

People's Daily, 1 January 2006

President Hu calls for joint efforts of all Chinese for peaceful reunification

Chinese President Hu Jintao made a call to all the Chinese people both at home and abroad to join hands in the fight against "Taiwan independence" forces and work for the reunification of the motherland. "The complete reunification of the motherland is the common will of the Chinese people and inevitable in the historical development," Hu said at a New Year tea party attended by members of the National Committee of the Chinese People's Political Consultative Conference, a major government think tank. "We will adhere to the fundamental policy of peaceful reunification and 'one country, two systems,' never waver on adhering to the one-China principle, never give up efforts on promoting peaceful reunification, never change the policy of pinning hope on Taiwan people, and never compromise on opposing 'Taiwan independence' secessionist activities," Hu said.

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Chinese, Indian leaders exchange congratulations on launching of Friendship Year

Chinese President Hu Jintao and his Indian counterpart Abdul Kalam exchanged congratulations Sunday on the launching of the Sino-Indian Friendship Year and vowed to further develop the bilateral ties and boost cooperation in 2006. China and India are good neighbors with a long-standing friendship between the two peoples, said Hu in his congratulatory message. The Sino-Indian relations have been pushed to higher levels thanks to joint efforts of the two countries since they established diplomatic relations, Hu said. The establishment of the Sino-Indian strategic cooperative partnership oriented to peace and prosperity in 2005 marked a new stage for the development of the bilateral ties, and the declaration on setting the year 2006 as Sino-Indian Friendship Year demonstrated the common aspiration of the two governments and two peoples to strengthen good-neighborly relations, expand mutually-beneficial cooperation and boost common development, Hu said. In the year 2006, China will take the Sino-Indian Friendship Year as an opportunity to boost the traditional Sino-Indian friendship, expand bilateral dialogues, exchanges and cooperation in various fields to enrich the contents of bilateral ties and push forward the development of the bilateral strategic cooperative partnership, Hu said.

People's Daily, 1 January 2006

China aims for fast, sound development in 2006: Chinese President

China will strive to achieve fast and sound economic and social development and enable all people to enjoy the fruit of reform and development in 2006, Chinese President Hu Jintao said in a New Year Address made on Saturday. The country will continue to make the "scientific concept of development" the general guideline of the overall economic and social development in 2006, the first year of China's 11th Five-Year Plan (2006-2010). "We'll make efforts to accelerate the pace of reform and opening-up, enhance capability in independent innovation, give impetus to the shift in economic restructuring and in the mode of economic growth and improve the quality and results of economic growth," Hu said in the New Year address, which was broadcast on the China Radio International, China National Radio and China Central Television on Saturday.

China Daily, 2 January 2006

Hu, Putin reveal 'Year of Russia'

President Hu Jintao and Russian President Vladimir Putin exchanged New Year's greetings at the weekend, and welcomed the start of the Year of Russia in China. In his message to his counterpart, President Hu said China will launch the Year of Russia in 2006, with Russia holding the Year of China in 2007. The pioneering project will greatly stimulate the comprehensive development of Sino-Russian relations, Hu said. "The Chinese Government attaches great importance to the upcoming Year of Russia, the president said. "We will co-operate closely with our Russian counterparts, make careful preparations and spare no efforts in implementing the programme, so as to ensure the event becomes a complete success."

China Daily, 2 January 2006

Sino-US ties enjoy 'stable progress'

WASHINGTON: China and the United States' relationship has demonstrated a trend of stable development in 2005, Chinese Ambassador to the United States Zhou Wenzhong said on Saturday. Chinese President Hu Jintao and his US counterpart George W. Bush met several times in 2005 and the two leaders exchanged views on bilateral relations as well as major international and regional issues of common concern, Zhou said in an exclusive interview with Xinhua. In particular, the two leaders agreed at their meetings in New York in September and during Bush's China visit in November to strengthen mutual understanding, broaden consensus, enhance mutual trust and push forward the all-round development of the Sino-US constructive relationship of co-operation in the 21st century, he said.

BBC News, 3 January 2006

China growth set to beat forecast

China's economy grew an estimated 9.8% in 2005, much faster than expected, according to a senior Chinese official. Ou Xingqian, a senior member of the National Development and Reform Commission, made the remarks

at a meeting of the economic planning body. The comments, although not official confirmation of the growth rate, are the first indication of the figure. If confirmed, it means China's economy grew faster in the previous year than in 2003 and 2004. It would also prove that the government's efforts to cool down sectors of the economy in danger of overheating have proved largely unsuccessful.

People's Daily, 3 January 2006

West China sees increasing public health emergencies: official

A local health official has called for a sound mechanism to deal with public health emergencies in western China, saying the western region is witnessing growing number of such cases due to the poor medical infrastructure in the vast rural areas. Statistics from China's Ministry of Health show that the 12 provinces, autonomous regions and municipalities in west China reported 782 cases of public health emergencies in 2004, which involved 40,828 people and claimed the life of 273 of them. The figures accounted for 49 percent, 52.7 percent and 65.3 percent of the national total respectively, said Tan Mingjie, vice director of the health department of the Guangxi Zhuang Autonomous Region, south China. This is mainly attributable to the failure of some local governments to realize the importance of medical infrastructure construction and promote publicity about health care, to the poor knowledge about health among rural residents, and to the poor capacity of local grassroots medical institutions for disease prevention, control and treatment, he said.

People's Daily, 3 January 2006

China hails Bush's rejection of quotas on steel pipe

The Chinese Government welcomed the rejection by U.S. President George W. Bush of a request to impose quotas on steel pipe imported from China, a spokesman for the Ministry of Commerce said Monday. This is the fourth time that the president decided not to place quotas on Chinese exports to the United States, the spokesman made the statement on the website of the ministry. The decision of the U.S. government is conducive to the bilateral economic and trade relations, said the spokesman. Explaining his decision, President Bush said Friday the cost to American consumers would outweigh the benefit to domestic producers.

The Indian Express, 4 January 2006

Pakistan in talks with China for eight nuclear reactors

LONDON, January 3: Pakistan is in talks to buy up to eight nuclear power reactors from China for between \$7 billion and \$10 billion, the Financial Times reported on Tuesday. Construction on the plants could start by 2015 and end 10 years later, it said, quoting a senior Pakistani official. The new power stations would add 3,600-4,800 megawatt of capacity using a series of 600 megawatt reactors, according to the report. Pakistan's PM Shaukat Aziz formally launched construction last week of a Chinese-supplied nuclear plant at Chashma in the eastern province of Punjab.

People's Daily, 4 January 2006

Forex rate forming mechanism reformed

China announced a further move to reform its exchange rate forming mechanism yesterday, introducing an internationally prevalent price-finding mechanism in the interbank foreign exchange market. The introduction of OTC (over-the-counter) transactions will improve the exchange rate transmission mechanism and help meet businesses' risk-hedging needs. But it will not broaden fluctuations of the renminbi exchange rate, the central bank said. "With a view to improving the managed floating exchange rate regime based on market supply and demand with reference to a basket of currencies, promoting development of the foreign exchange market, diversifying the mode of foreign exchange transactions, and strengthening the pricing capability of the financial institutions, OTC transactions will be introduced in the interbank spot forex market starting today," the People's Bank of China (PBOC) said in a statement.

People's Daily, 4 January 2006

China set to narrow rich-poor gap

China's economy is likely to be heading for another year of galloping development, but how to make more Chinese people reaping the benefits is still a challenge for the government. Think-tank economists, researchers and President Hu Jintao have spoken of their New Year expectations and concerns. Powered by domestic economic development and worldwide recovery, China's economy is expected to see stable development this year following a growth rate of 9.8 per cent in 2005. Ou Xinqian, vice-minister of National Development and Reform and Commission, announced that growth rate over the weekend. The rate was a little higher than in 2003 and 2004, when growth of 9.5 per cent was recorded. The year 2001 saw a rate of 7.5 per cent and in 2002, 8.3 per cent was recorded. The latest figure means China is in another economic circle of fast development. "The circle is likely to continue due to vibrant buying, investment and foreign trade," said Zhang Liqun, a senior researcher at the State Council Development Research Centre, the central government's think-tank.

China Daily, 4 January 2006

Over 1,700-year-old tombs unearthed in SW China

Chinese archaeologists discovered 13 tombs dating back more than 1,700 years in Shuangliu County, southwest China's Sichuan Province, and unearthed a large number of pottery figures and utensils recently. Located in the Huangyang Town, the 13 tombs line side to side from the top to the bottom of a five-meter highland. Three tombs on the top of the highland are the largest, each 15 meters long, 2.6 meters wide and two meters deep. Archaeologists found that the earth around these tombs was pounded and were surprised to see that tomb bricks were carved with fine patterns of strings of beads, rhombus and phoenixes. Li Guo, who participated in the recent excavation at the site, said the tombs belonged to a family in the Eastern Han Dynasty (25-220), judging from the size of the tombs, building materials and funeral objects.

People's Daily, 5 January 2006

World benefits from China's development, senior press officer

China's senior press officer Liu Jianchao said in an article published Monday in the World News Journal that China's development is a "good fortune" for the world and is conducive to world peace and development. Liu, who is also one of China's Foreign Ministry spokesmen, said this in this article written after attending the New Year reception hosted by Chinese Foreign Minister Li Zhaoxing for some 400 foreign diplomats and Chinese officials on Dec. 30. Liu said that he told correspondents at a press conference at the end of last year that the main feature of China's diplomacy in 2005 was "harmony" when asked to make a comment on China's diplomatic work for the year. Quoting Chinese President Hu Jintao's famous remarks during his several foreign tours last year that China's development is characterized by peace, openness and cooperation, Liu said that China will stick to its own path by seeking harmonious development at home and promoting peace and cooperation abroad.

Xinhua, 5 January 2006

Law to be amended for accurate economic survey

BEIJING, Jan. 4: China will put all data survey teams under the direct management of the National Bureau of Statistics (NBS), according to a State Council decision. Officials with the NBS said in Beijing Wednesday that the State Council has just made public a decision to amend the rules on the implementation of the Statistics Law, so as to meet the demand for reforming China's statistical work. According to the NBS, the amended rules gives a clear definition to the legal position and obligation of all data survey teams at different levels, so as to increase their independence in surveying tasks. The survey teams will also have the authority of law enforcement concerning statistical work. Data survey teams at different levels, from the NBS headquarters to counties, will be under the direct management of the NBS, sharing the same importance with the local statistics bureaus, said the NBS. In addition, three survey teams under direct control of the NBS, on rural economy, urban economy and enterprises economy, respectively, will also be strengthened, with their positions lifted as well.

Daily Times, 6 January 2006

China urges North Korea, US to work out differences

BEIJING: China urges North Korea and the United States to work out their problems in order to make progress in talks on dismantling the North's nuclear weapons programmes, a Foreign Ministry spokesman said on Thursday. The two Koreas, the United States, Japan, Russia and China agreed at talks in Beijing in September on a broad set of principles aimed at having the arms programmes scrapped in return for aid and friendly ties. The talks have since hit a snag, with the main protagonists, Pyongyang and Washington, sparring over the North's alleged illegal activities to finance its weapons programmes. "China hopes each party can take the overall situation into consideration and handle properly issues that both sides are concerned about," spokesman Qin Gang told a news conference. "China is willing to play an active and constructive role in pushing forward the talks," Qin added. North Korea this week demanded an end to a US crackdown on its financial dealings before the six-party talks on dismantling its nuclear weapons can continue. The United States has clamped down on several North Korean companies it suspects of involvement in counterfeiting, money laundering and the drugs trade, saying the illicit businesses had helped fund Pyongyang's drive to develop atomic weapons.

Dawn, 6 January 2006

China may help build more N-power plants (Ihtasham ul Haque)

ISLAMABAD, Jan 5: China is considering Pakistan's request to help it build eight more nuclear power plants at a cost of \$8 billion aimed at generating 4,800 megawatts of electricity by 2015. Informed sources told Dawn on Thursday that the Pakistan Atomic Energy Commission (PAEC) had started planning to build Chashma-3 and Chashma-4, each with a capacity of 300mw, following a broad understanding reached recently between the two countries. China believes Pakistan is adhering to the International Atomic Energy Agency (IAEA) standards and as such needs to be supported in its efforts to meet its electricity requirements of 8,800mw by 2025. Besides, China has said that it will provide suppliers' credit for the proposed reactors. However, it wants Pakistan to address the international concerns about non-proliferation. "The Chinese have told us that they fully support Pakistan's quest for peaceful use of nuclear energy and will continue to extend cooperation to build nuclear power

plants," a source said. China said it wanted to assist Pakistan in line with the "agreement in peaceful uses of nuclear energy" earlier reached between the two countries. China has assured Pakistan that it will transfer after some time 'all possible' nuclear technology to help build indigenous nuclear power plants.

The Hindu, 6 January 2006

China sees India as partner, says PLA expert (P. S. Suryanarayana)

SINGAPORE: China and India "eye each other not as a threat but as a partner," according to Rear Admiral Yang Yi, Director of the People's Liberation Army (PLA) Institute of Strategic Studies at China's National Defence University. "Chinese Navy is happy to see Indian Navy develop." Rear Adm. Yang Yi told The Hindu here on Thursday that "China can cooperate with Indian Navy in dealing with the traditional and non-traditional security threats" especially "if you are stronger, play important, active, and positive role in the region." Emphasising that "India and China are two major powers in the region," the PLA expert said "we need further cooperation in the future, even further joint military exercises." Asked whether the two could move towards joint exercises by their armies and air forces, given that the navies had already begun exercising together, he said "there is no political barrier, no political obstacle." Striking a pragmatic note, he said: "The Navy exercises were much easier because, according to international law, navy is an international force. It is very easy to undertake joint naval exercise. For the ground forces, it is more complicated. For air forces, it is even more difficult.

