

Getting to know the real China

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PREMIER OF THE STATE COUNCIL OF THE PEOPLE'S REPUBLIC OF CHINA

We are committed to promoting the establishment of a fair, equitable, inclusive and well-managed new international financial order

Since the founding of the People's Republic, and especially since the start of reform and opening up more than 30 years ago, profound changes have taken place in China, a big, ancient country in the East. Its economic and overall national strength has substantially increased. The livelihood of its people has markedly improved. Its social and cultural programmes have made considerable progress. And its exchanges and cooperation with the outside world have kept expanding. In sum, my country has made a historic leap from mere subsistence to moderate prosperity.

We in China are proud of our achievements accomplished through strenuous efforts. At the same time, we are clear-headed about our place and role in today's world.

China's GDP is the second largest in the world, but in per capita terms, it is only one-tenth of that of developed countries. China has enjoyed over 30 years of fast growth, but its further development faces energy, resources and environmental constraints. China is a leading producer of many important products, but it remains at the lower end of the global industrial chain. China is a big trading nation, but its exports are low in technology content and value added. In many cases, we have to rely on imports to meet the demand for core technologies. China's coastal areas and some of the big and medium-sized cities thrive in modernisation, but many places in the central and western regions and the vast rural areas are still rather backward, and we have 150 million people living below the poverty line set by the United Nations. The Chinese people's livelihood has made significant improvement, but we do not yet have a full-fledged social security system, and we are confronted with high employment pressure. Our people are more and more actively engaged in the country's social and political development, and citizens' basic rights and interests are better protected, yet our democracy and legal system still have room for improvement and such social ills as inequity and corruption still exist.

China, which has come a long way in modernisation, is fairly advanced in some areas of development but remains backward in others. And it faces unprecedented challenges brought by problems both old and new. Taken as a whole, China is still in the primary stage of socialism and remains a developing country. These are

our basic national conditions. This is the real China.

China has set the strategic goal of basically achieving modernisation by the middle of this century. Looking into the coming decades, the Chinese people will continue to move forward along the path of reform and opening up and peaceful development. This path has changed China's destiny and has benefited people throughout the country. We must stay on this path and make further improvement. There is no reason whatsoever for us to deviate from it.

China will continue to focus on developing the economy. Development is our top priority, as it constitutes the basis for addressing all issues. We will mainly rely on our own efforts in pursuing development. With the progress in China's industrialisation and urbanisation, hundreds of millions of farmers will move to towns and cities. This will create more domestic demand than ever, open up broad market and development space, and serve as a powerful engine sustaining the growth of the Chinese economy and the world economy at large. We will work hard to transform the economic development pattern, restructure the economy and set out on a path of balanced and sustainable development.

China will continue to deepen institutional reform. We will make consistent efforts to improve the socialist market economy. We will unswervingly strengthen and develop the public sector of the economy, and also unswervingly encourage, support and guide the development of the non-public sector. We will pay greater attention to ensuring and improving people's well-being. We will further reform the income distribution system and improve the social security system, including old-age support, medical care and unemployment benefit programmes. We will endeavour to narrow the gap between urban and rural areas, between different regions and between the rich and the poor. We want to make sure that each and every citizen shares the benefit of China's reform, opening up and development. While deepening economic restructuring, we will also push forward political restructuring. Otherwise, we cannot achieve the ultimate goal of economic reform and we will lose what we have gained from our modernisation drive. We respect and protect human rights, uphold social equity and justice, and strive to achieve the free and all-round development for our people. This is the

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important hallmark of a democratic country under the rule of law. It is also a basic guarantee for a country's lasting peace and stability.

China will be even more open to the world. Mutually-beneficial cooperation for win-win progress is a long-term strategy that we will stick to in opening up to the world. We will follow established international rules in expanding business ties with other countries. We will continue to improve the environment for foreign investors, optimise the structure of foreign capital utilisation and explore new ways for overseas investment and cooperation. We are committed to promoting the establishment of a fair, equitable, inclusive and well-managed new international financial


order and an open and free international trading regime. We are against protectionism in all its manifestations. In the course of modernisation, we will not only

continue to bring in and utilise advanced achievements from the rest of the world in the economic, scientific and technological fields, but also boldly draw upon the achievements of human civilisation in the fields of social management and cultural development.

China will continue

to develop education, science and technology. How can China narrow the development gap with the advanced countries and enhance the sustainability of its strong growth? I believe two things are of fundamental importance: first, education and second, science and technology. China has formulated medium- and long-term development programmes on education and on science and technology respectively. Going forward, we will focus our efforts on implementing these two programmes and build China into a country strong in human resources and innovation by 2020.

China will continue to carry forward its fine culture. The development of a country and rejuvenation of a nation require not only great economic strength, but more importantly great cultural strength. The moral values and wisdom drawn from the 5,000-year Chinese civilisation belong not only to China but also to the world. We will vigorously develop cultural programmes and accelerate the development of a moral and ethical code that is commensurate with our socialist modernisation drive and consistent with the traditional virtues of our nation. We respect the diversity of civilisations and will increase dialogue and

exchanges with other civilisations to forge a common cultural bond for humanity. The Chinese nation, which has created an economic miracle, will create a new cultural splendour as well. 

We want to make sure that each and every citizen shares the benefit of China's reform

