

Quarterly Chronicle and Documentation

(April–June 2011)

Sources

The principal sources of information on which this chronicle is based are British Broadcasting Corporation, *Monitoring Global News line – Asia-Pacific Political* and British Broadcasting Corporation, *Monitoring Global News line – Asia-Pacific Economic*. These sources, now only available electronically, do not have reference numbers and are only identifiable by date of publication of material. The inclusion of each of these dates would unnecessarily clutter the text and such dates have therefore been omitted, except, at many points, for the original sources from which the BBC reports themselves are taken.

Abbreviations

XHNA	Xinhua (New China) News Agency
CNA	Central News Agency (Taipei)
RTHK	Radio-Television Hong Kong
ZTS	Zhongguo tongxun she (China Reporting Agency), Hong Kong
ZXS	Zhongguo xinwen she (China News Agency), Beijing
RMRB	<i>Renmin ribao (People's Daily)</i>
SCMP	<i>South China Morning Post</i>
KCNA	Korean Central News Agency

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1. Internal Developments

a The Standing Committee of the National People's Congress

The Standing Committee of the National People's Congress held its 20th session from 20 to 22 April. Its agenda included examining draft decisions on amending articles of the Coal Law and the Construction Law, draft amendments to the Road Traffic Safety Law and the Individual Income Tax Law, a fourth reading of the draft Administrative Mandatory Law, and examining reports from the State Council on reform of the collective forest rights system and the programme of education and publicity on the law. Chairman Wu Bangguo presided over the meeting which was attended by 148 members of the Committee. The amendments to the Coal (1996) and Construction (1997) Laws were necessitated by the passing of the Social Insurance Law which comes into effect on 1 July to ensure that coal construction enterprises did not participate in two social security schemes simultaneously, both of which offered similar benefits. The Road Traffic Safety Act similarly needed amending to bring its provisions into line with the amended Criminal Law particularly over the handling of offences of drunk driving. Income Tax changes included the raising of the lower limit from 2,000 to 3,000 yuan a month, and some simplifications of the number of tax brackets (XHNA, 20 Apr.). At the conclusion of the session, one National People's Congress Deputy was expelled for suspected violations of discipline and law, and the revisions to the Coal, Construction and Road Safety Laws were passed. Wu Bangguo delivered a speech on propaganda and education on the legal system (XHNA, 23 Apr.).

The Standing Committee of the National People's Congress held its 21st session from 27 to 30 June in Beijing. Chairman Wu Bangguo presided over the session, which was attended by 155 members. The agenda included an amendment to the law on work-related illnesses, ratification of a treaty on mutual judicial assistance in civil and commercial affairs with Algeria, a draft amendment to the Military Service Law aimed at recruiting more college students, a second reading on amendments to the Income Tax Law, a report on the fiscal situation from the Minister of Finance, a report from the National Audit Office, and a report by Standing Committee members on food safety issues (XHNA, 27 June). The Session passed the amendment to the Income Tax Law raising the threshold for exemption to 3,500 yuan a month (the original proposal was 3,000) following consultations with the general public which showed a vast majority in favour of raising the threshold substantially. It adopted the Law on Mandatory Administrative Practices, and ratified the treaty with Algeria (XHNA, 30 June).

b Party and Political Affairs

On 22 April, Liu Yunshan, Director of the Central Propaganda Department, chaired a meeting in Beijing to prepare for the propaganda handling of the Party's 90th anniversary on 1 July. He described the anniversary as a major

event in the political life of the Party and the country. It would be necessary to: “give prominence to the Party’s glorious history and immortal contributions, deeply reveal how history and the people chose the CCP, the socialist path, reform, and opening up; propagate the achievements of the party in upholding and developing Marxist theory over the past 90 years; deeply reveal that upholding the theoretical system of socialism with Chinese characteristics in contemporary China is truly upholding Marxism; propagate the important achievements in strengthening and improving Party building; deeply reveal that Party building is an important magic weapon to continuously develop our undertakings; propagate the role of grassroots Party organizations as combat strongholds and the exemplary vanguard role of Party members; deeply reveal that in strengthening the Party’s creativity, coherent force, and combat capability, there is a need to always uphold the fundamental principle of serving the people wholeheartedly and to maintain the Party’s advanced nature forever.” These messages would be spread not only within China but internationally “so as to allow the world to know better about China and CCP” (XHNA, 22 Apr.). On 5 May a *Xinhua* article foreshadowed the anniversary in terms and language that was typical of the way in which the anniversary was played in the media. It noted that “All over the country, activities commemorating the 90th anniversary of the establishment of the CPC are heating up, with enthusiastic participation from the masses of Party members as well as the cadres and the people. In recalling the history of the Party and recognizing the great historic journey, they are fostering the glorious traditions, building up their ideals and convictions, and uniting their strength to advance forward.” In highly vivid language it spoke of the epic history of the Party in the last 90 years, and the need to “draw inspiration from the glorious historic journey of the Party and stride confidently toward the lofty goal of national rejuvenation under the guidance of the glorious banner of the Party.” History had fully shown that: “The CPC has proven itself to be a great, glorious and correct Marxist political party; the core force leading the Chinese people in uniting together and fighting valiantly; as well as the mainstay in the march of the Chinese nation toward rejuvenation. Only the CPC can save China. Only the CPC can develop China. Only the CPC can make China prosperous. This is the choice of history and it is also the fundamental conclusion drawn by the Chinese people in the course of their protracted struggles” (XHNA, 5 May). The theme of rejuvenation and the complete identification of the Party with all the achievements of China and the Chinese people over the past 90 years was a major element of the celebration as discussed in a series of commentaries in *People’s Daily* (*People’s Daily* website, 13 June). Alongside the media coverage, a number of events were staged to coincide with and celebrate the anniversary, including the release of a Party blockbuster *Beginning of the Great Revival*. On 16 June the publication of a volume on *Selected Important Party Literature Since the Party Founding (1921–1949)* was marked at a ceremony addressed by Vice President Xi Jinping. (XHNA, 16 June). *Xinhua* reported an upsurge of interest in singing “red songs” in praise of the Party, and the building of an

enormous flower display 15 metres high and with a diameter of 50 metres in Tiananmen Square called “Red Hearts to the Party.” The Politburo held a group study session on 28 June on the “advanced construction” of the Party (XHNA, 28 June).