Xinhua, 6 January 2006

Report ranks China 6th in overall strength

BEIJING, Jan. 6 -- China ranks sixth globally in overall national power, a top think-tank concludes in a report released yesterday in Beijing. "In terms of comprehensive national prowess, China stands among the secondary tier of world powers, greatly dwarfed by the United States, and behind Britain, Russia, France and Germany," Wang Ling, an associate researcher with the Chinese Academy of Social Sciences, said. Wang's findings, published yesterday in the annual Reports on International Politics and Security, were the first of their kind measured from the perspective of econometrics, the book's editor-in-chief Wang Yizhou said. Econometrics is defined as the application of mathematics and statistics to the study of economic and financial data. The editor conceded that apart from the indisputable top ranking for the US, different gauging criteria might yield different ranking orders in the secondary tier. Wang's ranking was made from 10 major countries, chosen by their economic, demographic and territorial sizes.

People's Daily, 6 January 2006

China hopes six-party talks achieve new progress in new year

China hopes that the six-party talks will resume at an early date and achieve new progress in the new year, Foreign Ministry spokesman Qin Gang said in Beijing Thursday. Qin told a regular press conference that the Korean Peninsula nuclear issue is confronted with some new and complicated factors. All parties concerned should take the whole situation into account and properly handle relevant issues through full communication and consultation, he noted. Qin expressed his hope that all concerned parties jointly create a sound environment to push forward the progress of the six-party talks. "China will, as always, keep contacts with all other five parties," the spokesman said. The six-party talks, which are aimed at resolving the nuclear issue on the Korean Peninsula, entered the fifth round in November 2005. The six parties - China, the Democratic People's Republic of Korea, the United States, the Republic of Korea, Russia and Japan - agreed in a chairman's document on Nov. 11 to hold the second-phase meeting of the fifth round at the earliest possible date.

People's Daily, 7 January 2006

Chinese mainland official criticizes Taiwan politics

A Chinese mainland official Friday accused Taiwan authorities of making use of the funeral of Wang Daohan, the Chinese mainland's chief negotiator with Taiwan, for political gain. Li Weiyi, spokesman for the Taiwan Affairs Office of the State Council, said at a press conference on Friday that Taiwan authorities' attack on the mainland showed disrespect for Wang Daohan, president of the mainland-based Association for Relations Across the Taiwan Straits (ARATS) and Koo Chen-fu, chairman of Taiwan-based Strait Exchange Foundation (SEF). Chen Shui-bian, leader of Taiwan authorities, said recently it was a "representation of politicalization" that the mainland refused to allow representatives of the SEF to attend Wang's funeral, and "people should not place hope on such kind of cross-Straits relations." Commenting on Chen's remarks, Li said that Wang had sent personal representatives to Taiwan to attend the funeral of Koo, who died at the beginning of 2005. The act was in accordance with the will of Koo's relatives and based on the friendship between Wang and Koo.

People's Daily, 7 January 2006

Top Chinese leader stresses importance of Party Constitution in anti-corruption drive

Hu Jintao, general secretary of the Communist Party of China (CPC) Central Committee, urged Party officials to study and abide by the Party Constitution to fight corruption Friday in Beijing. Hu made the remarks at the sixth

plenary session of the CPC Central Commission for Discipline Inspection, which opened Thursday. In the speech, he said that the campaign to improve the Party's work style, build clean government and fight corruption has scored new results and seen sound development momentum. But he stressed that the campaign, given its arduous and long-term nature, must be carried out unswervingly to ensure the socialist cause advances on a right track. "A major conclusion can be drawn by summing up the experience of Party building including work style building and anti-corruption drive. That is the whole Party should always study, abide by, implement and safeguard the Party Constitution to ensure the it will always advance in the correct direction."

People's Daily, 7 January 2006

Koizumi's "untenable" arguments arouse strong reaction

Japanese Prime Minister Junichiro Koizumi does put Japan-China relations "high" on his 2006 agenda. Like before, he was again spearheading the attack on China, saying "I cannot understand why a foreign government should intervene in a matter of the heart and make it a diplomatic issue." He was openly defending his repeated visits to the Yasukuni shrine, a symbol of Tokyo's past militarism, and Koizumi's remarks drew a swift reaction from Chinese experts on Japanese issues and many netizens, who denounced Koizumi's argument as "untenable". At a televised press conference on Wednesday, Koizumi defended his visits to the notorious shrine, saying again that it is "a spiritual issue". Koizumi reiterated his view that the visits were a matter of an individual's freedom of spirit and thought, making it hard to understand criticism from China and the Republic of Korea (ROK).

People's Daily, 8 January 2006

Bolivian president-elect arrives in Beijing

Bolivian president-elect Juan Evo Morales Ayma arrived in Beijing Sunday morning, kicking off a two-day visit to China. During his stay in Beijing, he is expected to meet Chinese President Hu Jintao. Morales is here at the invitation of the Chinese government. He won the presidential election of Bolivia with 53.7 percent of the vote on Dec. 18, 2005 and will take office on Jan. 22 this year.

Daily Yomiuri, 8 January 2006

Japan, China to exchange 2,000 students

More than 2,000 high school students are to be mutually invited to visit Japan and China each year as part of efforts to improve bilateral relations, according to government sources. The exchange program, which is part of mid- and long-term efforts to boost ties, aims to build a forward-looking relationship. Relations have soured over Prime Minister Junichiro Koizumi's visits to war-related Yasukuni Shrine. Officials of the Japanese and Chinese foreign ministries held a working-level meeting in late December in Beijing to discuss the plan, the sources said. At the meeting, the Japanese side officially told their Chinese counterparts that Tokyo would put aside 10 billion yen in a new fund for the exchange program by February at the earliest, and would start accepting Chinese high schoolers in September. In response, Beijing is to shortly start inviting about 1,000 Japanese high schoolers a year to China. The Japanese side considers that about 1,100 Chinese students a year will be invited for short visits of 10 days or so; about 100 on middle-term stays of two to three months; and about 50 on long stays of a year.

The Washington Post, 8 January 2006

China Takes Aim at Corruption (Edward Cody)

BEIJING, Jan. 7: In the face of rising discontent over corruption, China's senior Communist Party leaders called on members Saturday to work harder to stop bribery among businessmen and local officials in the country's thousands of cities, counties and villages. The appeal, in a communique issued after a two-day meeting of the party's Central Discipline Inspection Committee that was attended by President Hu Jintao, seemed to take particular aim at corrupt rural officials whose illegal dealings have helped generate a wave of riots and peasant unrest over the past two years. Much of the violence has stemmed from anger over land confiscations in which, farmers allege, village or county officials took money from business developers in return for favorable deals. "More anti-corruption education will be carried out among grass-roots officials, while the procedures for selecting officials for promotion will be stricter," the official New China News Agency quoted the communique as saying.

Reuters, 8 January 2006

China to maintain steady, rapid growth: economist

BEIJING: China's economy will maintain steady and rapid growth in 2006 as investment and consumption become the major drivers of growth, a government economist said in comments published on Monday. Yao Jingyuan, chief economist of the National Bureau of Statistics, said the most notable point for China's economic growth in 2006 was the remarkable role of consumption as a key economic driver, official China Securities Journal said. At a forum in last month the economist had predicted that China's gross domestic product growth was likely to slow to between 8 percent and 9 percent. It has been consistently faster than 9 percent for the past two years, and the latest revisions suggest it has been exceeding 10 percent. "China's economic growth should

shift its reliance on investment and export to investment and consumption," Yao said, adding domestic and foreign demand should work together to push forward the economy.

The Indian Express, 9 January 2006

India-China strategic dialogue today (Anil K Joseph)

BEIJING, Jan 8: India and China will exchange views on bilateral, regional and international issues of common concern during Foreign Secretary Shyam Saran's visit to the communist country beginning on Monday. Saran arrived here today for the second round of the India-China strategic dialogue. The Chinese delegation will be headed by Vice-Foreign Minister Wu Dawei, who is in charge of Asian affairs. Ahead of the talks, a senior Chinese official said "the Chinese government firmly pursues the policy of developing long-term, stable, good-neighbourly and cooperative relations with India." The second round of the India-China strategic dialogue is the first since New Delhi and Beijing agreed to upgrade their bilateral relations to strategic levels during Chinese premier Wen Jiabao's visit to India in April last year. Saran may brief Wu about the July 18 Indo-US nuclear deal. China is still opposed to recognising India as a nuclear power. Beijing is also of the view that the proposed Indo-US nuclear deal may undermine global nuclear disarmament moves.

The Telegraph, 9 January 2006

Between Two Stools (Pratap Bhanu Mehta)

If you want to play the chess of power politics on a global scale, the first rule is this: you have to consider the position and the moves of every single piece on the chessboard. The big worry about making the United States of America central to India's orientation to the world was that it would render other power games being played invisible. India was pretending as if the Indo-US nuclear pact was a bilateral pact that would facilitate the development of India's civilian nuclear programme by easing restrictions on the import of uranium and nuclear technology. This was somehow supposed to facilitate India's further rise as a global power. But many of us had suggested that one of the consequences of this pact would be to make the subcontinent a frontline area in the global tussle between the US and China. India's great virtue was to have avoided becoming a frontline state in the last conflict between two global powers during Cold War. Every state that, like Pakistan, lets itself become a frontline state in that global conflict brought itself to the brink of ruin. To be sure, the Sino-US rivalry will not take the shape and form of the US-Russia rivalry. Nevertheless, these two powers are going to clash over their respective conceptions of the World Order, and India should tread its path with great skill and acumen. But the last thing India needs is to convert the subcontinent into the frontier of that rivalry.

Xinhua, 9 January 2006

China uses cards to teach bird flu prevention

BEIJING, Jan. 9: China is using playing cards to teach people how to protect themselves from the deadly H5N1 bird flu virus, as the world's biggest poultry producer finds novel ways to spread awareness. The cards will be illustrated with cartoons informing players what bird flu is, the dangers of the epidemic, how the disease is transmitted as well as prevention and control measures, the Xinhua news agency said. The cards are being sold in the northern province of Shanxi. The addresses and telephone numbers of the disease prevention and control organizations across China are also printed on the cards, which were developed by a hospital in Shanxi's Yuncheng city, said Xinhua. Cards have been used in China to teach people about AIDS and to catch criminals. Pictures of fugitives have been printed on some cards. They are seen as especially handy for informing China's large floating population of more than 140 million migrant workers, many of whom are frequently traveling or too busy to read and watch TV.

The Hindu, 10 January 2006

India, China hold dialogue (P. S. Suryanarayana)

SINGAPORE: Top officials of India and China began the second round of strategic dialogue in Beijing on Monday. While the Chinese side was led by Vice-Foreign Minister Wu Dawei, Foreign Secretary Shyam Saran headed the Indian delegation. India's Ambassador to China Nalin Surie and Joint Secretary (East Asia) Ashok Kantha participated in the talks, expected to conclude on Tuesday. Mr. Saran called on Chinese State Councillor Tang Jiaxuan. While authoritative details of the dialogue were not immediately available, these talks have acquired much importance following last year's agreement between the two countries to fashion a Strategic and Cooperative Partnership for Peace and Prosperity.

The News, 10 January 2006

China cuts mly force by 200,000

BEIJING: China announced on Monday it has demobilised 200,000 members of its military over the past three years but it remains the world's largest with 2.3 million troops. "As of December 31, our army has fully completed the tasks of military restructuring and reform and have cut the army by 200,000 soldiers," the People's Liberation Army Daily said in a front-page report. China has been trimming its military personnel since the mid-1980s in an

effort to cut costs and concentrate on improving military hardware and effectiveness in the age of high-tech warfare. According to the report, China cut its military personnel from 4.24 million to 3.24 million in 1987, and then to 3.12 million by 1990. A 500,000-soldier demobilisation plan was announced in 1997, cutting the size of the military to 2.5 million before the latest reduction. The People's Liberation Army includes the navy and air force. Despite the cut in troop numbers, China's military budget has increased by double-digits almost every year over the past 15 years, with the defence budget increasing by 12.6 percent in 2005. China's 2005 official defence expenditures were 247.7 billion yuan (29.9 billion dollars), but the figure is widely seen as understated as it does not include weapons purchases or research and development.

The Hindu, 11 January 2006

India, China complete second round of strategic dialogue (P. S. Suryanarayana)

SINGAPORE: India and China completed the second round of their strategic dialogue in Beijing on Tuesday on a note of "satisfaction at the positive trends" that emerged on the bilateral front "in the recent past." The two sides explored the "content" of their evolving strategic partnership. Significantly, in this diplomatic ambience, India "asked [for] cooperation from China," a key member of the Nuclear Suppliers Group (NSG), in the context of Washington's latest agreement with New Delhi on "civilian nuclear energy" issues. Indicating, Foreign Secretary Shyam Saran, who led the Indian delegation, said at a media briefing in Beijing that his Chinese interlocutors did not convey to him any unhappiness over the Washington-New Delhi accord. The Chinese team was led by Vice-Foreign Minister Wu Dawei. And, on the sidelines of the dialogue sessions, Mr. Saran called on the Chinese Foreign Minister Li Zhaoxing and Executive Vice-Foreign Minister Dai Bingguo who is also his country's Special Representative for discussions with India on the boundary question.

Reuters, 11 January 2006

China Offers to Help Rein in Iran: US Congressmen

BEIJING: China has offered to help rein in Iran's nuclear ambitions and ease U.S. complaints about pirated goods ahead of a Washington visit by President Hu Jintao expected in mid-April, visiting U.S. congressmen said on Wednesday. The chairman of China's National People's Congress, Wu Bangguo, told the congressmen China "agreed that they should not have nuclear weapons, and agreed to working with the United States and especially the EU3" on Iran, Mark Kirk, a Republican Congressman from Illinois, told reporters. Wu is a member of the nine-member Communist Party Standing Committee that makes the country's key decisions. The EU3 refers to Britain, France and Germany, which steer EU policy on Iran's nuclear programme. On Tuesday, Iran resumed nuclear fuel research Washington and Brussels say could eventually be used to make nuclear weapons. The five permanent members of the U.N. Security Council, including China, recently sent letters to Iran warning against restarting the nuclear activities.

