-on-year, accounting for more than 79 percent of the region's total foreign trade, Li said.

Growth of Xinjiang's trade has been facilitated by the region's geography that offers certain strategic advantages. The region plays a crucial role in the Belt and Road Initiative, making it a key transit hub for trade between China and neighboring countries.

The region boasts 20 national-level land ports — the largest nationwide. More than half of the China-Europe Railway Express trips originated from Xinjiang, with Alashankou and Horgos operating 115 and 80 freight train routes, respectively, according to data from the local transport authority.

Alashankou Essent International Freight Forwarding Co is among the first to reap the rewards of the reforms implemented by local Customs to streamline clearance procedures and reduce vehicle dwell time at ports, with the introduction of intelligent systems and centralized inspection areas.

"The reforms have been transformational for our business. From loading to exiting, a truck now takes just about five hours. In the past, it used to take three days," said Li Wentao, general manager of the company, adding technology has slashed overall costs of logistics firms.

The BRI has facilitated the establishment of new trade corridors, improved transportation infrastructure, reduced trade barriers and boosted efficiency, resulting in a substantial increase in trade between Xinjiang and economies involved in the initiative, said Xu Hongcai, deputy director of the China Association of Policy Science's Economic Policy Committee.

In 2023, the proportion of Xinjiang's trade with other countries participating in the initiative reached 94 percent of the total, up from 89 percent in 2013, local Customs data showed.

The optimization of Xinjiang's

export structure reflects a strategic shift toward higher value-added and technologically advanced products. The region has successfully expanded its export portfolio to include a diverse range of labor-intensive and electromechanical products, emphasizing its commitment to innovation and economic growth.

The region's efforts to diversify its export portfolio and focus on higher value-added products such as electromechanical items reduce its reliance on traditional sectors, making its exports more resilient to market fluctuations, said Zhou Mi, a senior researcher at the Chinese Academy of International Trade and Economic Cooperation.

Exports of labor-intensive and electromechanical products were worth 259.1 billion yuan last year, accounting for nearly 86 percent of Xinjiang's total exports. Outbound shipments of new energy vehicles, lithium-ion batteries and photovoltaic products grew more than 9 percent year-on-year to 2.96 billion yuan, official data showed.

Cross-border e-commerce helped expand Xinjiang's trade as the region actively promoted digital trade platforms, enabling local businesses to access global markets more efficiently, Zhou said.

In November, the China (Xinjiang) Pilot FTZ, encompassing areas in Urumqi, Horgos and Kashgar, started operations, playing a big role in building a "golden channel" between Asia and Europe.

Contact the writers at wangkeju@chinadaily.com.cn

Briefly

PRC adds liquidity via reverse repos

China's central bank conducted 500 billion yuan (\$70.33 billion) of seven-day reverse repos at an interest rate of 1.8 percent Monday. The move aims to keep liquidity stable at the end of the month, the People's

Bank of China said in a statement.

HSR expansion speeds up in Yangtze delta

China's high-speed railway network expansion is proceeding steadily as China Railway 24th Bureau Group Corp said it has recently completed

building the main structure of the sixth bid's track on the Hangzhou-Wenzhou HSR. The rail line aims to be the fastest option for passengers traveling between the cities of Hangzhou, Jinhua, Yiwu and Wenzhou in Zhejiang province.

CHINA DAILY — XINHUA

Experts: Countermoves against US justified

By LIU ZHIHUA
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China has no choice but to take some countermeasures against attempts by the United States to contain its rise, experts said, though they added that the world's two largest economies must avoid relations from spiraling down as that will only harm everyone.

The comments came on the heels of recent reports by Western media outlets of a plunge in Chinese exports of gallium and germanium — two critical chipmaking minerals — to the US, following repeated moves by the US to restrict China's electric vehicle, chip and biomedicine industries.

For instance, a US bill recently proposed to bar federal contracts to some Chinese biotech enterprises, including WuXi AppTec, part of the WuXi group of companies that provide research and development as well as manufacturing services in the pharmaceutical and biotech industries.

Shares of Shanghai-listed WuXi fell last week at the news reports, which also triggered concerns over

broader unilateral US sanctions against Chinese high-tech firms.