Elections

The process of holding elections at county and township level throughout China started on 7 May under new electoral arrangements which for the first time gave equal representation in legislative bodies to urban and rural dwellers. More than 2 million legislators are to be elected in 2,000 counties and 30,000 townships (XHNA, 7 May). Following attempts by a number of non-official candidates to run as independents in the elections, the authorities tried to discourage them saying that there was no such thing as an “independent candidate,” a category not recognized by the law, and that they were therefore ineligible. An official of the NPC Legislative Commission said that although qualified citizens had the right to vote and to be elected, they must follow the proper procedures, and submit to the authority of the electoral committees (XHNA, 8 June). In slightly more emollient mood, the Party Secretary of Shanghai was reported to have said that he could accept independent candidates provided that they accepted the rule of the Communist Party, supported the Constitution, and did not immerse themselves in Western-style democracy. Yu said that

[T]hey [those elected as independent candidates] fall into four categories. The first is those who sincerely hope to participate in the supervision of the Party and the government; second is those who sincerely hope to supervise the Party and the government, but without much experience; third is those who aim for personal fame; and fourth is those pursuing the Western system and wanting to overthrow the current one” (SCMP website, 25 June).

Corruption

High-level attention continued to be paid to the corruption issue. He Guoqiang, Head of the Party’s Central Discipline Inspection Commission said on 8 April that corruption still ran rampant in some areas and that the fight against it faced many challenges. He called on Discipline Inspection officials to make even greater efforts to deal with the problem (XHNA, 8 Apr.). A damning report on high-level corruption in June 2008 was published on the website of the People’s Bank of China in June but rapidly taken down. The report indicated that corrupt officials had smuggled 800 billion yuan (over US\$123 billion) out of the country, mainly through Hong Kong. Between 1994 and 2008, 16–18,000 corrupt officials fled to other countries. High-ranking officials tended to prefer to transfer their assets to developed Western countries. Most of those who fled were middle- to lower-ranking officials and they fled to neighbouring countries such as Thailand, Burma, Malaysia, Mongolia and Russia. Others took a more roundabout route and fled with their money to Africa, South

America or Eastern Europe, hoping eventually to make their way to the West. They often used underground banks in Shenzhen and Zhuhai to smuggle their assets to Hong Kong and Macau and then transfer them to countries that did not have extradition treaties with China such as Ecuador or Fiji. Most of the assets eventually wound up in developed countries such as the US, Australia, Canada or the Netherlands (*Hong Kong Economic Journal* in Chinese, 15 June). Official figures showed that 139,621 corruption cases were investigated by Discipline Inspection commissions across the country in 2010. Some 146,517 individuals were given disciplinary punishments and 5,373 transferred to the judicial authorities for formal legal proceedings against them (XHNA, 22 June). A number of high-level individual cases were reported over the period. Li Tangtang, once Vice Chairman of Ningxia Hui Autonomous Region, was sentenced in Chongqing on 8 April to life imprisonment for accepting bribes worth over US\$1.17 million during his term as Vice Governor of Shaanxi province from 1998 to 2008, and then as Vice Chairman of Ningxia (XHNA, 8 Apr.). The former Mayor of Shenzhen, Xu Zongheng, was put on trial in Zhengzhou for accepting 33.18 million yuan in bribes from building materials companies and officials. He was Mayor of Shenzhen from 2005 until he was removed in 2009 for serious disciplinary violations (XHNA, 21 Apr.). He was sentenced to death, with a two-year suspension of sentence, on 9 May. The slightly milder sentence was because he had confessed his crimes (XHNA, 9 May).

c Social Affairs

Population

On 28 April the National Bureau of Statistics announced that the final count for the census was 1.3397 billion, an increase of 73.9 million since the last census in 2000 (an average annual increase of 0.57 per cent). The ratio of men to women was 51.27:48.73. The urban population now accounted for 49.68 per cent of the total (665.57 million). Household sizes were decreasing to an average of 3.1 persons compared to 3.44 in 2000. Those aged 60 or over accounted for 13.36 per cent of the population while those under 14 made up 16.6 per cent (XHNA, 28 Apr.). The day before the publication of the latest census results, the Politburo held a study session on family planning and population policy. General Secretary Hu Jintao said that China would stick to and improve its current family planning policy and maintain a low birth rate. He said China should improve the quality of its population and make a country strong in human resources. He said that problems concerning the sex ratio at birth should be addressed. He also called for more measures to help the floating population, the elderly and those caring for the disadvantaged (XHNA, 27 Apr.).