The New York Times, 11 January 2006

North Korean Said to Pay Secret Visit to China (Joseph Kahn)

BEIJING: The North Korean leader, Kim Jong Il, is reportedly making a secret visit to China by train at a time when Chinese-sponsored talks over North Korea's nuclear program have reached an impasse, South Korean news media and Western news agencies said Wednesday. Chinese police guards did some cleaning yesterday outside the North Korean Embassy in Beijing. Chinese officials declined to confirm or deny that Mr. Kim was visiting the country and officials from the North Korean Embassy in Beijing flatly denied it. But Mr. Kim has made stealth state visits to China and Russia before. This time security precautions could be especially intense after an explosion took place on a railway line used by Mr. Kim shortly after his last trip to China in April 2004. Reuters quoted an unidentified person as saying that Mr. Kim might be passing through China on his way to Russia. But Reuters and other news agencies also cited people in South Korean intelligence as saying that Mr. Kim's special train had passed through the Chinese border crossing at Dandong and that he was headed for Beijing, where he would meet with Chinese leaders.

People's Daily, 11 January 2006

China calls for substantiation of China-Kazakhstan strategic partnership

Visiting Chinese Vice President Zeng Qinghong Wednesday called for substantiation of the strategic partnership between China and Kazakhstan. In a meeting with Kazakh Prime Minister Daniyal Akhmetov, Zeng said China regards Kazakhstan as an important strategic partner. The bilateral relationship is faced with a new opportunity of development which both countries should fully embrace in order to explore new ways of cooperation and enrich the strategic partnership, Zeng said. The Chinese vice-president is here for an official visit during which he will attend the swearing-in ceremony of Kazakh President Nursultan Nazarbayev. Akhmetov expressed his satisfaction with the cooperation between China National Petroleum Corporation (CNPC) and the energy company PetroKazakhstan(PK), and also the construction of the whole China-Kazakhstan oil pipeline. There still exists a big potential for energy cooperation between the two countries, Akhmetov pointed out, hoping that they could expand cooperation especially on economy, trade and energy.

Hindustan Times, 12 January 2006

US nuke negotiator to arrive in China for talks

Beijing: The chief US negotiator to the six-party North Korean nuclear talks, Christopher Hill, was due to arrive in Beijing on Thursday for talks with his Chinese counterpart, the US embassy said. "In Tokyo, Seoul and Beijing, Secretary Hill will meet his counterparts on the six-party talks to discuss those talks and other matters of mutual concern," an embassy spokeswoman said. Hill, assistant secretary of state for East Asian and Pacific affairs, met his Japanese counterpart, Kenichiro Sasae, in Tokyo on Wednesday and was scheduled to meet South Korea's Song Min-Soon in Seoul on Thursday morning. China's delegation for the six-party talks is led by Deputy Foreign Minister Wu Dawei. Hill's visit to Beijing, expected to last less than a day, comes as North Korean leader Kim Jong-Il is reportedly in China on a clandestine trip. The US embassy declined to comment on whether Hill was to meet with any North Korean officials. Six-party talks, aimed at dismantling North Korea's nuclear arms programs, opened in 2003 and are currently stalled over Pyongyang's demand that the United States lifts financial sanctions before a new round can take place.

Hindustan Times, 12 January 2006

Rise of India, China a wake-up call (Seema Hakhu Kachru)

Houston: The dramatic rise of China and India is a wake-up call that should prompt people in the United States and around the world to take seriously the need for strong commitments to build sustainable economies, according to a report by a US-based research organisation. This change presents one of the "gravest threats and greatest opportunities" facing the world today, says the Worldwatch Institute in its 'State of the World 2006' report. And, viewing this colossal shift in global geopolitics as an opportunity rather than a challenge holds the greatest prospect for ensuring a stable and peaceful twenty-first century, the report by the global environmental and social policy research body, said. The report calls for broader cooperation between China, India, Europe, and the United States to develop new energy and agricultural systems, maximise resource efficiency, and continue recent progress towards participatory decision-making in China and India. Educational and professional exchanges should also be stepped up, it recommends.

People's Daily, 12 January 2006

China to enhance cooperation with African regional organizations

China is ready to enhance cooperation with all regional organizations in Africa so as to contribute to the integration and rejuvenation process of the continent, Chinese Assistant Foreign Minister Lu Guozeng said in Beijing Thursday. Lu made the remark at a press conference marking the release of China's African Policy Thursday morning. Lu said China places importance on expanding cooperation with all the regional organizations in Africa. He said the priority areas set by the China-Africa Forum are in conformity with the goals of the New Partnership for Africa's Development (NEPAD), which include improving infrastructure, human resources development, poverty elimination, agriculture and grain security. Lu said China has already appointed and sent representatives to the African Union (AU) and actively participated in AU's effort to maintain regional peace and stability. Lu said China has provided fiscal support for the AU to resolve the issue of Darfur.

People's Daily, 12 January 2006

Senior legislator meets U.S. senator

Sheng Huaren, vice-chairman of the Standing Committee of China's National People's Congress (NPC), the country's top legislature, met in Beijing Thursday with Lisa Murkowski, chairwoman of the Asia-Pacific group of the U.S. Senate Foreign Relations Committee. The two sides had candid and friendly discussions on bilateral relations and other issues of common concern. Murkowski said it is her first visit to China, regarding it as a trip to enhance mutual understanding and friendship. She said in the future she will actively participate in regular exchanges between the U.S. Senate and the NPC.

People's Daily, 13 January 2006

Hill visits Beijing to push for nuke talks

Vice-Foreign Minister Wu Dawei met his US counterpart Christopher Hill yesterday afternoon in Beijing and once again called on all the involved parties to make joint efforts to resolve the six-party nuclear talks. Hill, the chief US negotiator on the issue, was in Beijing for several hours to discuss ways to push talks forward after stopovers in Seoul and Tokyo. During the talks, Wu reiterated China's longstanding position on the nuclear issue, which is the adherence to a nuclear-free Korean Peninsula and a peaceful solution through dialogues. Foreign Ministry spokesman Kong Quan told reporters in yesterday's press conference that China hoped all parties would continue to work closely together. "All parties must show goodwill and sincerity to push forward developments," Kong said. On his arrival in China, Hill told reporters in the airport that the date for the resumption of the negotiations would be a major theme of the discussions and Washington remains committed to the six-party process.

The Hindu, 13 January 2006

India, China primed for energy cooperation (Siddharth Varadarajan)

Beijing: India and China took a key step towards enhanced energy cooperation by creating a framework under which their state-owned oil and gas companies can evolve and submit joint bids for acquisition of assets in third countries. If implemented successfully, the framework will not end all competition between Indian and Chinese energy companies overseas. But Indian officials are hopeful that the countries will be able to put behind them the bruising battles for acquisition of oilfields in Kazakhstan, Angola and Nigeria, which benefited only the sellers there. Under the umbrella of an overall memorandum of understanding signed here on Thursday by Minister for Petroleum and Natural Gas Mani Shankar Aiyar and China's National Development and Reforms Commission Chairman Ma Kai, five company-specific MoUs were also signed to begin the process of operationalising cooperation. Speaking to reporters, Mr. Aiyar stressed that joint bidding in third countries was only one aspect of what was being envisaged. "This is full-spectrum, full-scope cooperation extending across the entire hydrocarbon chain." Developing domestic sources of gas and oil was a priority for both China and India, which was why equal emphasis would be laid on collaborative efforts in the fields of exploration, exploitation and enhanced oil recovery.

The Hindu, 13 January 2006

India, China engagement positive, says Shyam Saran (P.S. Suryanarayana)

SINGAPORE: India and China are engaged in a positive way to expand their commonalities. It is an outdated perception that the two might be seeking the containment of each other, according to Foreign Secretary Shyam Saran. In an address to the Shanghai Institute of International Studies on Wednesday, Mr. Saran said New Delhi believed there was enough space and opportunity in Asia and beyond for the two countries to grow. The simultaneous emergence of India and China as Asian and global powers, in fact, made it imperative for them to be sensitive to each other's interests and aspirations. The prevailing global paradigm of cooperation among major powers also demanded that they work together to mutually support their rightful place in the comity of nations. In this context, Mr. Saran discounted the theories of 'balance of power,' 'conflict of interests,' and containment as between India and China. The two "are too big to contain each other or be contained by any other country." Tracing the determination of India and China to fashion a "strategic and cooperative partnership for peace and prosperity," he said the multi-dimensional aspects of their current engagement reflected the "shared conviction" that their relations "have now acquired a long-term, global, and strategic character."

The Tribune, 12 January 2006

A pipedream?

The India-Myanmar gas pipeline project has run into rough weather with Myanmar signing an agreement with China for the supply of natural gas. The news came hours before Petroleum Minister Mani Shankar Aiyar left for Beijing to sign agreements that will ensure better bilateral relations on the petroleum front. Reports have it that Myanmar will supply 6.5 trillion cubic feet of gas to China for 30 years. Even more galling is the fact that the gas fields in Myanmar from where gas will flow to China are partially owned by two Indian companies, OVL and GAIL. It is not clear whether Myanmar was solely guided by the best business practices when it decided in favour of China or not. It is also not clear whether the Myanmar-China agreement is the end of India's pipe dream or not. In any case, the pipeline project was jinxed right from the beginning. Bangladesh, through which the pipeline has to pass through before it reaches Kolkata, has not been very enthusiastic about the project. Political considerations weighed more with Dhaka when it insisted that the pipeline should be part of a comprehensive settlement of all bilateral issues. The project had the potential of bringing to Bangladesh an investment of \$150 million and yearly wheeling charges of \$100 million. Besides, it would have gained access to assured gas sources. To put it differently, the project could have transformed the economy of Bangladesh. Yet, its only interest seemed to be to make the project as complicated, nay unviable, as possible.

The Hindu, 14 January 2006

Russian minister defends military ties with China

Moscow, Jan. 14 (AP): Russia's Defence Minister on Friday defended his country's military contacts with China, insisting that the cooperation would not upset the security balance in the Far East despite Japanese concerns about Beijing's moves to boost its defence capability. Defence contacts between China and Russia "have developed, are developing and will develop, I can assure you of that," Defence Minister, Sergei Ivanov, said after a meeting with his Japanese counterpart. Since the 1991 Soviet collapse, Moscow and Beijing have developed what they call a strategic partnership, pledging commitment to a "multipolar world" - a term that highlights their opposition to US domination in global affairs. Moscow has sold China billions of dollars worth of defence equipment, and the two countries participated in an unprecedented joint military exercise in August, using long-range bombers and submarines to settle an imaginary conflict in a foreign land. Japanese Defence Agency chief, Fukushima Nukaga, expressed concern that China is not being fully transparent as it moves to increase its defence capabilities and modernise its military on the back of skyrocketing economic growth.

Dawn, 14 January 2006

China opposes Iran referral

UNITED NATIONS, Jan 13: Beijing fears that referring Tehran's nuclear program to the UN Security Council 'might complicate the issue' and could harden the positions of some parties, China's UN ambassador said on Friday. "Our concern is that to refer it to the council might complicate the issue," Ambassador Wang Guangya told reporters at UN headquarters. "I think this might make the positions of some parties more tough on this issue," he added. He noted as an example Iran's threat to halt snap UN inspections of its nuclear facilities if the matter is taken to the Security Council. China's stand on a council referral is crucial because it is one of the council's five veto-wielding permanent members, along with the United States, France, Britain and Russia, and could therefore block any action it chose to. In Washington, a senior State department official said China appeared willing to go along with a council consensus despite any misgivings it might have about a referral. "In our preliminary discussions, it seems they do not want to be seen as the only ones blocking a referral," said the official, who has been briefed on US-China conversations.

Reuters, 15 January 2006

Signs Suggest North Korean Is in China

GUANGZHOU, Jan. 14: Speculation that the secretive North Korean leader Kim Jong Il is touring southern China increased Saturday, with reports that he traveled to Shenzhen, the city China holds up as a model market hub. In the morning, a heavily guarded convoy of about 30 cars left the White Swan Hotel, where Mr. Kim was rumored to have been staying. Police officers guarding the hotel, in Guangzhou, would not comment. The Yonhap news agency in South Korea reported that Mr. Kim might be headed to Shenzhen, a special economic zone neighboring Hong Kong, for a tour with economic advisers. Yonhap also said Mr. Kim might be staying at the Wuzhou Guest House, a state-run hotel where Shenzhen authorities receive many official guests. The guesthouse said only that it was taking no bookings for Saturday. There were signs of tight security in that area. Shenzhen, once small villages and paddy fields, was chosen in 1979 to pioneer market changes, and the government holds it up as a model of economic transformation. Yonhap also said Mr. Kim was seen Friday taking an evening cruise on the Pearl River through Guangzhou. A Japanese television station showed film of a man on a tour boat protected by smaller craft.

Dawn, 15 January 2006

Don't blame China

China is an easy target for Americans' economic grumbling. It is ruled by a Communist Party. Its currency, the yuan, does not float freely. It often looks like a monolithic machine, with factories of assembly-line workers churning out low-cost goods to fund its march toward world domination. It has about \$800 billion in foreign reserves stashed away. A popular item in the "blame China" basket is our trade imbalance, and a chorus of howling will no doubt be renewed in Washington now that Beijing has announced that its trade surplus with the US grew considerably in 2005, to \$114 billion. The US Commerce Department, when it submits its own numbers, is likely to say the true deficit is closer to \$200 billion, as it includes exports through Hong Kong. Max Baucus, a Democratic senator from Montana, happened to be in Beijing this week, and he reacted immediately: "US politics on China will become unmanageable if China's trade deficit with the US continues to grow." Baucus and others in Washington should get used to a considerable bilateral deficit for some time. And they should stop pointing to it as a sign of impending doom. America's economic relationship with China is a win-win symbiosis, not some mugging by a sneaky competitor unbound by our rules of fair trade, as some of our politicians suggest.