US President Joe Biden also said recently that he "won't let" China dominate the electric vehicle market.

"China's export controls on gallium and germanium are only meant to protect its national security and interest, following internationally accepted and transparent principles," said Zhou Mi, a senior researcher at the Chinese Academy of International Trade and Economic Cooperation, which is affiliated with the Ministry of Commerce.

"We have to take such measures as the US bill as protectionist behavior by some countries to curb our development in the semiconductor sector has caused uncertainties to the sector's supply chain stability globally."

Recent moves by the US target specific Chinese market entities and China's emerging and competitive industries, once again demonstrating its long-term protectionist and double-standard approach, he said.

The abuse of its powers will cause disorder and uncertainties in global cooperation, especially in the chip, EV and biotech industries, while

harming the US' own reputation and position in global trade and investment, he added.

Zhang Yansheng, chief researcher at the China Center for International Economic Exchanges, said if China wants to take tit-for-tat measures, export curbs on key minerals are handy, because the nation is a major supplier of key minerals, including rare earths.

"But that will only cause greater harm to everyone, and China wants no trade war but only wants to focus on its own development," he said.

Against the backdrop of US attempts to contain China's rise with export curbs on chips and investment restrictions in high-tech areas, China has no choice but to take some countermeasures, which is rational and in line with international practices, he said.

However, disputes and frictions with respect to technology and trade between the world's two largest economies will only harm each other and the global economy, leading countries such as South Korea and Japan to suffer from plummeting chip sales to China, he said.



An employee works at a semiconductor production line in Lanxi, Zhejiang province, on Friday. HU XIAOFEI / FOR CHINA DAILY

"It could only get worse if the US continues to contain China's sci-tech development under the excuse of national security," Zhang said.

"The two countries should sit down and solve their disputes through heart-to-heart negotiations, or at least try to prevent things from getting worse," he added.

China started to impose export restrictions on industrial products and materials containing gallium and germanium from Aug 1.

The Ministry of Commerce said implementation of the export controls was a cautious and moderate move, and was not targeted at any specific country.

Tu Jian, assistant sales director of Qiangong Rare Earth Group Co Ltd, a private rare earth processor in Ganzhou, Jiangxi province, said he hoped market mechanisms, rather than political considerations, would dominate global trade and bring benefits for healthy industrial development.

HK-listed China Evergrande ordered to liquidate

By OSWALD CHAN
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Real estate developer China Evergrande Group was issued a winding-up order on Monday after failing to convince the High Court in Hong Kong that it had a working restructuring plan and that its assets were sufficient to cover its debts.

"I consider that it is appropriate for the court to make a winding-up order against the company as there is an obvious lack of progress on the part of the company in putting forward a viable restructuring proposal," said Judge Linda Chan's ruling in the liquidation petition hearing.

The Hong Kong court decision comes after it was reported that Evergrande's overseas creditors failed to reach an eleventh-hour deal this weekend to restructure.

Shares of the Hong Kong-listed developer plunged over 20 percent to HK\$0.163 (\$0.021) before they were suspended in Monday morning trade.

China Evergrande Group Executive Director Shawn Siu said he is very sorry for the liquidation order, and emphasized that the ruling involves only Hong Kong-listed China Evergrande Group, while the current management and operational systems of Evergrande Group and other domestic and overseas subsidiaries remain unaffected.

"We will actively communicate and cooperate with the liquidator to perform relevant procedures to ensure the stability of domestic business and operations, steadily advance key tasks such as guaranteeing the delivery of buildings, and promote risk resolution and asset disposal," Siu told 21st Century Business Herald.

Siu added that the "actual controllers of the real estate company have been subject to compulsory measures in accordance with the law for suspected illegal crimes, therefore the company believes that it cannot meet the relevant legal conditions for key aspects of overseas debt restructuring, making it difficult to implement the debt restructuring plan."

The developer had announced an offshore debt restructuring program in March last year.

Judge Chan on Monday appointed Tiffany Wong and Edward Middleton, managing directors of Alvarez and Marsal, as liquidators.

The first task is to retain, reorganize or continue to operate China Evergrande Group's business as much as possible, systematically retain the company's value, and increase the possibility that creditors and other equity holders can be repaid, Wong said.