Housing

Local governments were ordered to set new targets for controlling house price rises by 1 April, but many found it hard to do so because of their reliance on

property sales for funding. Property sales increased by 70.4 per cent in 2010 to reach 2.7 trillion yuan. The government plans to build 10 million affordable housing units in 2011, as part of its commitment to build 36 million such units over the next five years (XHNA, 1 Apr.). On 20 May the Ministry of Finance announced that it had allocated a further 18 billion yuan in subsidies to fund housing projects (raising the total available to 61.7 billion yuan) (XHNA, 20 May). On 19 May the State Council ordered a special investigation into land expropriations and house demolition practices across the country, which had been the cause of many protests. It said effective measures should be taken to stop illegal forced demolition, as well as violence or coercion in demolition procedures (XHNA, 19 May).

Food Safety

Following a lengthy and continuing series of scandals relating to the contamination of food and foodstuffs by harmful additives, the Chinese government issued a circular on 21 April calling for an intensified crackdown on the illegal use of non-edible materials in food. All non-edible materials, apart from certified food additives, were banned from use in food, and a stricter inspection regime would be imposed. Enterprises that intentionally added illicit materials to foodstuffs faced revocation of their licences, confiscation of illegal earnings and forced payment of compensation. The State Food and Drug Administration issued a simultaneous circular tightening supervision over the use of food additives and flavourings in restaurants and other food outlets. A further regulation was issued on 20 April controlling the use of melamine in food products (the subject of one of the worst of the scandals in 2008) (XHNA, 22 Apr.). The extent of government concern was underlined at a national-level teleconference on cracking down on illegal additives in food held on 21 April and addressed by Li Keqiang, Vice Premier and Chairman of the Food Safety Commission and other senior leaders including Vice Premiers Hui Liangyu and Wang Qishan. Vice Premier Li told the meeting that the illegal use of food additives was very dangerous, and problems could have a wide social impact leading to a chain reaction. Li promised “a firm attitude, iron-hand measures and more efforts” to deal with the problem (XHNA, 21 Apr.). A string of further orders and announcements followed, including: forbidding the use of 151 specified materials in foodstuffs (23 Apr.), the closure of 17 starch noodle manufacturers in Guangdong province (25 Apr.), requirements on food companies to keep clear records of the production and selling operations (24 Apr.), and the seizure of 26,000 kg of melamine-contaminated milk powder in Chongqing (26 Apr.). On 8 May the Food Safety Commission of the State Council announced a five-year programme for educating the public in food safety and setting new training requirements in safety procedures for workers in the food production industry (XHNA, 8 May). On 23 May, it was announced that Chinese prosecution authorities had started investigations in 57 government staff involved in food safety cases this year, on offences

ranging from bribery to dereliction of duty. Some 220 people had been arrested across the country since September last year for producing and selling substandard or poisonous food. Chinese Courts had heard 61 cases involving food safety violations, and convicted 106 persons in the same period (XHNA, 23 May). The Supreme People's Court issued a notice on 27 May that courts should pronounce death sentences on those found guilty of food safety violations that resulted in human deaths, and generally speaking the harshest punishment available should be used in cases related to food safety (XHNA, 27 May).

Rural Poverty

The Politburo held a meeting on 26 April to discuss China's progress in reducing rural poverty and to look at the Poverty Reduction Program for Rural China (2011–2020). The meeting decided that over the next ten years the government would “intensify its efforts to eradicate poverty by increasing the number of poverty alleviation programmes, increasing budgetary poverty-relief funds and enhancing the capabilities of people living in poor areas to develop their local economies, while making active efforts to carry out international co-operation” (XHNA, 26 Apr.).

Social Unrest

On 30 May the Politburo held a meeting, under the chairmanship of Hu Jintao, to discuss strengthening and improving “social management.” The meeting held that strengthening social management had a bearing on the Party's ruling position, on achieving peace and stability in the country, and letting the people live and work in peace. It noted the many new policies in these areas were introduced during the reform period, but said that the task of social management was now even more arduous and daunting as the country entered a period of important strategic opportunities for its development and a period of pronounced social contradictions (XHNA, 30 May).

The *South China Morning Post* reported that some 2,000 protestors had attacked the local government headquarters in Lichuan City, Hubei, following the mysterious death of a respected local official, Ren Jianxin, while being questioned on bribery accusations. He was taken for questioning on 26 May and died on 4 June after allegedly being tortured. Angry villagers protested from 7 June, and a number of officials were subsequently suspended and placed under investigation for their involvement in the events leading up to his death. Ren had been a village official who had refused instructions to carry out forcible demolitions of villagers' homes in a government land requisition campaign. As a result, he had been made the subject of investigations into alleged bribe taking (*SCMP* website, 11 June).

Migrant workers from Sichuan were involved in violent protests, described by Xinhua as “unrest,” in the township of Xintang on 10 June, after a pregnant woman from Sichuan was allegedly manhandled by village security personnel

who were trying to get her to move her stall from outside a supermarket (according to the official version, she fell to the ground). In the first incident, a crowd threw bricks and bottles at police personnel, and police arrested 25 people (XHNA, 12 June). But the ill feeling generated by the incident resulted in further protests over the next few days, with over 1,000 migrant workers involved (SCMP website, 13 June). It was later reported that 19 people had been arrested on charges of obstruction, causing a disturbance and intentional damage to property (XHNA, 17 June).