China Daily, 15 January 2006

Hu calls for three direct cross-Straits links

President Hu Jintao Saturday called for the three direct links between the Chinese mainland and Taiwan when meeting Taiwan businessmen in Xiamen, East China's Fujian Province. The direct links in mail, transport and trade are sure to benefit the co-operation and exchanges across the Taiwan Strait, conform to the common interests of the compatriots on both sides and are the aspirations of Taiwan business circle, Hu was quoted by the China News Service as saying. He urged related non-governmental organizations on both sides to start talks in this regard and realize the links at an early date, he said during the tour in Taiwan Investment Zone in Haicang, Xiamen. The zone is the largest national-level Taiwan Investment Zone in the mainland. The Taiwanese-invested enterprises in the zone are faring well, which once again showed that Taiwan businessmen's investment in the mainland can help them get a better return, can help promote cross-straits economic and trade cooperation and can help promote the joint development of mainland and Taiwan economy, Hu told Taiwan businessmen. Hu welcomed more businessmen from the island to invest in the mainland and vowed to provide them needed help and good service.

The Indian Express, 16 January 2006

Losing Africa to China (C Raja Mohan)

That China's White Paper on Africa, released last week in Beijing, got no attention in India reflects the familiar but

sad story of Beijing racing ahead of Delhi in yet another frontier. As on energy security, so in Africa, India sleepwalks through new opportunities. China, meanwhile, has put the continent at the top of its strategic priorities. The White Paper provides a larger political framework for China's rapidly expanding commercial, cultural and military profile in Africa, which has ended years of economic sluggishness and started growing at a clip. Western analysts of China describe China's vigorous African diplomacy as a rising great power's attempt to gain control of Africa's natural resources and markets, and lay the foundation for enduring political and military influence. Just consider China's recent economic performance in Africa. Its trade has grown by leaps and bounds to about \$37 billion last year. Africa supplies nearly 30 per cent of China's hydrocarbon requirements. A few days ago, China's top offshore oil producer CNOOC agreed to pay \$2.3 billion for a stake in a Nigerian oil and gas field-its largest overseas acquisition. Looking beyond petroleum, China is consolidating its hold on the rich mineral resources of Africa. One of the biggest Chinese mining operations on the continent is the Chambishi copper mine in Zambia. Its interest covers the entire range of African minerals. Chinese-funded enterprises in Africa increased by 77 in 2004 to 715. The new companies invested \$135 million with plans for investment of \$432 million, according to Chinese officials.

The Hindu, 16 January 2006

"We are seeing the renaissance of Asia led by China and by India" (P.S. Suryanarayana)

Singapore remains committed to its Comprehensive Economic Cooperation Agreement with India, says Senior Minister and former Prime Minister Goh Chok Tong. In an interview in Singapore before his departure for India to attend the Partnership Summit being organised by the Confederation of Indian Industry, Mr. Goh takes stock of the bilateral relations. Excerpts: For Singapore investors, India continues to be an optional destination rather than a preferred destination as was expected under the Comprehensive Economic Cooperation Agreement (CECA), which the two countries signed in June 2005. Mr. Goh: China has always been a major destination for Singapore investors. China opened up much earlier than India. Secondly, most of our business people are of Chinese origin. There are [ethnic] Indian businessmen, much fewer than the Chinese. The Chinese businessmen have advantage, compared to India, when they go to China. When I was Prime Minister, I saw the potential of India. Why? India has talent, both inside and outside India. Secondly, India has a big population, which means it has a huge market. India also has abundant labour. I, therefore, encouraged Singapore businessmen to go to India. Now that India has proven that it is [staying] on track in its reforms, there will be increased interest in India. But compared to China, it will remain small, for the time being. I see it as my job, when I go to India, to tell people that the potential is not quite realised by Singapore businesspeople: Look at India, not as an alternative to China, [but] as a new area which we have not been tapping.

The Hindu, 16 January 2006

India, China to enhance ties

NEW DELHI: India and China on Sunday agreed to enhance bilateral cooperation on issues relating to trafficking of narcotic drugs and set up a mechanism to enable exchange of information. Speaking to reporters after a meeting, Director General of Narcotic Control Bureau K.C. Verma and his counterpart in the National Narcotics Control Commission of China, Yang Feng Rui, said both sides expressed the need to further strengthen interaction in supply and demand reductions. At the meeting, the two sides exchanged perceptions on the drug scenario in their respective countries as well as in the region. They agreed to hold the next meeting in China.

Xinhua, 16 January 2006

China's interest in Africa no "threat": US

BEIJING, Jan. 16: China's moves to secure crude oil supplies in Africa for its growing economy do not threaten U.S. energy needs, a senior U.S. State Department official said Friday, the Reuters reported. The United States and China are both looking to Africa to help diversify their oil supplies. China's foreign minister, Li Zhaoxing, is visiting six African nations to increase China's diplomatic and economic presence in the region. China's top offshore oil producer agreed recently to pay \$2.3 billion for a stake in a Nigerian oil and gas field, its largest-ever overseas acquisition. "I don't think China seeking oil in Africa is a threat to the United States' interests," said Jendayi Frazer, U.S. assistant secretary of state for African affairs. Cooperation helps realize sustainable development in Africa. Resources cooperation between China and Africa will help Africa realize sustainable development, Chinese experts on African studies were quoted by the Xinhua News Agency as saying. In China's first-ever African Policy Paper released Thursday, China highlighted its readiness to facilitate information sharing and cooperation with Africa in resources development. Despite their remarkable economic growth in recent years, African countries are still vulnerable in their economy as the majority of their exports are unprocessed raw materials, Wang said. China has helped African countries build processing factories and provided technical and management training courses in a bid to increase the added value of their exported commodities, thus increasing the competitiveness of their products.

The Telegraph, 17 January 2006

China unrest curbed

Beijing, Jan. 16 (Reuters): China has sealed off a village in southern Guangdong province after days of protests over land grabs ended at the weekend in clashes with police that killed a teenage girl, two residents said today. Last week's protest came a month after police sent to quell a similar demonstration in another part of Guangdong opened fire, killing at least three people and as many as 20. "They've blocked all the roads leading to the village and they searched our bodies and motorcycles," a man surnamed Yang at Panlong village in Sanjiao township said by phone. "We are not allowed to leave after dusk." Residents said police used electric batons, or cattle prods, when they tried to disperse a crowd of several hundred protesting against low compensation for their confiscated land. "They turned off all the street lights and car lights before beating whoever they caught," a villager surnamed Xu said by phone. "That includes the girl - she was just 13 and she died." Yang echoed Xu's accounts and said he would not believe it if he had not seen it personally.

BBC News, 17 January 2006

Taiwanese Premier Hsieh resigns

Taiwanese Premier Frank Hsieh has announced he is resigning from office, after less than a year in the post. "I thank President Chen Shui-bian for agreeing to accept my resignation," he told a press conference on Tuesday. Mr Hsieh's departure had been expected, following the ruling Democratic Progressive Party's huge defeat in December's local government elections. Mr Chen told Reuters news agency he would nominate a new premier before the Lunar New Year on 29 January. Taiwanese media have speculated that the president's former chief of staff, Su Tseng-chang, will get the job. Since the DPP lost key mid-term elections on 3 December, Mr Hsieh's position had become increasingly untenable. "I had offered twice to step down immediately after the polls, but agreed to stay after President Chen Shui-bian asked me to for political stability," Mr Hsieh told reporters on Tuesday. He was appointed as prime minister in January 2005. At the time he was regarded as a skilful negotiator and a figure who could consult and build consensus with the opposition parties, according to the BBC's Caroline Gluck in Taipei.

People's Daily, 17 January 2006

Foreign investment to maintain steady pace

China's realized foreign direct investment (FDI) in 2006 is expected to be close to last year's level, US\$60 billion, according to an official at the Ministry of Commerce (MOFCOM). Hu Jingyan, an official with MOFCOM, was quoted by Shanghai Securities News as saying the volume of China's FDI is not sufficient. He added that MOFCOM would encourage more foreign investment in China. FDI to China dipped 0.5 per cent year-on-year to US\$60.33 billion last year, excluding investment in banking, insurance and the securities sectors, according to the latest statistics from MOFCOM. This is the first year that FDI has fallen in China since 1999. The ministry said the Chinese Government had approved 44,001 new foreign-invested ventures, up 0.77 per cent year-on-year. Chong Quan, another commerce ministry spokesperson, said foreign investment to China kept up a good pace in 2005 with improvements in quality and efficiency. Chong said that 2005 saw a rapid increase of European Union investment to China, but a moderate decrease of actual investment from the United States and 10 countries and regions in Asia. Hong Kong remains a major foreign investment source. He said the structure of investment to China was enhanced in 2005.

People's Daily, 17 January 2006

Chinese Premier meets Vanuatuan Deputy Prime Minister

Chinese Premier Wen Jiabao met Tuesday in Beijing with visiting Vanuatuan Deputy Prime Minister and Foreign Minister Sato Kilman. Chinese State Councilor Tang Jiaxuan met here Monday with Kilman, who is here as Tang's guest.

Xinhua, 17 January 2006

Chinese President stresses urgency of "shifting economic growth mode"

Chinese President Hu Jintao demanded that a shift in the country's mode of economic growth is an important and urgent strategic task, noting it is crucial to maintaining national economic and social development. During an inspection tour to east China's Fujian Province from Jan. 12 to 16, Hu called for stronger resolve and more vigorous measures to promote conservation-minded, environment-minded and safety-minded development. China will push economic and social development truly on the track of human-centered, all-round, coordinated and sustainable development, said Hu, who is also General Secretary of the Chinese Communist Party Central Committee. While in Fujian, Hu visited rural villages, companies and urban communities to oversee how they boost local economic and social development in a scientific way. During visits to manufacturing businesses, Hu stressed the need of accelerating economic restructuring and building a conservation-oriented and environment-friendly society, to pave way for the shift of economic growth mode.

People's Daily, 17 January 2006

China, Nigeria vow to boost relations

China will make concerted efforts with Nigeria to enhance relations between the two countries, visiting Chinese Foreign Minister Li Zhaoxing said on Monday. When meeting his Nigerian counterpart, Oluyemi Adeniji, Li said Sino-Nigerian ties have been in a smooth development since the two countries established diplomatic relations 35 years ago. He said during a visit to China last year, Nigerian President Olusegun Obasanjo and Chinese President Hu Jintao reached consensus on establishing a strategic partnership of political mutual-trust, economic mutual-benefit, and mutual assistance on international affairs, thus bringing bilateral ties to a new high. Adeniji, for his part, said his country is willing to maintain the present momentum in the development of its relations with China. The Nigerian government will firmly adhere to the one-China policy and promote common development of the two countries, he added. To continuously boost Sino-Nigerian strategic partnership, the two sides have reached agreement on four aspects.

People's Daily, 18 January 2006

China to donate US\$10 million for global bird flu control

The Chinese government has decided to offer 10 million US dollars on fighting against avian influenza around the whole world, said Chinese Premier Wen Jiabao Wednesday in Beijing. "The Chinese government will continue to provide assistance within our capacity to the neighbouring countries and those needed," Wen said at the opening ceremony of a two-day international pledging conference on avian and human pandemic influenza. He called for developed countries, international organizations such as the World Bank, and transnational companies to make greater contribution to raise funds to fight against bird flu. "We expect countries to actively donate, and support to set up a financial framework on multilateral assistance on bird flu control during the on-going conference." Wen said. He also urged the international community to provide "timely" and "sufficient" financial help to those developing countries severely affected by bird flu without additional requirements and based on respecting the sovereignty of those countries. Nearly 700 delegates representing more than 100 countries and regions and 20 international organizations attended the conference in a bid to pool financial resources to curb the spread of bird flu.

Xinhua, 18 January 2006

China has no adequate funding for bird flu combat

BEIJING, Jan. 17: China's fight against the avian/human pandemic influenza is facing a relatively big financial gap, said the country's Chief Veterinary Jia Youling here Tuesday. Jia made the remarks at a conference in Beijing aimed to collect global financial resources to stop the disease from further spreading among birds and from birds to humans. As one of the earliest countries that reported bird flu cases, China has taken a number of forceful and effective measures in curbing the disease. Yet China is now in need of financial, technical and material assistance from the international community to help it with the thorough prevention and control of bird flu. The specific urgencies include the strengthening of grassroots capabilities to prevent and control bird flu, better quarantine measures at the customs, an improved system on monitoring migratory birds, more efficient research on and spread of vaccine, anti-viral drugs and fast-diagnosis technologies, more effective training of veterinaries and health workers and increased public awareness.

The New York Times, 19 January 2006

The Secret's Out: North Korea's Leader Did Visit China (Joseph Kahn)

BEIJING, Jan. 18: Kim Jong Il, the North Korean leader, completed an eight-day visit to China on Wednesday that was notable for his intensive focus on China's booming economy and for the enigmatic air of secrecy that enshrouded his every move. Chinese and North Korean state media made nearly simultaneous announcements of Mr. Kim's visit late Wednesday afternoon after more than a week of rampant speculation in regional media about the North Korean leader's itinerary, which both countries repeatedly declined to confirm or deny. Both sides called the clandestine trip unofficial but gave no reason why they chose to use that term. China's main national television news detailed Mr. Kim's schedule in China, which it said included separate meetings with President Hu Jintao and all other eight members of the governing Politburo Standing Committee as well as tours of two Chinese provinces. It had the trappings of an elaborate state visit that would normally involve extensive media coverage.

The Washington Post, 19 January 2006

In China, Kim Vows Commitment to Talks (Philip P. Pan)

BEIJING, Jan. 18:- North Korean leader Kim Jong Il finished a secretive nine-day visit to China on Wednesday after reaffirming his government's commitment to six-nation talks on dismantling its nuclear weapons program and pledging to work with the Chinese to "overcome the present difficulties" in the negotiations. Ending more than a week of official silence on the trip, Chinese and North Korean state media said Kim left the country after touring six cities and meeting with President Hu Jintao. It was their second meeting in four months, suggesting their two nations, longtime allies, were seeking to narrow their differences in the stalled nuclear talks. Kim's departure was

announced the same day the chief U.S. negotiator, Assistant Secretary of State Christopher R. Hill, made an unscheduled trip to Beijing and met with his North Korean counterpart, Vice Foreign Minister Kim Gye Gwan, in a session hosted by the Chinese, diplomats said. Hill, who also visited Beijing last week during an Asian tour that included stops in Japan and South Korea, declined to say whether he met with the North Koreans. "We had a meeting hosted by the Chinese. I talked to the Chinese. It was a good discussion. There is no development, nothing to report," he told reporters at the airport before leaving.