She pointed out that any feasible plan will be considered within the framework of the liquidation process, and she and her firm will contact management to understand the company's situation and discuss the next step.

China Evergrande, the world's most indebted real estate developer with arrears of over \$300 billion, has estimated assets of \$240 billion. It defaulted on its offshore debt for the first time in 2021.

Li Peijia, a senior analyst at Bank of China, said the liquidation of China Evergrande Group will likely have a limited impact on China's financial system.

"On the one hand, the Chinese government has provided special loan financing for developers to deliver properties, while local governments also have strengthened the organization and coordination of debt disposal by real estate companies," Li told China Daily.

"This makes it difficult for the debt risks of individual real estate companies to form a chain of risk contagion, and effectively reduces the impact of debt risk clearance of some real estate companies on financial institutions."

Liu Zhihua in Beijing contributed to this story.

BUSINESS

Gold output, consumption to stay robust in 2024

By ZHENG XIN
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Gold output and consumption are expected to remain in positive territory this year, experts said, after the yellow metal's off-take rose significantly in China last year, fueled by economic recovery and sustained purchases by the central bank.

China consumed 1,089.7 metric tons of gold last year, up 8.78 percent year-on-year, according to data released by the China Gold Association.

Growing risk-aversion by investors due to a volatile global financial environment has contributed to the "gold rush", said Zhao Xiangbin, chief strategist at Beijing Gold and Forex Fortune Investment Management.

Zhao said consumption will further grow in China this year, driven by investors' appetite for safe-haven assets.

"The rise in gold prices has been supported by geopolitical tensions and frequent unforeseen events in recent years. The tense geopolitical situation and unexpected prospects of the US elections later this year are likely to provide a solid foundation for gold output and consumption growth, as gold is known for its strong safe-haven appeal," he said.

"The market anticipates positive consumer sentiment, stimulated by expectations that gold prices will reach new highs. China's gold industry has increased its investment in new technologies and capital in recent years, which will further boost gold output and consumption."

Consumption of gold jewelry in China last year expanded 7.97 per-



Consumers select gold jewelry at a store in Shenyang, Liaoning province, in December. PROVIDED TO CHINA DAILY

cent year-on-year to 706.48 tons, while that of gold bars and coins surged 15.7 percent to 299.6 tons.

Consumption of gold for industrial and other use fell 5.5 percent to 83.61 tons, said the association.

Wang Lixin, CEO of the World Gold Council (China), said previously that the introduction of various economic stimulus measures with a focus on consumption has also contributed to the growth in purchases of gold jewelry.

According to the association, boosted by a series of policies aimed at stimulating consumption, the

national consumer market has recovered steadily, with gold and silver jewelry emerging as the fastest-growing categories among various retail segments throughout the year.

Retail enterprises engaged in the processing and sale of gold jewelry have consistently introduced innovative designs in their products.

Fashionable and lightweight gold jewelry have gained significant favor among consumers, contributing to the overall increase in gold jewelry consumption, it said.

Gold-backed exchange-traded

funds (ETFs) in the Chinese market saw stable growth in 2023, according to the association.

Holdings of gold ETFs totaled about 61.47 tons by the end of 2023, up 10.04 tons, or 19.53 percent year-on-year, it said.

In 2023, the People's Bank of China, the country's central bank, accumulated a total of 224.88 tons of gold, bringing the country's gold reserves to 2,235.41 tons by the end of 2023.

From November 2022 to December 2023, the central bank consistently increased its gold holdings.

Huge potential for Sino-US cooperation

China seen remaining major source of global innovation in variety of fields

By FAN FEIFEI
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The Chinese economy is full of vitality and there is huge potential for Sino-US cooperation in various advanced technologies, such as electric vehicles, despite geopolitical complexities and challenges, said Sevin Yeltekin, dean of the University of Rochester Simon Business School.

"There's a tremendous amount of dynamism. There's a tremendous amount of adaptation of technology more than I've seen elsewhere as well, and an incredibly driven, well-educated workforce," Yeltekin told China Daily in an exclusive interview, adding she is "very positive" about the outlook of China's economic growth.

"When you think about what really drives long-run growth trends in any economy, it is productivity, capital and labor investment. And those are continuing," she said, adding that the continued investment in productive capital and technology, innovation and education is expected to drive China's sustainable growth.