d *Economic Affairs*

Control of inflation remained a major concern for China's policy makers throughout the quarter as the inflation figures continued to rise. The consumer price index rose by 4.9 per cent in February, almost a full point above the target rate of 4 per cent for 2011. A deputy director of the National Development Reform Commission said that it had been triggered by various factors including imported inflation and raising raw materials costs. He noted that China had taken energetic measures to restrict inflation this year, raising interest rates on two occasions and increasing the reserve requirement ratio for banks three times (XHNA, 7 Apr.). A Vice Minister of Finance noted on 12 April that China would face considerable inflationary pressure in the coming months because of higher costs and an abundant global money supply. He described the situation as severe and hard to handle (XHNA, 12 Apr.). The Central Bank announced a further rise in the required reserve ration of banks by 50 points to 20.5 per cent (the fourth such rise this year). This followed the announcement that the Consumer Price Index had reached a 32-month high of 5.4 per cent in March (XHNA, 17 Apr.). The *Beijing Review*, a publication usually devoted to putting the best face on things, spoke of "an overwhelming sense of helplessness" that was sweeping China in the face of continued high inflation – it was 5.3 per cent in April. It noted that the People's Bank had adopted a tight monetary policy, raising both the interest rates and reserve requirements several times. But production costs continued to rise, spurred on by 10–20 per cent increases in workers' salaries and 10–20 per cent increases in raw materials prices (*Beijing Review*, 16 May). The renminbi continued to appreciate against the dollar, reaching a level of 6.4696 – an increase of 5.4 per cent over the year – and some analysts held that this would have a positive effect on inflation (XHNA, 20 June). New concerns began to emerge with speculation over the size of local government debt. China revealed figures for the first time on 27 June, which gave a total local government debt of 10.72 trillion yuan at the end of 2010. A Vice President of the Chinese Academy of Social Sciences was quoted as saying that the figures showed that the risks were not as high as people had thought, and that the disclosure would ease concerns about the systemic risk posed by the level of debt (XHNA, 27 June).

The State Council Executive Meeting on 13 April discussed the economy. Premier Wen addressed the meeting on the question of “Certain Problems about Current Economic Work.” He tackled six main subjects:

- a) comprehensive and accurate grasp of the current economic situation;
- b) earnest implementation of a sound monetary policy;
- c) maintenance of the basic stability of the overall commodity price levels by all means;
- d) consolidation and expansion of the results from the regulation and control of the housing market;
- e) the promotion of stable and sound growth in foreign trade; and
- f) active promotion of the transformation of the pattern of economic growth.

He said that China would continue with its prudent monetary policy to rein in soaring prices while maintaining macro control over the runaway property market. Premier Wen stressed the importance of keeping prices stable, noting that international exchange rates were fluctuating wildly and that the prices of food, oil and other commodities on the international markets kept increasing. At home, prices continued to surge and the public fears of inflation were increasing. To keep inflation under control, the State Council would control the money supply, boost production and supply, and enhance supervision over activities that force an increase in prices in domestic markets (XHNA, 14 Apr.). The economy was again on the agenda the following week. Premier Wen told the meeting on 20 April that they needed to be “more resolute and courageous in pushing forward reforms in major areas and key links.” He said that the priorities for 2011 were carrying forward the reform of the economic development pattern, which includes quickening reforms to turn state-owned enterprises into stockholding corporations, formulating open and transparent market-access criteria and supporting policies for non-government investment. He said that reforms should be deepened in the “system of income distribution, social security system, and household registration management, among others, to ensure and improve people’s well-being.” He also called for further reform of the administrative system, deepening rural reforms and establishing a compensation mechanism for farmland protection. The meeting also decided to add a further 18 billion yuan to the fund for building public rental and low-income housing (XHNA, 20 Apr.).

Severe drought affected central China, particularly the provinces of Hubei, Hunan, Jiangxi, Anhui and Jiangsu. Rainfall in the Yangtze River basin was 40 per cent below normal. Water levels in the middle reaches of the Yangtze were at a 50-year low, posing real problems for shipping. More than 10 million mu of farmland were affected and nearly 300,000 people were short of drinking water in early May (XHNA, 6 May). The Three Gorges Dam began releasing extra water from 20 May, and Chinese official sources stated that water releases had helped raise water levels and ensure water supplies in the middle and lower reaches of the river (XHNA, 20 May). Rice crops were threatened in Hunan and Hubei, and in the drought-affected provinces 6.17 million

hectares of land were affected and 5.07 million people were short of drinking water (XHNA, 27 May). Vegetable prices rose nearly 19 per cent in a week in Wuhan as a result of the drought (XHNA, 28 May). As of 28 May, 34.83 million people were said to have been affected (XHNA, 28 May). Official sources were keen to stress that the Three Gorges Dam should not be blamed for the drought, indeed it would have been more severe without it (XHNA, 2 June). As the drought continued there were serious concerns about permanent ecological damage being done, particularly to fish stocks and wildlife. The drought was causing real damage to the water quality in the region's many lakes, and the Yangtze was at its lowest levels since 1961 (XHNA, 3 June). Premier Wen Jiabao visited the area on 4 June and called for stronger efforts to combat the drought in order to maintain stable and rapid economic growth and manage inflation expectations (XHNA, 4 June). President Hu Jintao also visited Hubei from 31 May to 3 June and made a special trip to the drought-stricken areas (XHNA, 3 June). The drought was finally broken by heavy rains from 2 June. Continued heavy rains in southern China resulted in serious flooding in a number of areas including some those recently affected by drought. The Ministry of Civil Affairs reported on 20 June that flooding had affected 36.57 million people in Jiangsu, Zhejiang, Anhui, Fujian, Jiangxi, Hubei, Hunan, Guangdong, Sichuan, Guizhou, Yunnan, the Guangxi Zhuang Autonomous Region and the Chongqing Municipality, and that 175 people had been reported killed (XHNA, 20 June). Overall, in the first half of the year, floods caused damage worth 43.2 billion yuan, killing 239 people and destroying 106,500 houses and 1.16 million hectares of crops (XHNA, 30 June).