People's Daily, 19 January 2006

Top leaders of China, DPRK exchange views on six-party talks

Chinese top leader Hu Jintao and top leader of the Democratic People's Republic of Korea (DPRK) Kim Jong Il exchanged views on the six-party talks on the Korean Peninsula nuclear issue during Kim's visit to China. At the invitation of Hu Jintao, general secretary of the Communist Party of China (CPC) Central Committee and Chinese president, Kim paid an unofficial visit to China from Jan. 10 to 18. The two leaders conferred on international and regional issues of common concern. Describing the six-party talks as an efficient mechanism to solve the Korean Peninsula nuclear issue appropriately, Hu reiterated China's principled stance, noting that it is a correct choice to properly settle the relevant problems by peaceful means through dialogues. China is ready to unswervingly make joint efforts with relevant parties including the DPRK to promote the six-party talks process, he said.

People's Daily, 19 January 2006

Chinese FM, Libyan leader vow to strengthen ties

China is willing to continuously advance the development of its friendly relations with Libya, visiting Chinese Foreign Minister Li Zhaoxing said in Surt, Libyan leader Muammar Ghaddafi's hometown, on Wednesday. At a meeting with Ghaddafi, Li said China will also boost the traditional friendship between the two peoples based on the principle of mutual respect, equality and mutual benefit. He expressed his appreciation of Libya's adherence to the one-China policy and opposition to "Taiwan independence." Ghaddafi, for his part, said China is an important country in the world which plays a constructive role in promoting world peace, stability and development. Libya attaches great importance to enhancing cooperation with China in various fields, and is ready to consolidate and develop the friendly ties between both countries, he added.

People's Daily, 19 January 2006

China-ASEAN Association holds reception in Beijing

China expects to enhance friendship and cooperation with the Association of Southeast Asian Countries (ASEAN), Gu Xiulian, chairwoman of the China-ASEAN Association, said in Beijing Wednesday evening. Since its establishment, the association has held a series of activities to promote friendship and cooperation between China and ASEAN, said Gu, also vice chairwoman of the Standing Committee of the National People's Congress of China, at a reception held by the China-ASEAN Association in Beijing. The China-ASEAN Association, founded on Aug. 3, 2004, aims to promote people-to-people and non-governmental cooperation between China and ASEAN. It helps enhance mutual understanding and friendship between the people of China and ASEAN countries by holding various activities, including personnel exchanges, seminars and cultural events. The China-ASEAN Association held the third session of its first executive council in Beijing on Wednesday afternoon.

Xinhua, 20 January 2006

China, US to discuss nuke issues

BEIJING, Jan.20: US Deputy Secretary of State Robert Zoellick is expected to visit China next week amid continuing international concerns over the denuclearization of the Korean Peninsula and disputed nuclear programmes in Iran. During his three-day visit starting Monday, Zoellick will meet Chinese officials to exchange views on China-US relations and on major international issues, Foreign Ministry spokesman Kong Quan said at a regular news briefing yesterday. "I look forward to a good exchange of views in Beijing on security and proliferation issues particularly in Northeast Asia and Iran, among other topics," Zoellick was quoted by AFP as saying. Another point of discussion is preparations for the third China-US strategic dialogue, which both sides have agreed to hold in the first half of this year, Kong said. Both China and the US are important stakeholders in the international community and it will benefit both sides to listen to each other's views, Zoellick was quoted by China News Service as saying, adding maintaining contacts with China is very important.

People's Daily, 20 January 2006

China, Greece sign joint statement on all-round strategic partnership

Chinese Premier Wen Jiabao (L) holds a ceremony to welcome Greek Prime Minister Costas Karamanlis at the Great Hall of the People in Beijing, Jan. 19, 2006. Chinese Premier Wen Jiabao and visiting Greek Prime Minister Costas Karamanlis signed in Beijing Thursday evening a joint statement on the establishment of a bilateral all-round strategic partnership. This is the first joint statement between the two countries since they forged diplomatic ties in 1972. It is a great event and marks a new development stage in bilateral relations, Wen said Thursday

afternoon in his talks with Karamanlis, who arrived here Thursday morning on an official visit as Wen's guest. Wen said he is convinced that bilateral relations will score greater achievements under the guidance of such a partnership. Wen reviewed the smooth and sound development of bilateral relations, expanding economic and trade cooperation and increasing exchanges in various fields in the past 33 years of diplomatic ties. "Greece is China's friendly partner and trustworthy friend in south Europe, and the two countries have not only treated each other on an equal footing and respect each other, but also understood and supported each other on major issues," Wen said.

BBC News, 20 January 2006

China and Taiwan resume flights

Direct passenger flights between the Chinese mainland and Taiwan have begun for a limited period during the Chinese New Year holiday. Hundreds of Taiwanese arrived in Shanghai on first flight from Taipei on Friday morning. Direct air links between the two rivals were broken in 1949 when nationalist forces fled from the mainland to Taiwan after losing the civil war. This is the third year that flights have been allowed over the New Year. It is not for long, though. In all, there will be just 72 round trips between now and the middle of February. Taiwan says it is reluctant to allow regular direct flights because of security, but BBC Taiwan correspondent Chris Hogg says the easing of restrictions will please Taiwanese businessmen working on the mainland. Normally passengers travelling between Shanghai to Taiwan have to break the journey and transfer to another plane in Hong Kong, which makes the trip a lot longer and more expensive. "A trip that should only take one hour and now takes six - that's something no one in the world can understand," one Taiwanese businessmen told Reuters news agency.

Daily Times, 20 January 2006

Japanese FM calls for military transparency in China

TOKYO: Japanese Foreign Minister Taro Aso renewed calls Thursday for China to be more transparent about its military budget as Beijing boosts spending on defense. Aso defended remarks he made last month that China was becoming a "considerable threat" because it had failed to offer a clear explanation to the outside world for double-digit growth in military spending in recent years. "If military spending in Japan marked a double-digit gain from the current four trillion (yen) without any transparency over 10 years ... what would China say to Japan?" Aso told a news conference. China "would somehow feel suspicious," said Aso, an outspoken hawk appointed in late October and a candidate to succeed Prime Minister Junichiro Koizumi. "Likewise, if there is not sufficient transparency (on China's military power), other countries cannot help but be skeptical." Aso's remarks in December sparked a fresh row between the two neighbors, whose ties have been badly strained of late, with Beijing angry over Koizumi's visits to a Tokyo shrine that commemorates war criminals among the war dead. China, which was invaded and occupied by Japan during World War II, says the pilgrimage shows Tokyo does not fully regret its militarist past.

The Asahi Shimbun, 20 January 2006

Editorial: Kim's trip to China

During his just-ended visit to China, North Korean leader Kim Jong Il met with President Hu Jintao in Beijing. It was their second meeting in less than three months. Previously, they held talks in Pyongyang. North Korea may have felt a pressing need to hold additional talks with China. Kim is thought to have visited China to coordinate views with Beijing's leadership for a resumption of six-party talks and how to deal with the United States. According to state-run North Korean media, the two leaders agreed to peacefully settle the nuclear issue through dialogue and confirmed the importance of maintaining the framework of six-party talks. Both points are a matter of course. Given that there are no firm plans to resume the framework of six-party talks, we appreciate the fact that North Korea's top leader issued such a message. North Korea should return to the negotiating table as soon as possible and show it really means business. The resumption of talks is making slow progress because the discussions are at a crucial stage: getting North Korea to abolish its nuclear weapons and existing nuclear programs, which was proposed in last year's joint statement, along with measures to be taken by Japan, the United States and others. Clearly, the talks have entered a difficult stage.

Asia Times, 21 January 2006

China's pearl loses its luster (Sudha Ramachandran)

BANGALORE: The port project at Gwadar in Pakistan's restive Balochistan province appears to be in trouble. Baloch insurgents battling Islamabad are opposed to the project and have been attacking people working on it. Besides, some differences appear to have cropped up between the Pakistan government and the project's main funder - China - over financial aspects of the project. Gwadar is on Pakistan's Arabian Sea coast, just 72 kilometers from Iran. It is near the mouth of the Persian Gulf and is 400km from the Strait of Hormuz. The Pakistani government identified Gwadar as a port site way back in the 1960s, but it was only in 2001-02 that concrete steps on the proposal were taken. It was the arrival of US troops in Afghanistan - literally at China's

doorstep - in the autumn of 2001 that spurred Beijing into action. China agreed to participate in funding, construction and development of a deepsea port and naval base in Gwadar and in March 2002 Chinese premier Wu Bangguo laid the foundation for the port. Its engineers are engaged in the port's design and construction.

The Hindu, 21 January 2006

China, India stay the dialogue course (P. S. Suryanarayana)

The intensifying diplomatic engagement between India and China defies the conventional norms of power politics in international relations. Both are widely seen as emerging major powers, with China being ranked way ahead of India at present but with New Delhi too being recognised as an earnest aspirant. And, while endless friction between the two is what an old-style pundit would predict, significant indeed is the growing perception in East Asia that it would be "simplistic" to expect them to "collide." In a definitive comment, Singapore's Senior Minister and former Prime Minister Goh Chok Tong has said the border issue between them "is being resolved in a manner which would not result in any conflict." Mr. Goh and Singapore are not alone in beginning to see signs of "potential cooperation" between China and India on the wider East Asian scene. The timing of such observations is no less important. At the recent East Asia Summit (EAS), organised by the Association of South East Asian Nations (ASEAN), India and China did not find themselves on the same wavelength on a key issue, especially during the preparatory deliberations.

China, 21 January 2006

Chinese peacekeepers in Cote d'Ivoire safe (Yu Zhong)

Seven Chinese UN peacekeepers in Cote d'Ivoire were all reported safe, as a four-day violent anti-UN demonstration in the country calmed down on Thursday. Xinhua confirmed that two of them are staying in Abidjan, the country's commercial centre, and the rest are based in different areas. There are no reported deaths of Chinese people, either. The Chinese Embassy in Cote d'Ivoire told China Daily that demonstrators had been dispersed on Thursday afternoon and "the tension has already eased." Xinhua said protesters had left the places they had besieged for several days, including the French military base and the United Nations' headquarters in Abidjan. The UN reported no deaths of its peacekeepers in the country during the four-day demonstration. Cote d'Ivoire has been separated between a government-controlled south and a rebel-held north since a failed coup in September 2002. About 6,000 UN peacekeepers and 4,000 French troops were stationed to try to maintain peace in 2004. Chinese observers and strategists began to join the UN peacekeeping force in the same year. The latest demonstration was ignited last week by a suggestion from the UN to dismiss Cote d'Ivoire's congress, which supports President Laurent Gbagbo.

China Daily, 21 January 2006

Treaty aims to stop illicit art trading across border (Wang Shanshan)

Italian and Chinese museums are cracking down on organizations involved in art theft and trafficking. The bilateral agreement is aimed at the prevention of illegal art trade between China and Italy, and was signed on Friday by the chiefs of the two countries' cultural heritage administrations as a kick-off event of the Year of Italy in China. "The illicit flowing of antiquities from China or Italy into each other's borders is expected to be blocked more effectively under the agreement," said Shan Jixiang, chief of the State Administration of Cultural Heritage. "The agreement between the two countries will set an example for the world, where art theft, being closely linked to drugs, arms, and people-trafficking and prostitution, should be given more priority than it usually receives," he remarked. Both the Chinese and Italian cultural heritage administrations will set up offices specializing in the information gathering and exchanging, in accordance with the agreement. China and Italy are both ancient civilizations that are the victims of tomb raiders, museum thieves, smugglers and international art dealers who have formed a complete and efficient network, according to He Shuzhong, deputy director of the Law and Policy Department of the Chinese cultural heritage administration.

China Daily, 21 January 2006

Koizumi's China remark conflicting - analyst

TOKYO: Japanese Prime Minister Junichiro Koizumi, in a speech to the parliament as premier, vowed on Friday to forge ahead to mend fences with two key Asian neighbours, China and South Korea. Japan's ties with both countries have chilled markedly since Koizumi took office in 2001 and began annual visits to a shrine where war criminals of World War II are honoured. "Although there are differences of opinion and confrontations over some issues, China and South Korea are our important neighbours and we will ... build future-oriented relations based on mutual understanding and trust," Koizumi said in a keynote address to a new session of parliament, which began on Friday. Koizumi made no mention in his speech of his pilgrimages to Tokyo's Yasukuni shrine, a symbol of Japan's past militarism. Foreign Minister Taro Aso, a possible contender to succeed Koizumi, echoed the prime minister's views in a separate speech to parliament on Friday. "Developing Sino-Japanese relations is one of our country's basic foreign policies," Aso said. Koizumi has sent conflicting messages since the end of last year, said Jin Xide, a senior analyst on Sino-Japanese ties.

People's Daily, 22 January 2006

King of Saudi Arabia arrives for state visit

King of the Kingdom of Saudi Arabia Abdullah bin Abdul-Aziz arrives in Beijing at noon Sunday, kicking off his three-day state visit to China as guest of President Hu Jintao. It will be the first ever visit of the Saudi Arabian king to China since the two countries established their diplomatic relations in 1990. This will also be the first official visit that the King has ever made to another country since he came to the throne. During his stay in Beijing, Chinese President Hu, top legislator Wu Bangguo and Premier Wen Jiabao will meet or hold talks with him respectively for an exchange of views on such issues as the further expansion of bilateral cooperation in energy, economic and trade areas.