Yeltekin said China will continue to play an "extremely significant" role in global industrial and supply chains as the scale of the world's second-largest economy is very large, and its scale of manufacturing and services is very hard to replicate anywhere else.

As for the tightened export controls by the United States on some crucial technologies, including high-end chips to China, Yeltekin said, "Any barriers anybody puts up in front of any kind of cooperation can hurt both sides" and there's going to be a lot of push from those who are developing these technologies to cooperate, to be able to reach different markets and to learn from each other.

"I think those forces are what's going to, in the end, win out from both sides of the equation because there is mutual benefit to be able to cooperate, share technologies and to really advance business productivity and the human condition — the living conditions and opportunities for all populations involved," she added.

Despite concerns over impending recessions and continuing supply chain disruptions, Yeltekin remains optimistic about prospects for the global economy, given that there is an incredibly resilient consumer group, and technological change and innovation will drive economies worldwide.

Noting that innovation is a key driver of economic growth, Yeltekin said whether it's technological innovation or marrying technology with human productivity, digital transformation has been in China and it's accelerating with the introduction of artificial intelligence tools and a variety of very advanced products.

She also said it is always good to see a lot of advancement and

healthy competition with respect to the technologies. Yeltekin said she knows about China's dual carbon goals, and to be able to become sustainable requires a lot of

innovation and investment in renewable energy sources and technologies, while China is taking the lead in the EV sector, which is going to be a very good place for China and the US to cooperate and work together.

In addition, the prospects for Sino-US cooperation in education and talent cultivation are broad, Yeltekin said, adding that Chinese business talent are not only data-savvy and tech-savvy, but also globally informed and agile, and very fluid in being able to both understand differentiated needs and work with people from a variety of cultures and backgrounds, with a willingness to adapt to new technologies and knowledge.

Thanks to improved productivity, broad industrial clusters and a well-established infrastructure, China was, is, and will remain the factory of the world, said Denis Depoux, global managing director of market consultancy Roland Berger. The combination of a broad local market and a strong legacy export base makes China difficult to replace.

"Technology and innovation are key to bringing disruptive changes to the Chinese economy. We have seen China leapfrogging in some new areas, such as EVs, energy storage, photovoltaics and wind power," Depoux said.

He added that China is an important source of global innovation in multiple fields, from payment, retail and e-commerce to the electric vehicle, value chain and energy transition, and operating in China is a source of global competitiveness.



Sevin Yeltekin

Major lithium reserves discovered in Sichuan

By LIU YUKUN
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Nearly 1 million metric tons of lithium reserves were recently discovered in Sichuan province, becoming the largest known pegmatite-type lithium mine in Asia, which experts said will reduce China's reliance on lithium imports and ensure stable supplies for the fast-growing electric vehicle and new energy sectors.

Despite the new discovery, China still faces a gap between untapped resources and surging demand for lithium batteries. Thus, securing raw materials is now a focus for businesses along the EV industry chain, with some choosing to venture abroad, they said.

Lithium is a key metal used in battery production for the EV industry, as well as power storage facilities used in the wind and solar power sectors.

"The newly uncovered lithium ores are a type commonly found in Sichuan. Such a reserve was preliminarily detected years ago, and the latest achievement was to help pinpoint the location of the deposit," said

Charlie Zheng, chief economist at Samoyed Cloud Technology Group.

"While Sichuan has abundant lithium resources, its actual mining capacity remains limited, with the majority of China's lithium sourced from salt lakes in Qinghai province and the Xizang autonomous region. The newly uncovered lithium mine in Sichuan is located on a plateau, buried deep underground, presenting significant challenges for extraction," Zheng said.

According to the provincial government, as of June 2023, Sichuan holds 57 percent of China's total lithium ore reserves. It now boasts mining rights for reserves totaling 158 million tons.

Zheng said while China ranks among the top 10 in lithium ore reserves, its existing resources cannot meet the country's substantial demand for lithium batteries, leading to partial reliance on imports.

The China Nonferrous Metals Industry Association's lithium industry branch said that last year China imported around 4 million tons of lithium concentrates, a 41 percent year-on-year increase, mainly from countries

such as Australia and Brazil.