e Human Rights

The internationally renowned artist and prominent critic of the regime, Ai Weiwei, was detained by customs officers at Beijing airport on 3 April as he was about to leave for Hong Kong (*Apple Daily* website, 4 Apr.). The Chinese authorities announced on 6 April that he was under investigation for economic crimes "in accordance with the law," but gave no further information (XHNA, 6 Apr.). His detention caused widespread international concern with public statements from (among others) the German Foreign Minister, the French Foreign Ministry, the British Foreign Ministry, the European Union, the United States, and Taiwan (CNA, 6 Apr.). He remained in detention with virtually no access to his family until his sudden release "on bail" was announced on 22 June. The official notice said that he had been released on bail because of his good attitude in confessing to his crimes and because he had indicated that he was willing to pay the taxes owed by his company Beijing Fake Cultural Development Ltd. (XHNA, 22 June). Beijing angrily rejected any suggestion that his release had been due to international pressure. Xinhua reported on 25 June that he had been investigated for alleged economic crimes and there was compelling evidence to show that he had in fact committed these crimes. His good attitude in

confessing and his chronic illness constituted proper grounds for releasing him on bail in accordance with the law. It went on to say that: “China is a country ruled by law, where the fight against crime is not influenced by external factors. Tempering justice with mercy was a discretion exercised by the judicial organ independently. Everything was appropriately conducted in accordance with the law, from placing Ai Weiwei under surveillance to his release on bail. China’s judicial system will not change its course because of the so-called external pressure” (XHNA, 25 June).

Other activists continued to be detained and harassed, although there were also some releases. The veteran pro-democracy activist, Zhu Yufu, who had been detained on 5 March was formally arrested on 12 April on charges of inciting to subvert state power – presumably because of his vocal support for the “Jasmine Revolution” (Hong Kong Information Centre for Human Rights and Democracy, 13 Apr.). The human rights lawyer, Jiang Tianyong, was released on 19 April after being detained for two months, and another lawyer, Liu Xiaoyuan (a friend of Ai Weiwei), was released after being detained for five days (*SCMP* website, 20 Apr.). The defence lawyer Li Zhuang, who was accused of tampering with evidence by coaching his client, faced trial in Chongqing in April. The case against him was suddenly dropped on 22 April when the prosecution withdrew the charges. Serious questions had been raised by law academics and others about the procedural justice of the trial. This was Li’s second such case. He had earlier been sentenced to 18 months in 2009 for coaching his client, a gang boss, to claim he had been tortured (*SCMP* website, 23 Apr.). He then faced new charges of obstructing testimony in the same case that had apparently been overlooked previously (*SCMP* website, 26 Apr.). It was then announced on 28 April that prosecutors would not be proceeding with the case after all. They had apparently reviewed the evidence following the hearings of the previous week and believed that there were doubts about its veracity (XHNA, 28 Apr.). Teng Biao, who had been detained in February, was returned home on 25 April. He is a law professor at the University of Political Science and Law and a prominent defender of human rights. It was also reported that Dr Xu Zerong, an academic who had been detained in June 2000 and subsequently sentenced to ten years in prison in December 2001 on charges of endangering state security and providing intelligence to foreign entities, had been released early for good behaviour (*SCMP* website, 26 Apr.). The prominent legal scholar and human rights activist Xu Zhiyong was taken away by security agents on 20 May (*SCMP* website, 21 May). Hu Jia was released from jail on 26 June but remained under close surveillance at home. He had been jailed for three and a half years for inciting subversion of state sovereignty because he had posted articles on line about rights abuses and given interviews to foreign reporters (*SCMP* website, 27 June). It was reported that a disabled rights activist, Hu Jun, had been placed under house arrest in Changji Prefecture, Xinjiang, on 9 May on charges of inciting subversion of state power. He was subsequently informed that he would be prosecuted although he was not given information

on the grounds for the charges (Hong Kong Information Centre for Human Rights, 17 May).

Religion

The Hong Kong press reported that 169 Christians belonging to the Shouwang Protestant Church had been detained in Beijing. They had been trying to hold an open-air service following their eviction from their normal place of worship owing to official pressure on their landlords. Most were released within 24 hours (*SCMP* website, 12 Apr.). The following week they tried to do the same again and 50 were detained including some who had been detained the previous week (*SCMP* website, 18 Apr.). The detentions continued for a third week despite the leader of the Church, Pastor Jin Tianming, having been under house arrest since 9 April (*SCMP* website, 25 Apr.). The same cat and mouse process continued over the following weeks with the congregation attempting to hold open-air services and the authorities preventing it and detaining some people. A number of the church's leaders left the church as they did not agree with the repeated attempts to hold outdoor services (*SCMP* website, 6 June).