People's Daily, 22 January 2006

Greek PM visits Shanghai, pledging to enhance closer economic ties

The visiting Greek Prime Minister Costas Karamanlis pledged here Saturday to strengthen economic and trade cooperation between Greece and China, especially in such areas as port construction, aviation, tourism and mining industry. Karamanlis made the remarks at a China-Greece economic and trade cooperation forum opened Saturday in Shanghai, China's largest metropolis. In a meeting with Karamanlis, Shanghai Mayor Han Zheng briefed the Greek prime minister about economic and social development of the city and the latest development in economic cooperation between Shanghai and Greece. Karamanlis said this is his first ever visit to China after assuming office. The main purpose of his trip to Shanghai is to seek more cooperation opportunities between the two sides in trade and investment. He invited Chinese enterprises to invest in Greece in various fields, especially in port construction and mining industry. Shanghai and Greece enjoy frequent cooperation. Statistics show the import and export volume between the two sides in 2005 soared 120 percent year-on-year. Karamanlis left Shanghai for home Saturday evening, wrapping up his three-day official visit to China at the invitation of Chinese Premier Wen Jiabao.

China Daily, 23 January 2006

President Hu to visit US in April, says report (Le Tian)

President Hu Jintao is set to visit the United States in April, Hong Kong-based Wenweipo reported yesterday, citing diplomatic sources. Both sides have reached a preliminary agreement on Hu's April visit to Washington, while negotiations on the exact date and arrangements for the visit are ongoing, the report said. President Hu Jintao is set to visit the United States in April, Hong Kong-based Wenweipo reported yesterday, citing diplomatic sources. The Chinese president had planned to visit the US last September, but his trip had to be postponed due to the impact of Hurricane Katrina. Hu accepted the second invitation offered by US president George W. Bush in November, when the latter paid an official visit to Beijing to promote bilateral ties. Analysts say Hu's visit will be one of the important topics discussed when US Deputy Secretary of State Robert Zoellick meets Chinese officials during his three-day visit starting today. Among other issues will be preparations for the third China-US strategic dialogue, as both sides have agreed to hold the dialogue in the first half of this year, Foreign Ministry spokesman Kong Quan told reporters at a regular news briefing last week.

China Daily, 23 January 2006

China's economy may have overtaken France

China probably overtook France as the world's fifth-largest economy in 2005 as a record trade surplus and surging investment drove the fourth straight year of more than 9 percent growth. Gross domestic product increased 9.8 percent, according to the median estimate of 23 economists surveyed by Bloomberg News. The economy grew 10.1 percent to \$2 trillion in 2004. The statistics bureau will report GDP and other economic data for 2005 on Jan. 25 at 10 a.m. in Beijing. The government is stepping up efforts to increase consumer spending in a nation where per capita incomes are still a 16th of France's, supporting the economy as it curbs runaway investment in steel plants and real estate. That may bolster demand for Ford Motor Co. cars and Nokia Oyj cell phones. "China's economy will have very strong growth but the model will be different," said Jason Jiang, chief executive of Focus Media, China's biggest outdoor advertising company, which counts Nokia and Ford among its clients. "Chinese people now have greater purchasing power and they are willing to spend because they are more optimistic about the future." A nationwide census completed last year revealed millions of previously unaccounted-for companies in service industries such as retailing, real estate and the Internet. The survey led officials to conclude that the economy was \$284 billion, or 17 percent, larger than previously thought in 2004.

People's Daily, 23 January 2006

Nuclear fusion reactor to be built

An experimental device that aims to generate clean energy using nuclear fusion will be built in the next few months in Hefei, capital city of East China's Anhui Province. Experiments with the advanced new Tokamak device, a doughnut-shaped reactor, will start in July or August. If the experiments prove successful, China will become the first country in the world to build a fully functioning Tokamak fusion device, experts said. Nuclear

fusion aims to join together atomic nuclei. This process, similar to the chemical reactions that take place on the sun, releases energy. This China project, dubbed EAST (experimental advanced superconducting Tokamak), is being undertaken by the Hefei-based Institute of Plasma Physics under the Chinese Academy of Sciences. It will require a total investment of nearly 300 million yuan (US\$37 million), only one-15th to one-20th the cost of similar devices being developed in the other parts of the world. The new device will be an upgrade of China's first superconducting Tokamak device, dubbed HT-7, which was also built by the plasma physics institute, in partnership with Russia, in the early 1990s. HT-7 made China the fourth country in the world, after Russia, France and Japan, to have such a device.

People's Daily, 23 January 2006

Chinese vice FM visits Darfur

Chinese Vice Foreign Minister Lu Guozeng, who is attending the African Union (AU) summit in Khartoum as the special envoy of the Chinese government, on Saturday visited the North Darfur state at the invitation of the Sudanese government. Lu visited the Abu Shuker camp for internally displaced persons during his one-day trip. He also met with governor of the North Darfur state Yusuf Kiber and other officials. After Yusuf briefed him the ongoing situation in Darfur, Lu said that China and Sudan have enjoyed profound friendship and the Chinese government will continue to provide any possible assistance to help improve the life of the people in the area. African leaders are gathering here in the Sudanese capital for the coming sixth AU summit scheduled for Monday, with regional conflicts as well as education and culture on the top agenda.

The New York Times, 23 January 2006

Taiwan's Chen warned over China

Taiwan's outgoing Premier Frank Hsieh led his cabinet ministers in an expected mass resignation on Monday, paving the way for a planned reshuffle. Mr Hsieh, whose resignation was announced last week, warned President Chen Shui-bian over his China stance. He said some of Mr Chen's hardline policies on China were not in tune with what Taiwanese people wanted. Mr Chen is trying to revive his Democratic Progressive Party following a December election setback. "It's only reasonable that policies should have the support of over 75% of the people," Mr Hsieh told ministers. "I think there is possibly a considerable shortfall between our policy execution and actions, and the expectations of the people," he said. Frank Hsieh stepped down last week, accepting blame for DPP's huge defeat in local government elections in December. But he also acknowledged that he was leaving because of disagreements with Mr Chen over key policies - including the president's continued hard line on dealings with China.

The Hindu, 24 January 2006

China, Saudi Arabia agree to strengthen bilateral ties

BEIJING: China and Saudi Arabia agreed on Monday to further increase bilateral cooperation and promote in-depth development of strategic friendship. Chinese President Hu Jintao and the visiting King of Saudi Arabia, Abdullah bin Abdul-Aziz, held talks on Monday afternoon at the Great Hall of the People and they spoke highly of bilateral relations. Although diplomatic relations between China and Saudi Arabia were established not very long ago, bilateral ties have progressed with frequent exchanges of high-level visits and increasing mutual understanding and trust. Cooperation in trade and energy has witnessed remarkable results, said Mr. Hu, adding that Saudi Arabia has become China's biggest trading partner in West Asia and north Africa. Mr. Hu acknowledged the two countries have maintained fruitful cooperation in the spheres of culture, science, technology and security, and have had wide-ranging consensus on major international and regional issues. He thanked Saudi Arabia for its support to China on the Taiwan issue. King Abdullah, who is here on a three-day state visit as Mr. Hu's guest, said the two countries established fruitful cooperation in various fields since the forging of their diplomatic ties in 1990. Saudi Arabia treasures the deep friendship with China, and it will continue to abide by the one-China policy and promote the growth of bilateral friendship and cooperation.

The Hindu, 24 January 2006

India, China and the Asian axis of oil (Siddharth Varadarajan)

In less than a year, India and China have managed to confound analysts around the world by turning their much-vaunted rivalry for the acquisition of oil and gas assets in third countries into a nascent partnership that could alter the basic dynamics of the global energy market. At stake is not just the issue of joint acquisition, although the most important of the agreements signed in Beijing on January 12 during the visit of Petroleum and Natural Gas Minister Mani Shankar Aiyar envisages ONGC Videsh Ltd (OVL) and the China National Petroleum Corp. (CNPC) placing joint bids for promising projects elsewhere. Rather, the prospects for Sino-Indian cooperation across the length of the hydrocarbon chain could pave the way for the creation of an Asian energy market and architecture - an Asian axis of oil - with major geopolitical consequences for the United States. The international market for hydrocarbons is not a free market and has never been one. And prices are set on the basis of Western benchmark crudes like West Texas Intermediate and Brent, neither of which represent anything but a small

fraction of the oil that is extracted and traded internationally. So strong is the monopsonist power of the U.S. and Europe that oil exported to Asia from the Persian Gulf costs as much as \$2 a barrel more. Into this dismal equation must be added two further constants. First, the role of speculators who trade in oil futures on the New York Mercantile Exchange and International Petroleum Exchange and who have propelled oil prices to absurdly high levels. Secondly, the huge and growing U.S. military presence in Asia that underpins the petro-dollar-unipolar system and is a major source of instability and violence.

Xinhua, 24 January 2006

Beijing appoints two officials of Hong Kong SAR govt

BEIJING, Jan. 24 (Xinhuanet) -- The State Council, or the central government of China, appointed here Tuesday two senior officials of the government of the Hong Kong Special Administrative Region, in accordance with the Basic Law of the region. Joseph Wong was appointed head of the Commerce, Industry & Technology Bureau, replacing John C Tsang; and Denise Yue Chung-yee appointed head of the Civil Service Bureau, replacing Joseph Wong. The appointments were made based on the nominations and proposals by Donald Tsang Yam-Kuen, the Hong Kong SAR chief executive.

China Daily, 24 January 2006

China favors nuclear negotiations with Iran

China is "conscientiously studying" a draft EU proposal to threaten Iran with sanctions for its nuclear activities, but favors defusing the dispute through negotiations, a spokesman said on Tuesday. China Foreign Ministry spokesman Kong Quan invites questions from journalists during a news conference in Beijing, March 20, 2003. China is 'conscientiously studying' a draft EU proposal to threaten Iran with sanctions for its nuclear activities, but favors defusing the dispute through negotiations, Kong said on Tuesday. Britain, Germany and France -- the EU3 -- have circulated a draft proposal to authorize the International Atomic Energy Agency to refer Iran to the U.N. Security Council for possible sanctions. The IAEA meets on February 2 to discuss Iran's nuclear program, and China is a key player, because it could use its veto power as a permanent member of the Security Council to scuttle any sanctions. A spokesman for China's Foreign Ministry, Kong Quan, said his country has "noted the considerations" of the European countries. "But on the other hand, we believe that further applying diplomatic efforts, and diplomatic means to resolve the Iranian nuclear issue, remains a relatively suitable and better option," Kong told reporters at a regular briefing.

China Daily, 24 January 2006

China and US agree on closer cooperation

China and the United States have greatly advanced their cooperation in both bilateral and multilateral arena and are willing to further strengthen such cooperation, said top diplomats from both countries here Tuesday. Chinese Foreign Minister Li Zhaoxing met with U.S. Deputy Secretary of State Robert Zoellick at the Diaoyutai State Guesthouse in Beijing Tuesday afternoon. Li said cooperation in bilateral and multilateral fields has been strongly promoted since Chinese President Hu Jintao and U.S. President George W. Bush last year reached important consensus on advancing constructive cooperation between the two countries in the new century. Sino-American relations have seen a steady development since then, Li said. Zoellick said the United States attaches great importance on developing relations with China. It welcomes China to play a bigger role in maintaining world peace and promoting common development, he said. Zoellick said the U.S. side is willing to strengthen bilateral relations and step up cooperation with China in multilateral areas. Li said China is ready to join effort with the United States to actively implement the consensus reached by the leaders of the two countries and push forward the constructive relations of cooperation.

Reuters, 24 January 2006

Zoellick to Raise Nuclear Stand - Offs in China

BEIJING: The nuclear stand-offs with Iran and North Korea were high on the agenda as U.S. Deputy Secretary of State Robert Zoellick began talks on Tuesday with senior Chinese officials in Beijing. The two sides, which have often sparred over human rights, trade and China's military build-up, were also expected to discuss bilateral relations and preparations for a "strategic dialogue" later this year. "We hope to improve the bilateral strategic dialogue in order to improve mutual understanding and mutual trust," Premier Wen Jiabao said at the start of discussions with Zoellick, who also met Foreign Minister Li Zhaoxing. A speech Zoellick made in September that called on China to treat itself -- and be treated by other countries -- as a key "stakeholder" in international trade and diplomatic relations has been read by Chinese analysts as a key Washington statement on often rocky relations between the two sides. "China is an important country that is emerging and we are urging (it) to try to play a role as a responsible stakeholder in the international system," Zoellick told reporters in Tokyo before leaving for Beijing. But there he also said the Beijing talks would focus on two issues where China has resisted U.S. calls to work fully in concert with Washington: Iran's nuclear plans and North Korea, whose leader Kim Jong-il visited China this month.

The News, 24 January 2006

Musharraf likely to visit China next month (Hanif Khalid)

ISLAMABAD: President General Pervez Musharraf is likely to pay an official visit to China next month following an invitation by Chinese president. Dates for the visit are being finalized through diplomatic channel. However The News has learnt that the visit will take place from February 23 to 25. A high level delegation will accompany the president. Three agreements are likely to be inked during this important visit. The visit is considered important as it will take place before the visit of the US President George Bush. President Bush is due in India and Pakistan some time in the last week of February or in the first half of March. President Bush, according to the diplomatic sources has started giving cold shoulder to president Musharraf. United States, it is learnt, will not provide new state of the art F-16 Multi role Fighter Bomber Planes to Pakistan Air force as indicated by Washington last year. Instead of that Pakistan has been forced to procure the second hand old model F-16 planes. These planes are under the use of Belgium and Netherlands air forces at present. Air Chief Marshal Kaleem Saadat, the Chief of Air Staff had recently indicated getting used F-16 planes from other countries.