Additionally, net imports of lithium carbonate — a primary raw material for EV batteries — stood at 149,100 tons, marking a year-on-year growth of approximately 18.6 percent, the association said.

This heightened pursuit of lithium resources aligns with the rapid development of the new energy industry. China EV100, an industry association, reported approximately 9.5 million EV sales in 2023, a 37.9 percent yearly growth. The number is expected to surge to 13 million this year with a growth rate of around 40 percent.

Chinese companies, recognizing the demand, have intensified exploration efforts. Jinyuan Holding Group, for instance, said its overseas team is actively seeking offshore cooperation for lithium mining. Ganfeng Lithium also announced new acquisition plan of shares of a lithium mining project in Mali.

"Although China boasts large lithium reserves, the disparity between domestic lithium reserves and those abroad, along with the time needed for some Chinese mines to establish mineral resource mining,

processing and logistics infrastructure, suggests that many businesses may still opt for overseas mining that is considered more cost-effective and mature," said Zhou Mi, a senior researcher at the Chinese Academy of International Trade and Economic Cooperation.

"Chinese companies may still need to utilize foreign resources to meet global market demand, as many EV battery manufacturers are also supplying overseas automakers," Zhou said.

"While there's still demand for overseas exploration, more countries are imposing stricter requirements on equity ratios, entry conditions, processing and production. This has increased the difficulty and uncertainty for companies that venture abroad," he added.

The Ministry of Natural Resources said recently while exploring overseas cooperation opportunities, more efforts are needed to make breakthroughs in both theories and techniques for domestic lithium mine discoveries, as well as mineral refining technologies, to ensure a stable and secure material supply for the EV and new energy sector.



Known as the "king of snow mountain", these elusive cats live 3,000 meters above sea level, which is fragile to climate change.

If we can't control climate change, one-third of the habitat will be no longer suitable for snow leopards to survive. To protect the snow leopard, WWF is not only focusing on the species, but also the high mountains where the water resources originated.

www.wwfchina.org

BUSINESSFOCUS

Wellness products on holiday shopping lists

Younger, fitness-conscious consumers particularly fond of vitamins, dietary aid goods

By WANG KEJU

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While most consumers were busy filling their virtual carts with trendy items, electronics and skincare products during the "Double 11" online shopping festival, which ran from late October to mid-November, Zhang Qifeng, a 29-year-old resident of Beijing, took a different approach, prioritizing his well-being above all else.

Zhang's shopping haul included a variety of vitamins, such as vitamin C for immune support, vitamin D for bone health and B-complex vitamins for energy metabolism, as well as dietary supplements like protein powder for muscle recovery, omega-3 capsules for heart health and probiotics for gut health.

Believing that investing in his health was the best way to take advantage of the discounts and promotions offered during the annual shopping extravaganza, Zhang spent hours scouring various online platforms and healthcare stores, comparing prices and reading product reviews.

Zhang represents a rising wave of younger consumers who are now proactively seeking ways to nourish their bodies and improve health and wellness. This growing trend stems from their heightened understanding of the advantages associated with a balanced and nutrient-rich diet, coupled with a desire to bridge nutritional gaps caused by hectic lifestyles and dietary restrictions.

In 2023, healthcare products emerged as the third most popular consumer category among Chinese youth aged 18 to 35, often referred to as Gen Z, trailing only tourism services and tech gadgetry, said a survey jointly conducted in May by the National Bureau of Statistics, China Post and China Central Television.

In particular, the COVID-19 pandemic has enhanced public awareness of the importance of a robust immune system. Vitamins and supplements, known for their potential to support immune functionality, gained traction as people sought to bolster their body's natural defenses, Zhang said.

Nearly half of the Generation Z population incorporates dietary supplements and vitamins into their daily routines, which are often sought after as a convenient and accessible means to bridge potential nutritional gaps, according to an online survey conducted in March by KuRun Data.

In particular, the younger generation seeks healthcare supplements that cater to their specific needs, whether it's addressing vitamin deficiencies, supporting gut health or enhancing cognitive function, said Tang Zhengye, consulting partner of Deloitte China Life Sciences & Health Care.