Jia Qinglin, Chairman of the Chinese People's Political Consultative Conference, met those attending the summing-up meeting on the tenth anniversary of the work of "interpreting the scriptures" of Islam on 25 April. He said that in the last ten years the work of "interpreting the scriptures" had yielded ample results "effectively promoting and developing those positive ideas in Islamic teachings that fit the socialist society, rebutting the fallacious and absurd doctrines promoted by the "three forces" [separatism, extremism, and terrorism] to distort and misrepresent Islamic teachings, and playing an important role in safeguarding ethnic solidarity, social stability, and the motherland's unity." He went on to say that "we must guide the broad masses of Muslims in seizing opportunities in this life to actively participate in the magnificent cause of achieving the goals in the 12th Five-Year Program and to continuously enhance their consciousness and firmness in taking the path of socialism with Chinese characteristics under the Party's leadership while at the same time observing good deeds and seeking glory in the hereafter" (XHNA, 25 Apr.).

f Inner Mongolia, Xinjiang and Tibet

There were serious disturbances in Inner Mongolia following a hit-and-run incident on 10 May in which a Mongolian herdsman, Mergen, was run over when he and others tried to stop a convoy of coal trucks taking a shortcut across grasslands. Thousands of Mongolians protested throughout the region and martial law was said to have been declared in Hohhot, Tongliao, Chifeng and Dongsheng (*SCMP* website, 31 May). The incident brought to a head local ethnic Mongolian feelings of being marginalized by the mining boom which brought them little advantage and had a strong negative impact on traditional grasslands (*SCMP* website, 1 June). Official sources reported that the authorities had begun

an overhaul of the coal industry since the incident, and ordered greater supervision of the mines to ensure safe production practices, protection of the environment, and attention to the welfare of local residents. Four suspects amongst the drivers involved in the incident had been charged and would be put on public trial (XHNA, 1 June). The Governor of Inner Mongolia said that no stone would be left unturned in the investigation into the coal industry, and no individual or enterprise would be spared if violations of proper practice were found (XHNA, 2 June). Two truckers were put on trial for intentional homicide on 8 June, and two others were charged with obstructing justice. The driver was sentenced to death after a six-hour trial, and his co-driver was sentenced to life imprisonment. The other two who had tried to prevent police from reaching the driver at the time were sentenced to three years for obstruction (XHNA, 8 June). Equally swift justice was meted out in another case when a forklift driver was sentenced to death on 21 June for killing a local resident after a dispute over pollution at the coal mine at which he worked on 15 May (XHNA, 21 June). The government also took hurried measures to impose further controls on the activities of mining enterprises and to improve the living standards of local farmers and herdsmen. Vice Premier Wang Qishan toured parts of Inner Mongolia from 15 to 17 June. His visit focussed on economic development, and he made a point of stressing that energy companies should attach great importance to environmental protection and energy saving in the course of their development (XHNA, 17 June). The State Council Executive Meeting of 15 June discussed policies to accelerate the development of Inner Mongolia, highlighting the need to improve people's livelihoods and maintain social stability. It was announced that the incomes of Inner Mongolia's rural and urban residents should be above the national average by 2020 and that the main ecological system should be "brought within balance" by the same date. The government would strive to stop the trend of deterioration in Inner Mongolia's environment by 2105 (forest coverage should increase to 21.5 per cent, and grass land coverage to 43 per cent) and the living conditions of farmers and herders would be markedly improved. Inner Mongolia produced 787 million tonnes of coal in 2015 (XHNA, 15 June). This was backed up with an intensive propaganda campaign. The Head of the Central Propaganda Department, Liu Yunshan, toured the region in late June and called for greater efforts to be made to improve the "cultural development" of Inner Mongolia (XHNA, 23 June).

High-level leadership attention to the Xinjiang region continued with inspection tours by a number of senior officials, all bringing the twin messages of promised economic development allied with a tough line on security issues. The Chinese Minister of Public Security, Meng Jianzhu, carried out an inspection of Kashgar on 24 April and said that it was necessary to pay equal attention to economic development and stability in the spirit of the Central Work conference on Xinjiang. He visited a new housing project, and praised the transformation of the old urban districts of Kashgar (XHNA, 25 Apr.). In similar vein, Xinhua reported that the authorities were tearing down mud brick houses in

the slum districts of Urumqi and resettling the inhabitants in modern concrete apartments. This was because the slums were seen as the breeding ground for the resentment which led to the riots in 2009 (XHNA, 16 May). A major National Conference on Counterpart Aid–Xinjiang Work was held in Beijing on 27 and 29 May. President Hu Jintao issued “important instructions” to the meeting, which was addressed by Vice Premiers Li Keqiang and Zhou Yongkang calling for greater efforts by China’s provinces and regions to aid Xinjiang in its economic and social development (XHNA, 29 May). Two senior leaders made separate inspection tours of Xinjiang. He Guoqiang, Secretary of the Discipline Inspection Committee, toured Aksu, Yili, Altai and Urumqi from 12 to 17 June. He was quoted as reiterating the importance of maintaining solidarity and social stability among the different ethnic groups (XHNA, 17 June). A similar message was given by Wu Bangguo, Chairman of the National People’s Congress Standing Committee, who visited enterprises and farming communities in Hotan, Kashgar, Changji, Shihezi and Urumqi from 16 to 19 June. He spoke of the need to promote “leapfrog development” and “lasting stability” in the region (XHNA, 19 June). Zhou Yongkang, the Politburo Standing Committee Member in charge of security matters, received veterans of the Xinjiang Production and Construction Corps in Beijing on 27 June and praised them for their contribution of development and stability in the region (XHNA, 27 June).

Uyghur children were singled out as one of the main focuses of a nationwide campaign to crackdown on those who kidnapped children and forced them to engage in criminal activities. There had apparently been a large number of such cases in recent years involving Uyghur minors (XHNA, 27 Apr.). The Ministry of Civil Affairs also ordered local civil affairs agencies to help “wandering” children from Xinjiang to return home as part of this crackdown. By 23 May it was reported that over 70 people had been detained on suspicion of abducting, coercing and organizing Xinjiang children to beg and steal (XHNA, 23 May), and police in Urumqi reported that 68 young people had been rescued from criminal gangs (XHNA, 1 June).