Reuters, 24 January 2006

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The Hindu, 25 January 2006

Energy key in the new Asian architecture (Siddharth Varadarajan)

In the energy business, more than in any other aspect of international economic activity, fortune favours the brave. While the Indian establishment spent five years agonizing over whether it should go ahead with the construction of a natural gas pipeline from Iran to India via Pakistan, China took just 10 months to propose, construct, and operationally a 1,000 kilometre oil pipeline from Atasu in Kazakhstan to Alashankou in Xinjiang. No sooner was that project completed a few months ago than China indicated its eagerness to lay a gas pipeline along the same route as well. "We completed the 4,500 km-long pipeline from Xinjiang to Shanghai in just two and a half years," Chin Geng, president of the China National Petroleum Corporation (CNPC) told India's Petroleum Minister, Mani Shankar Aiyar, and a group of top Indian executives in Beijing earlier this month. The Indian side was suitably impressed. Though a recent convert to the cause of pipelines, India is seeking to compensate for its earlier lack of interest with an ambitious proposal for an Asian gas grid that would take these two connections - Iran-India and Kazakhstan-China - and extend them in a way that links Asia's major energy producing and consuming regions to one another.

Hindustan Times, 25 January 2006

China's economy records 9.9% growth in 2005

Beijing: Powered by record foreign trade, mild inflation and fast industrial and agricultural growth, China's economy grew at an impressive 9.9 per cent in 2005 while the outlook for 2006 is optimistic, a government spokesman said in Beijing on Wednesday. "National economic growth shows good momentum of rapid increase, improved efficiency, mild rise of prices and enhanced vitality," Commissioner of National Bureau of Statistics, Li Deshui told reporters. Preliminary estimation shows the gross domestic product (GDP) for the year stood at 18.23 trillion yuan (\$2.26 trillion), Li said, noting that the rate was marginally lower than the 10.1 per cent growth in 2004. The value-added of the primary industry reached 2.27 trillion yuan, up 5.2 per cent; that of the secondary industry was 8.62 trillion yuan, up 11.4 per cent; and that of the tertiary industry was 7.34 trillion yuan, up 9.6 per cent. Li said last year's growth was "fairly balanced." The GDP increased 9.9 per cent, 10.1 per cent, 9.8 per cent and 9.9 per cent, respectively, in the four quarters of last year.

The New York Times, 25 January 2006

China Shuts Down Influential Weekly Newspaper in Crackdown on Media (JOSEPH KAHN)

BEIJING, Jan. 24 - China's Propaganda Department on Tuesday ordered the closing of Bing Dian, an influential weekly newspaper that often tackled touchy political and social subjects, as the authorities stepped up efforts to curb the spread of information and views the Communist Party considers unfavorable. The shutdown came the

same day that Google announced that it would begin steering its Chinese users to www.google.cn, which will restrict access to content that China's media monitors consider problematic. President Hu Jintao has been tightening controls on expression as his leadership grapples with mounting internal challenges, including social unrest over corruption, pollution, unpaid wages and land seizures. Though the Chinese news media have never been permitted to criticize top leaders, television, newspapers and Web-based news sites, now mostly commercially driven, have often competed to break explosive news stories and discuss sensitive topics. But authorities under Mr. Hu have slowly but systematically purged editors who defy propaganda controls and have closed or reorganized publications that they believe have become too bold, making the news media more timid today than they were regarded as being in recent years.

Xinhua, 25 January 2006

Ongoing efforts to build links with Taiwan

BEIJING, Jan. 24: A Chinese mainland official Tuesday asked Taiwan authorities to recognize Taiwan compatriots' long-held desire to have pandas in Taiwan and not to obstruct their entry. He also asked Taiwan authorities to remove all sorts of obstacles to exchanges across the Taiwan Straits. "I hope the Taiwan authorities won't do anything that runs counter to the wishes of Taiwan compatriots," said Li Weiyi, spokesman of the Taiwan Affairs Office of the State Council, at a press conference. The mainland announced on May 3 last year it would donate a couple of giant pandas to Taiwan compatriots. The general public in Taiwan were delighted with the news and eager to see the pandas in Taiwan as early as possible. People in Taiwan, Hong Kong and Macao and overseas have taken part in choosing names for the pandas, the results of which will be announced on television on Chinese Lunar New Year's Day. However, Taiwan authorities led by the "independence"-leaning Democratic Progressive Party (DPP) have so far used a variety of excuses to obstruct the pandas' entry for fear they would further boost affinities between people.

Xinhua, 25 January 2006

China continues to play positive role in Afghan reconstruction

BEIJING, Jan. 24: China will, as always, continue to play a positive role in the Afghan economic and political reconstruction process, Foreign Ministry spokesman Kong Quan said here Tuesday. An international conference on Afghanistan will be held in London from Jan. 31 to Feb. 2. Chinese Foreign Minister Li Zhaoxing will attend the conference at the invitation of the British and Afghan governments. Kong told a regular press conference that the upcoming conference would be of great importance. China has been a constant supporter of Afghan economic and social reconstruction, and has provided Afghanistan with a great deal of assistance in the shape of funds, food and materials. China will actively implement personnel training projects in the diplomatic field for Afghanistan, and will continue to encourage Chinese companies to contribute to Afghan economic reconstruction engineering projects, Kong noted.

Deccan Herald, 26 January 2006

Taiwan-India: politics and economics (V Wen-Hsien Chen)

Taiwan and India exchange visits by political leaders, businessmen, academics and IT professionals that helps to forge friendly ties between both countries. The latest Taiwanese delegation which visited New Delhi recently is a logical progression of an earlier one in June 2005 to foster prosperous friendship. Last month a Taiwanese delegation was in Bangalore for a dialogue with their Indian counterparts. Taiwan's foreign policy priorities aim to establish an independent national identity for itself distinct from that of the PRC through development of formal diplomatic relations with other countries and membership of various international fora like the UN and WHO. The other objective is to ensure economic prosperity and national security of the island nation through foreign trade and attraction of overseas investments. Its national security is ensured through diplomacy which involves extra regional powers like the US, besides strengthening its own military capabilities. While the People's Republic of China (PRC) reportedly raised the issue of India's ties with Taiwan, New Delhi reminded Beijing about its extensive economic exchanges with Taipei.

The Tribune, 26 January 2006

China intensifies crackdown on state media (Philip P. Pan)

China's ruling Communist Party on Tuesday suspended one of the premier publications in Chinese journalism, escalating a campaign to rein in the state media, the government's toughest crackdown on freedom of expression here in more than a decade. The decision to shut down Freezing Point, a four-page weekly feature section of the state-run China Youth Daily that often tested the censors and challenged the party line, came less than a month after the authorities replaced the top editors of another daring newspaper, the Beijing News. The China Youth Daily is the official newspaper of the Communist Youth League, a power base for President Hu Jintao. Because any move to punish it would almost certainly require his approval, the decision to close Freezing Point was seen as further evidence of Hu's personal support for a tightening of controls on the media that began two years ago, about a year after Hu took office. Party officials summoned the senior editors of the China Youth Daily and

ordered Freezing Point closed a day after distributing a five-page document that accused the section of "viciously attacking the socialist system" and condemned a recent article in it that criticized the history textbooks used in Chinese middle schools.

The Tribune, 26 January 2006

India and China: together against Aids (Anita Anand)

In December last year, there was a quiet visit to India by a high level Chinese delegation from their Ministry of Railways, the Chinese Academy of Railway Sciences, and the Beijing Municipal Railways, along with officials from the United Nations Population Fund (UNFPA) and the United Nations Development Fund for Women (UNIFEM). Their objective was to study first hand, the joint project of the Indian Railways and UNIFEM - Equalizing Gender Relationships in the Context of HIV/AIDS - being implemented by the Railway Women's Empowerment and AIDS Prevention Society (REAPS). India and China have a great deal in common when it comes to HIV/AIDS and the Railways. Both countries, with large populations, took a while to acknowledge and act on the epidemic. Both railways are large employers - India has 1.8 million employees, and China 2.16 million. Passengers of both countries are mostly migrant populations, men and women traveling alone, mainly for work. In addition, many of the railway staff are away from home, and are exposed to, and indulge in, casual sexual encounters.

BBC News, 26 January 2006

Iran nuclear envoy visits China

Iran's top nuclear negotiator, Ali Larijani, is visiting China for talks expected to focus on international concerns over Iran's nuclear programme. China has so far resisted US pressure to back an EU-led push to refer Iran to the UN Security Council. Beijing has said it favours diplomacy over the threat of sanctions - which it has the power to veto at the UN. Washington and the European Union fear Tehran aims to develop nuclear weapons, which Iran has consistently denied. UN Secretary General Kofi Annan has said he doubts the UN nuclear watchdog will be able to decide next month whether to refer Iran to the council. The UN's International Atomic Energy Agency (IAEA) is due to hold an emergency meeting over Iran on 2 February in Vienna. Foreign ministers of the five permanent members of the Security Council plus Germany will meet in London early next week to discuss their strategy ahead of the talks. Mr Annan said the IAEA report on Iran's nuclear programme might not be ready until March.

The New York Times, 26 January 2006

U.S. and China Agree on Keeping Nuclear Arms From Iran, but May Differ on How, Envoy Says (JOSEPH KAHN)

CHENGDU: China and the United States both want to prevent Iran from acquiring nuclear weapons, but their "approach may differ" on the best tactics to achieve that result, Deputy Secretary of State Robert B. Zoellick said Wednesday after a round of meetings on the subject in Beijing. His comments suggested that China, despite heavy lobbying, had left doubts as to whether it would back a proposal by Britain, France and Germany, supported by the United States, to involve the United Nations Security Council in deciding how to handle Iran's nuclear program, including whether to impose penalties. Mr. Zoellick said he emphasized that he viewed the United States and China as having a common interest in preventing Iran from developing atomic weapons, as well as a mutual concern about energy security in the Middle East, and he said he believed China shared those "core principles." But he called the diplomatic discussions fluid and said differences remained over what steps should be taken to respond to what Western powers say is a covert program by Iran to build nuclear bombs. "It would not surprise me that China would not want to take exactly the same course as the E.U.-3 and the U.S.," Mr. Zoellick said during a brief stop in Chengdu in southwestern China after meeting with Wen Jiabao, China's prime minister, and Li Zhaoxing, its foreign minister, in Beijing. The E.U.-3 refers to Britain, France and Germany. "We will see how close we can come," he added.

Daily Times, 26 January 2006

No divide between US and China on Iran: Zoellick

CHENGDU: A senior US official gave a positive assessment of China's role in the standoff over Iran's nuclear programme on Wednesday, saying Washington and Beijing had no major differences on the issue. The United States and its European allies want Iran referred to the UN Security Council for possible sanctions over suspicions it is trying to build a nuclear weapon, but Russia and China are urging caution. But on a trip to China, US Deputy Secretary of State Robert Zoellick said China's concerns were about 'tactics and timing' and there was no difference in 'core principles'. The International Atomic Energy Agency meets on Feb 2 to discuss whether to refer Iran to the Security Council, which can authorise sanctions. As a permanent member of the council, China has the power to veto any proposals. Chinese Foreign Ministry spokesman Kong Quan said on Tuesday Beijing was studying a draft proposal from Britain, France and Germany to authorise the IAEA to take such action, but added China felt further diplomacy would be the better option. During his three-day visit, Zoellick has urged China

to become an active stakeholder in international security and said its size and economic power meant it could not avoid its role on the global stage.

People's Daily, 26 January 2006

French minister regards China as "extremely important partner" in world economy

French Finance Minister Thierry Breton on Wednesday in Davos said China's rapid economic development had made itself as an "extremely important partner" in the world economy. The FDI (foreign direct investment) from China rose rapidly in France last year and it was expected to go up further in the future, the French minister told a press conference at the opening day of World Economic Forum in Davos, Switzerland. "France is an open society and welcomes foreign investment," he added. As for the Chinese currency issue, Breton said that China should be allowed to move at its own pace on reforming its foreign exchange regime without outside pressure. The French minister welcomed the move by China to abandon its fixed peg to the dollar last July, saying the little revaluation of Chinese currency RMB was "a welcome beginning". Breton said that France prefers private negotiations with Chinese officials to achieve more flexibility of RMB. "The public pressure from the west countries could only cause counter effect," he said.

China Daily, 26 January 2006

Japan, China to hold talks February 10-11

Japan and China have agreed to hold subcabinet-level talks on February 10 and 11 in Tokyo to discuss how they can resume meetings between their leaders, which have been in abeyance because of strained bilateral ties, Japanese Foreign Ministry sources said Wednesday. Japanese Vice Foreign Minister Shotaro Yachi and Chinese Vice Foreign Minister Dai Bingguo will attend the talks. The last subcabinet-level talks were held in October last year in Beijing. Japan is likely to sound out China about resuming talks between Japanese Prime Minister Junichiro Koizumi and Chinese President Hu Jintao as well as the foreign ministers of the two countries. Koizumi's latest visit to the war-linked Yasukuni Shrine in October put a stop to all contacts between the leaders of the two countries. China is among Asian countries which suffered under Japanese militarism before and during World War II and have protested against Koizumi's visits to the Tokyo shrine, which honors Japanese Class-A war criminals along with the war dead. Japan is also expected to urge China to study a Japanese proposal for joint research of bilateral history as part of efforts to help ease the current tensions, the sources said. Japan Times reported that Tokyo will propose conducting joint historical research on the bilateral relationship to ease growing tensions over past events.

People's Daily, 27 January 2006

China calls for greater diplomatic effort to resume talks on Iran's nuclear issue

China expressed concern about the current situation of Iran's nuclear issue and calls for all relevant parties to assert greater diplomatic effort and restraint to avoid escalation of the situation. The Chinese side is concerned about possible escalation of the situation, State Councilor Tang Jiaxuan said. Tang expressed the wish that all parties concerned should step up diplomatic effort to create favorable conditions for the resumption of talks before the International Atomic Energy Agency (IAEA) holds a special session of its board of governors in February. Tang made the remarks when meeting with visiting Iranian chief nuclear negotiator Ali Larijani in Zhongnanhai, the headquarters of the Chinese government in Beijing, Thursday afternoon. Tang explained China's views on the current situation of Iran's nuclear issue. The IAEA is to convene an emergency session of its board of governors next week, on which the United States and the European Union (EU) are likely to push for a vote on referring the issue to the UN Security Council. The meeting is to be held at the EU request earlier this month after Iran resumed uranium enrichment research following a two-and-half year halt.