More than half of China's post-



Consumers pick gift boxes of health products for Spring Festival at a supermarket in Shanghai in January 2023. PROVIDED TO CHINA DAILY

1990 generation face challenges related to hair loss and vision problems, according to a report by CBN Data, a Shanghai-based consultancy, which also revealed that approximately 40 percent of this demographic struggle with obesity and declining physical fitness while 30 percent complain of weakened immunity.

The market has responded by offering a wide range of products designed to target various health concerns, allowing health-conscious consumers to select supplements that align with their goals and provide them with the desired benefits, Tang said.

Moreover, vegan-friendly supplements, gluten-free options and products suitable for individuals with specific dietary restrictions are becoming more readily available, he added.

To provide customers with a more personalized experience, many companies offer online platforms or consultation services where individuals can receive guidance and recommendations based on their specific health goals and requirements, said Gu Xiaojuan, head of the nutrition department at Bayer Consumer Health China, a unit of German life sciences giant Bayer AG.

These services may involve questionnaires, health assessments or virtual consultations with experts to

help customers make informed decisions about their supplement choices, Gu said.

China's urbanites spend an average of more than 1,000 yuan (\$140) a year on supplements and vitamins. Notably, 83.7 percent of customers driving this trend are part of the Gen Z demographic, according to a separate report jointly released by the healthcare unit of e-commerce platform JD.com, dietary supplements producer By-Health and Xinhua News Agency.

The willingness of the younger generation to invest in their health plays a significant role in this trend. They prioritize their well-being and are willing to allocate a portion of their budget toward high-quality healthcare supplements, said Gu Zhongyi, a council member of the Beijing Dietetic Association.

The Chinese health supplements market reached an impressive scale of 394.68 billion yuan in 2022, representing a year-on-year growth of 3 percent, said industry information network Chyxx.com.

Furthermore, a study conducted by market consultancy iiMedia Research offers an optimistic outlook for the future of the Chinese health supplements market. It predicts that the market will continue to expand, reaching a projected scale of around 423.7 billion yuan by 2027.

To further boost the popularity of



Packed Chinese caterpillar fungus, a traditional medicinal ingredient, is displayed during a food expo in Beijing in September. PROVIDED TO CHINA DAILY

vitamins and dietary supplements, companies are pushing ahead a transformation in terms of presentation, said Wang Maochun, vice-president of the China Chamber of Commerce for Import and Export of Medicines and Health Products.

The traditional image of health supplements, characterized by capsules or tablets reminiscent of medicinal pills, is being replaced with more visually appealing and "snack-like" options. This shift aims to attract younger consumers and alleviate any hesitancy associated

with taking medication, Wang said.

Manufacturers have begun exploring ways to allow consumers to view supplement consumption as a rewarding and enjoyable habit rather than a chore, and to that effect, they have introduced new product formats such as chewable tablets and gummies, said Bayer's Gu.

The shift toward more appealing formats aligns with evolving consumer preferences and a desire for products that fit seamlessly into people's daily lives, Gu added.

Meanwhile, the accessibility of information and the influence of social media, such as lifestyle-sharing platform Xiaohongshu, Weibo and short video giant Douyin, have played a significant role in shaping the perception of health maintenance among young people.

Online platforms provide a wealth of health-related content, ranging from fitness routines and dietary tips to personal anecdotes and product recommendations. As a result, many young individuals have become more conscious of their health and are actively seeking ways to improve their well-being, said Bo Wenxi, chief economist at wealth management firm IPG China.

A search in late December using the keywords "health supplements" and "vitamins" on Xiaohongshu yields a substantial number of related posts, with notes related to vitamins standing at around 4.84 million.

"From influencers' recommendations to personal testimonials, these posts have piqued my interest in using these health products," said Huang Wei, a lawyer who now resides in Guangzhou, Guangdong province.

These posts often showcase before-and-after photos, detailed accounts of personal health journeys, and recommendations for specific brands or products, the 27-year-old said, adding that the desire to achieve similar outcomes drove her to follow suit and try these products herself.

Meanwhile, consumers can easily find and purchase these products through e-commerce platforms with just a few clicks, making it convenient to experiment and discover what works best for them, Huang added.