The official Xinhua News Agency reported on 16 April that life had returned to normal in the Kirti Monastery in Sichuan province following reports from foreign press sources that the monastery had been cordoned off by security forces. The area had been tense since a monk from the monastery burned himself to death in a protest in March. Xinhua claimed that monks and lay people were going about their business and that there had been no beatings by security forces as foreign press had reported (XHNA, 16 Apr.). But there followed sustained publicity aiming to discredit the monks of Kirti and claiming that the death of Rigzin Phuntsog on 17 March had been “carefully planned and aimed at triggering disturbances.” Details of police investigations into his death were revealed which purported to show that he had gone about the process very deliberately, and that after he had set himself on fire a group of monks had taken him into the monastery and refused to surrender him to the authorities for 11 hours

which had directly contributed to his death. It was announced that the local government had decided to give “legal education” in the monastery in the light of the problems there and “the illegal activities committed by some of its monks over the years” (including possessing weapons, visiting prostitutes, getting drunk and gambling) (XHNA, 23 Apr.). Details were given of various incidents involving monks from the monastery dating back to 2008, including an earlier attempt at self-immolation in 2009 (XHNA, 24 Apr.). This was followed by further stories describing the monks of Kirti now behaving in a more orderly fashion. Education in the law (Constitution, Criminal Law and laws on religious affairs) was being provided to them in accordance with a local government decision of 22 April, and it was said to be well received (XHNA, 27 Apr.). Xinhua also formally denied foreign news reports that two Tibetans had been killed during a security crackdown at the monastery (XHNA, 28 Apr.). In New Delhi, Kirti Rinpoche told a news conference that 300 monks had been taken away by security forces on 22 April on charges of engaging in political activities (Kyodo News Service, 29 Apr.). The Head of the Monastery’s Management Committee, living Buddha Dokhar, was quoted as saying that the monastery had never been suppressed, and that the monks were carrying out their normal Buddhist rituals, in addition to their training in Chinese laws and regulations (XHNA, 30 Apr.).

The Chinese Embassy in Spain complained to the Spanish authorities over recent decisions by the Supreme Court and the national High Court which revived criminal complaints against Chinese leaders over their alleged role in instances of repression in Tibet, opening the possibility of them being held to account for crimes against humanity, genocide or war crimes against the inhabitants of Tibet. The cases were originally lodged in 2009 and criminal complaints against senior Chinese figures were laid by Tibet support groups in Spain. There were arguments over jurisdiction of the courts under the Judicial Powers Act, but the Supreme Court ruled in favour of the complainants (ABC website in Spanish, 17 Apr.).

The Hong Kong press reported that Zhu Weiqun, a Vice Minister of the United Front Work Department involved with Tibetan affairs, had ruled out any possibility of talks with the newly elected Prime Minister of the Tibetan government in exile. He said that any talks would be restricted to the political status of the Dalai Lama (or at most to include the future of a few of his personal aides) and be conducted between Beijing and his personal representatives. He went on to excoriate the Dalai Lama for being “the chief of a political clique which seeks Tibetan independence and separatism, the loyal tool of international anti-China forces, the main source of social unrest in Tibet, and the biggest obstacle to the establishment of a normal order for Buddhism’s missionary work” (*SCMP* website, 3 May). The same message was given by Padma Choling, Chairman of the Tibet Autonomous Region, in a press conference on 19 May. He also said that the door remained open for the Dalai Lama to return to China (XHNA, 19 May). The authorities marked the 60th anniversary of the “peaceful liberation”

of Tibet on 23 May, in a flag-raising ceremony in front of the Potala Palace (XHNA, 23 May).

g *Military*

The PLA's status as subordinate ultimately to the Party, not the state, was emphasized strongly by Li Jinai, Director of the PLA General Political Department, in an article in the *Liberation Army Daily* on 20 June. He said that the PLA should unswervingly uphold the principle of the absolute leadership of the Communist Party over the military. He attacked "domestic and foreign hostile forces" for calling for the nationalization of the military and the "non-affiliation between the military and the Party and depoliticizing the military." He said that such ideas were aimed at overthrowing the ruling position of the Party and that they should be resolutely rejected (XHNA, 20 June).

The People's Liberation Army announced on 25 May that a "cyber blue team" was being set up to safeguard the internet security of the armed forces. A spokesman for the Ministry of Defence said that China was a victim of cyber attacks and its internet security was relatively weak (XHNA, 25 May). According to the *South China Morning Post*, Guangzhou Military Region was reported to have invested tens of millions of yuan on hardware for an offensive cyber team of about 30 members. Its codename was Unit Blue (*SCMP*, 27 May). The *People's Daily* of 31 May defended the establishment of the Cyber Blue Team in Guangzhou Military Region as a perfectly natural decision to protect national interests. It noted that it is important for a sovereign nation to erect the best possible firewall against outside attack, and to have the ability, in time of conflict, to launch a counter attack to disable the enemy's operations. The PLA was reported to have launched a search for talent in both military and civilian colleges to staff the 30-strong team so that by 2020 they would have sufficiently skilled personnel to cope with advanced weaponry, cyber warfare and carrying out unconventional security capabilities. It called for funding to match the annual appropriation of the US Cyber command of US\$3.2 billion (*People's Daily* website, 31 May). The Chinese press picked up on the news of the formulation of the US first formal cyber strategy including the suggestion that the US might consider a cyber attack from another country as an act of war and might respond with traditional military force (XHNA, 2 June).