The Hindu, 27 January 2006

China, world's fourth largest economy (Jonathan Watts)

Beijing: China maintained its breakneck momentum last year with a 9.9 per cent growth surge that almost certainly took it past Britain to fourth place in the world gross domestic product rankings. Despite government efforts to slow the pace of investment and cool an overheated property sector, official statistics released on Friday showed economic expansion in 2005 was only a fraction behind the 10.1 per cent notched up in 2004. China's GDP is now 18.2 trillion yuan, which - depending on a slight fluctuation in exchange rates - surpasses estimates for Britain and France last year. The U.S., Japan and Germany are considerably bigger, but China is catching up fast. While other leading economies would be happy with 4 per cent growth this year, China is expected to more than double that. Despite the spectacular numbers, analysts believe the Government has - if anything - underestimated output. Statistics in this vast, largely unregulated and often secretive country are notoriously unreliable. Last month, officials announced the economy was 16.8 per cent bigger than previously thought because of hidden consumption and unreported income.

The Indian Express, 27 January 2006

China opposes sanctions against Iran (Chris Buckley & Lindsay Beck)

BEIJING, Jan 26: China opposes sanctions against Iran's nuclear ambitions and urges countries to consider a Russian compromise, a Chinese spokesman said on Thursday, as Tehran's nuclear negotiator held talks in Beijing. "We oppose impulsively using sanctions or threats of sanctions to solve problems. This will complicate problems," Foreign Ministry spokesman Kong Quan told a news conference. In Moscow on Wednesday, the Iranian negotiator Ali Larijani said referring Iran's nuclear activities to the UN Security Council would prompt Tehran to start uranium enrichment. But he also signalled interest in a Russian proposal to enrich Iranian uranium on Russian soil- a compromise backers say would give Iran nuclear power but restrain any moves to make weapons. Chinese spokesman Kong said Russia's offer should be seriously considered. "We think the Russian proposal is a good attempt to break this stalemate," Kong said. He said Larijani held morning-long talks with Foreign Minister Li Zhaoxing. The Iranian diplomat was to meet State Councillor Tang Jiaxuan in the afternoon and hold a news conference in the evening.

Hindustan Times, 28 January 2006

America's martial arts (Brahma Chellaney)

Jan 27: With the war of necessity against terrorism getting fused with the US war of choice in Iraq, there has been fallout on Asian geopolitics. The Iraq quagmire has not only constricted US options vis-à-vis renegade States like North Korea and Iran but also helped a rising China to increase its strategic leeway and influence in Asia. An emboldened Chinese leadership has stepped up nationalistic rhetoric. This has had the unintended effect of persuading Japan to jettison its doubts about US security commitments and reinvigorate its military relationship with the US. At the same time, despite Washington propping up and arming an India-hostile military dictatorship in Pakistan, New Delhi is cosying up to the US, with its foreign policy adding democracy and non-proliferation advocacy as central planks. India now promotes democracy and non-proliferation where the US wants, not where its interests demand. Being close to the US has also meant lavishing attention on its pet autocrats, as symbolised by the Indian mollicoddling of the Saudi king but the cold-shouldering of the Nepalese monarch. India's warm ties with Washington both mirror and spur a major shift in public opinion at home. Such ties also boost India's international profile. Yet, to avoid the pitfalls and better capitalise on these ties, India needs to absorb US's strategic aims.

The Washington Post, 28 January 2006

In Face of Rural Unrest, China Rolls Out Reforms (Edward Cody)

BEIJING, Jan. 27 -- Faced with steadily increasing peasant unrest, the Communist Party has decreed extensive changes to improve the lot of farmers and stop rapid economic development from encroaching on their land. The party declared rural reform a major goal of its new five-year economic program, which began this month. The government has also announced the abolition of an agricultural tax that is thousands of years old, free public school education for peasant children and new rural insurance to subsidize medical care for those among the country's 800 million farmers who cannot afford to see doctors. The swift sequence of decisions reflected the depth of concern in the party and government as farmers outraged by land grabs and pollution increasingly rise up in violent protests that senior officials have said pose a threat to stability and continued economic growth. The Public Security Ministry estimated the number of riots and demonstrations at 87,000 during 2005, up more than 6 percent from 2004 and quadruple what it was a decade ago. The violence is in part a reaction to an economic boom that has produced 9 percent annual growth in China but benefited mainly city dwellers. Some Chinese officials have suggested strong repression is the best response. Wu Shuangzhan, commander of the paramilitary People's Armed Police, and Sui Mingtai, the force's political commissar, wrote a joint article early this month urging stepped-up training and preparation to put down the unrest. But the senior leadership, while not repudiating use of force, has emphasized solving farmers' underlying problems as the long-term solution.

Daily Times, 28 January 2006

China playing footsie with both Iran and US

BEIJING: Senior US and Iranian diplomats left Beijing this week both declaring China an ally in their showdown over Tehran's nuclear plans, highlighting the importance - and ambivalence - of China's role in the dispute. US Deputy Secretary of State Robert Zoellick said on Wednesday that his country and China had the "shared strategic objective" of preventing Iran making nuclear weapons. After meeting the same Chinese officials as Zoellick, the Iranian nuclear envoy Ali Larijani told reporters on Thursday: "Our views are so close to each other." Chinese analysts said their country's cryptic diplomatic footwork reflects uncertainty about how China should juggle its desire for smooth relations with Washington and its need to court countries that can aid its rise, including oil exporter Iran. "China doesn't want to offend Iran, but it also certainly doesn't want to hurt relations with the United States, either. It's a real dilemma and a test," Shi Yinong, a professor of international relations at the People's University of China in Beijing, told Reuters. China has acted as host in frustrated six-party talks aimed at ending North Korea's nuclear weapons programme, and feared a similar protracted standoff with Iran, he said.

People's Daily, 28 January 2006

China's top advisory body to hold annual session on March 3

The National Committee of the Chinese People's Political Consultative Conference (CPPCC), China's top political advisory body, is due to hold its fourth session on March 3. The proposal was submitted and passed at the 31st meeting of the chairman and vice-chairpersons of the Tenth National Committee of the CPPCC held here Friday, presided over by Jia Qinglin, chairman of the CPPCC National Committee. The Political Bureau of the Communist Party of China (CPC) Central Committee held a meeting recently on stepping up and improving the work of the CPPCC, which set clear tasks for the CPPCC in the new century and new phase, reflecting the great importance the CPC Central Committee attached to the development of the CPPCC, Jia said. He noted that the CPPCC organizations at various levels and all the members should further advance the work of the CPPCC in fulfilling its roles and promote the self-development of the CPPCC, so that the CPPCC can better serve the great practice of building a comparatively prosperous society in an all-round way. This year's "two sessions" of the Nation People's Congress (NPC) and the CPPCC have very important meanings in uniting and arousing the people of all ethnicities and leading a sound beginning of the 11th national five-year plan period.

People's Daily, 29 January 2006

Tung Chee Hwa: HK to play unique role in promoting peaceful reunification

The vice chairman of the National Committee of the Chinese People's Political Consultative Conference, Tung Chee Hwa, said in Hong Kong recently the "eight-point proposal" on developing cross-Straits relations addressed by then-president Jiang Zemin in 1995 is the inheritance, development and perfection of the principles of peaceful reunification and "one country, two systems" initiated by Deng Xiaoping. The "four-point guidelines" set forth by President Hu Jintao last March on the development of cross-Straits relations under new circumstances are the continuation and development of the central government's policy toward Taiwan and a programmatic document guiding the development of cross-Straits relations in the future, Tung added. On the occasion of the 11th anniversary of Jiang's speech entitled "Continue to Promote the Reunification of the Motherland," Tung gave a joint interview to journalists of three central media organizations stationed in Hong Kong -- the Xinhua News Agency, People's Daily and CCTV. He talked freely about the historic significance of Jiang's speech and the realistic importance of guidance of Hu's address concerning the continuity, consistency and innovativeness of the policy.

The Hindu, 29 January 2006

China: fireworks make a comeback (Jonathan Watts)

Beijing: Beijing is gearing up for its most cacophonous Chinese new year ever this weekend, when the 14 million residents will be able to unleash a barrage of firecrackers, rockets, cherry bombs and other pyrotechnics for the first time in 12 years. In a sign of increasing personal freedom, self responsibility and dynamism, the Government has lifted a ban on the sale of fireworks in the capital for the Spring Festival - the country's most important holiday - which starts on Saturday. The decision allows people to return to an ancient custom: fireworks are thought to have been invented in China 2,000 years ago and for centuries smoking flowers and explosive bamboos (as they are known) have been used in festivities as a means of scaring off malignant spirits. The ban was introduced in 1994 because 187 persons were killed and 2,600 injured in firework accidents in the previous six years. Average urban incomes have since risen more than fourfold. Compared with the last year of the dog, Beijingers have more money to indulge in the Spring Festival customs of feasting, drinking baijiou and treating children with red envelopes stuffed with cash.

People's Daily, 30 January 2006

China to audit 4,000 military officers in next five years

China plans to audit more than 4,000 military officers for the efficient use of its military expenses in the 11th Five-Year (2006-2010) Program, a senior military officer said. Among the 4,000-plus military officers, more than 100 will be army commanders or above, said Liao Xilong, member of the Central Military Commission and director of the General Logistics Department of the People's Liberation Army. "We will make it our priority to audit those taking charge of military expenses, officers who people complain about, those likely to be promoted and those planning to retire," he said. "We will apply the audit results to the evaluation of the military officers," Liao added. Meanwhile, China will strengthen its audit of projects relating to armaments and military expenditure aiming at scientific management of the army and the anti-corruption and party building drive, Liao stressed. In the 10th Five-Year (2001-2005) Plan, China audited 77,000 military institutions and projects and 7,890 military officers, reaping economic benefits valued at 6.8 billion yuan (850 million U.S. dollars).

The Tribune, 30 January 2006

India needs to take reality check on China (Rajeev Sharma)

It is a fact that India-China relations have entered the best phase since 1956. And yet, it is time for the Government of India and the foreign policy makers to take a reality check. Sample these facts: China continues to

proliferate to Pakistan to stymie India; constantly indulges in political and strategic tinkering in Nepal and Bhutan; quietly encourages and assists Bangladesh to stand up to India; has been ousting India from Myanmar and Bangladesh gas resources through politics rather than by competition. The list is long. Regionally and internationally, China kept India out of APEC, trying to block India in the East Asia Summit; has repeatedly put roadblocks in the ASEAN; has launched a relentless propaganda warning all against India's "hegemonist" and "imperialistic" ambitions from Central Asia to South-East Asia. Internationally, China has been consistent in its efforts to force India to roll back India's nuclear and missile programmes; warned against Theatre Missile Defence (TMD) system; and, even, opposed the proposed India-US civilian nuclear cooperation. Bilaterally, Chinese arrogance and berating have gone uncontested by India, at least publicly. A lowly Chinese Consul General in Mumbai publicly berated Defence Minister Pranab Mukherjee last year on the history of 1962 war. ndoleezza Rice said the meeting, over a private evening dinner, would look at many issues, including referral of Iran to the Council as well as a Russian compromise proposal.

China Daily, 31 January 2006

Five-Year Plan targets reached ahead of schedule

Major targets outlined in China's 10th Five-Year Plan have been reached ahead of schedule. The National Development and Reform Commission has announced the Chinese government solved employment problems for 43.68 million urban residents between 2001 and 2005 and enabled a 40 million-strong rural workforce to move to the cities. China's registered unemployment rate dipped to under 5 percent at the end of 2005, said the commission, and the yearly per capita income for urban and rural residents increased 9.7 percent and 5 percent respectively. The national financial income also surged from 1.34 trillion yuan (166.3 billion US dollars) in the year 2000 to over 3 trillion yuan (372 billion dollars) in 2005. The commission also reported that during the five-year period, the reform of China's economic structure enjoyed considerable progress, with agricultural production strengthened and construction of infrastructure in the fields of energy, transport and key raw materials accelerated. China's total foreign trade reached 1.4 trillion dollars, nearly twice as much as that of the year 2000.

China Daily, 31 January 2006

Taiwan's Chen mulls axing reunification body

Taiwan's leader Chen Shui-bian said on Sunday he was considering scrapping guidelines on reunification with mainland and the body that created them. Scrapping the guidelines and council, which was set up in 1990 and was formerly the island's top policy-making body on the crucial question of reunification, is likely to be Chen's pushing for independence. Chen's statement drew a strong response from the main opposition Nationalist party, which favours eventual reunification, with Chairman Ma Ying-jeou saying there would be a price to pay for breaking a promise. "Chen has previously pledged in all sincerity and seriousness there was no problem over the scrapping of the 'National Unification Council' and 'National Guidelines.'" Beijing has refused to deal with the pro-independence Chen and his administration since his election in 2000 and not ruled out war if the island seeks formal independence. While Beijing is yet to respond to Chen's statement, Monday's People's Daily carries an editorial on cross-strait relations. The editorial marks the 11th anniversary of a speech by former leader Jiang Zemin, in which he set forward an eight-point proposal for solving the Taiwan issue peacefully, but without ruling out the use of force.

People's Daily, 31 January 2006

Azerbaijan hopes to deepen ties with China

Azerbaijan hopes to strengthen its relations with China, President Ilham Aliyev said on Monday, when receiving the credentials from new Chinese ambassador Zhang Haizhou, a news release from the Chinese Embassy in Baku said. Aliyev stressed his country would stick to the one-China principle as it attached great importance to the two nations' relations. The president said the two sides' political relations remain at a very high level, as cooperation in various fields continues, adding that his country is willing to further cooperation with China in fields such as energy, transportation and the construction of infrastructures. He also described the relationship with China as a good example in international relations, because mutual respect, understanding and support exists between the two sides. In response, Zhang spoke highly of Azerbaijan's adherence to the one-China principle, saying China is grateful for Azerbaijan's support in issues such as Taiwan, Tibet and the fight against the East Turkistan pro-independence groups. China will continue to support Azerbaijan's effort to maintain its independence, sovereignty and integrity of territory, and is willing to strengthen the bilateral relations on the basis of mutual respect and benefit, said the ambassador.