While the desire to optimize health and well-being — driven in part by social media and peer influence — is commendable, experts emphasize the need for comprehensive education, responsible marketing practices and transparent labeling within the industry.

Each person's nutritional needs are unique, and blindly following trends or recommendations without considering personal health conditions or medical history can be counterproductive, said Gu of the Beijing Dietetic Association, adding that consulting healthcare professionals or registered dietitians can provide consumers with personalized advice based on specific requirements.

Moreover, the market is flooded with a wide array of products, making it challenging for consumers to determine quality and efficacy. Dedicated efforts are needed to enforce more rigorous regulations to protect public health and promote responsible manufacturing, labeling and marketing practices, Gu added.

Graying demographic ranks, health-savvy youth driving supplements sector

By WANG KEJU

The dietary supplement industry is experiencing robust growth in China, fueled by factors such as an aging population and increasing attention paid to health and wellness among the younger generation, propelling rapid market expansion in various segments, experts and executives said.

Though China's dietary supplement market has long been dominated by established foreign brands, domestic manufacturers, with greater efforts to refine their products, are strengthening their distribution networks and building consumer trust, and are now poised to catch up and compete with their international counterparts, they added.

Due in large part to rising disposable incomes and a growing number of health-conscious consumers — both young and old — the dietary supplement business in China has grown significantly in recent years, said Zhang Yongjian, a food and drug research director with the Chinese Academy of Social Sciences.

China's health and dietary supplement market, as shown by statistics from e-commerce data software firm Moojing Market Intelligence, is

expected to have been worth some 328.3 billion yuan (\$45.6 billion) in 2023, and boasts substantial growth potential in the coming years, especially when compared to developed countries where the industry has already matured.

The COVID-19 pandemic undoubtedly reshaped Chinese people's priorities and prompted them to take a closer look at their overall health and well-being, and explore products that can potentially boost their immune systems, boding well for future market expansion, Zhang said.

Brands from the United States, Australia, Japan, New Zealand and elsewhere dominated the Chinese health supplements industry in 2022. About 70 percent of market revenue came from sales of such international brands, with domestic counterparts accounting for around 30 percent, Moojing said.

That said, the recognition and acceptance of domestically produced health supplements by consumers in China have been steadily rising, leading to a surge in demand and sales, said Chen Hao, general manager of Alibaba Health, a subsidiary of Alibaba Group.

Chinese companies are adopting a strategic approach to market seg-

mentation, focusing on deepening their presence in niche markets through flagship products, said Liang Yunchao, president of By-Health, a producer of vitamins and dietary supplements in South China's Guangdong province.

By-Health has established a comprehensive and scientifically driven dietary supplement system. The company's product lineup includes probiotics, proteins, vitamins, minerals and other functional dietary supplements, catering to a wide range of consumer needs, Liang said.

Meanwhile, the company sources its raw materials from 23 countries and regions worldwide and has established five dedicated ingredient supply bases in locations such as Brazil and Australia, contributing to the quality and effectiveness of its products, Liang added.

In the first three quarters of 2023, the company achieved a total revenue of 7.782 billion yuan, marking a year-on-year growth of 26.34 percent. Furthermore, net profit of the Shenzhen-listed company reached 1.9 billion yuan, up 28.28 percent year-on-year, Liang added.

Domestic suppliers' commitment to scientific research, quality assurance and consumer trust has solidi-



A consumer checks out By-Health's wellness products at a store in Shanghai in March 2022. PROVIDED TO CHINA DAILY

fied its position as a trusted brand in the dietary supplement industry, said Chen with Alibaba Health.

In 2023, as many as 30 new Chinese brands have generated sales exceeding 10 million yuan each. Additionally, this thriving market has witnessed the emergence of 150 new Chinese health products, each achieving sales exceeding 1

million yuan, Alibaba Health said.

Moreover, a growing number of Chinese manufacturers are leveraging traditional Chinese medicine practices, herbal ingredients and traditional wellness concepts to create unique and appealing product offerings.

However, strict regulations over the ingredients in health supple-

ments have resulted in a slower pace of formula innovation compared to developed countries such as the US. According to a research report by China Cinda Asset Management, Chinese health supplement brands face lengthy approval processes for new formulas, with an average approval time of nearly five years.