2. Foreign Affairs

a *Multilateral Conferences*

BRICS Summit

China hosted the Third BRICS Summit on Hainan Island on 14 April. President Hu Jintao chaired the meeting and it was attended by Brazilian President Dilma Rousseff, Russian President Dmitry Medvedev, Indian Prime Minister Manmohan Singh and South African President Jacob Zuma. Ministers

responsible for economics met on 13 April to discuss the deepening of economic co-operation within the BRICS mechanism and how to safeguard the interests of developing nations in multilateral co-operation. They set up a liaison group to help increase their economic links (XHNA, 13 Apr.). President Hu Jintao chaired the meeting. In his speech (full text in XHNA, 14 April), Hu urged the BRICS members to strengthen their partnership for common development, and to strengthen the standing and role of emerging markets and developing countries in global economic governance. Hu called for reform of the international financial and monetary systems: “We should establish fair, just, inclusive and well-managed international monetary and financial systems to support global economic development and increase the say and representation of emerging markets and developing countries in these systems.” Following their meeting on 14 April, the BRICS leaders issued a Joint Declaration covering a variety of political and economic issues (XHNA, 14 Apr.).

Boao Forum

The Boao Economic Forum was held in Boao from 14 to 16 April, and attracted 1,400 political and economic figures from 40 countries and regions. The Forum included 23 separate agendas, six of which focussed on China’s economic policies and measures and ten on global issues such as the shift of industries and the future of the world economy. President Hu Jintao addressed the opening ceremony (full text at XHNA, 15 April) and senior foreign guests included the Presidents of Russia, Brazil and South Africa, the Prime Ministers of South Korea, Spain, Ukraine, and the New Zealand Deputy Prime Minister. The theme of the meeting was “Inclusive Development: Common Agenda and New Challenges” (XHNA, 15 Apr.).

Climate change

Huang Huikang, the special representative of the Ministry of Foreign Affairs to the UN Conference on Climate Change in Bangkok was interviewed by Xinhua during the meeting on 3 April. He was relatively downbeat and critical of the role played by developed countries: “Climate change is essentially a comprehensive development issue that crosses different areas. This issue, which involves all countries’ political, economic and scientific-technological interests, has become a new area for international political game and a new area where all countries, especially the big powers, compete for the dominance of the international order. Because the talks hinge on the different interests of all parties, they have encountered one difficulty after another over the past two decades. Each step made to have some substantive progress was unusually difficult.” He said that the North–South divide still haunted the climate change agenda: “While certain developed countries lack the political sincerity for reducing emissions, they also have encountered economic crises and other problems. Thus, during the course of talks, they tried to change the focal issues and shift their responsibilities and put

the responsibility of reducing emissions to developing countries. However, compared with developed countries, developing countries are still at a different stage of development. Their capabilities are different. Thus, the historical, moral and legal responsibilities that they should undertake in handling climate change should be essentially different.” As for China, it “realized the seriousness and urgency of the climate change issue and was dealing with the issue proactively with a string of powerful measures. The resources allotted to handling the problem and the results achieved are second to none of any developed country” (XHNA, 3 Apr.). China’s chief negotiator on climate change, Xie Zhenhua, told the Global Legislators Organization in Brussels that China was in process of preparing a special law on climate change (XHNA, 26 Apr.). Su Wei, the head of the Chinese delegation to the Bonn climate talks, said that the ministerial meeting in Durban at the end of the year would make progress. He said that the core issue for the talks was to put into practice the Bali roadmap, and in specific that “developed countries should make progress on extending the Kyoto Protocol and setting new emission cuts targets, and those rich nations refusing Kyoto have to make ‘comparable commitments’ under the Convention.” He said that long-term climate funding was another key issue, and that concrete financial promises were needed from developed countries beyond 2013 (XHNA, 18 June).

b Diplomatic Tours

Jia Qinglin’s visit to Burma, Australia and Samoa

Jia Qinglin, Chairman of the Chinese People’s Political Consultative conference, visited Burma from 2 to 5 April. He first visited Mandalay where he had talks with the region’s Chief Minister U Ye Myint. Trade between China and Burma, totalled US\$4.444 billion in 2010, an increase of 52 per cent (XHNA, 2 Apr.). He met President U Thein Sein in Nay Pyi Thaw on 4 April and promised that China would continue to provide assistance within its capacity for the development of Burma. He said that China supported the mode of development that Burma had chosen in accordance with its local conditions, and hoped that it would make still greater achievement in economic construction and national development. He said that China was ready to make joint efforts to push their good neighbourly and friendly relations to a new high. He said that the two countries shared a 2,200-kilometre border and that safeguarding peace and stability in the border area was in the interests of both sides. He also met the Speaker of the Parliament, U Khin Aung Myint (XHNA, 4 Apr.). Jia Qinglin then visited Australia from 5 to 11 April. He travelled first to Perth where he met the Governor and Premier, and then on to Canberra where he met the Deputy Speaker of the House of Representatives, the Governor General and the Prime Minister, Julia Gillard. His visit coincided with a “Year of China” being held in Australia. According to the Chinese Ambassador in a pre-visit interview, one the main focuses of the visit would be on co-operation in science and technology. Bilateral trade rose from US \$10 billion in 2002 to US\$88.2 billion in 2010 (XHNA, 6 Apr.). In his discussions

with the Prime Minister, Jia said that close trading relations were a strong impetus to overall bilateral ties. China much appreciated Australia's sticking to an open-door policy in trade and investment and its opposition to protectionism. He said China was keen to reach a Free Trade Agreement with Australia (XHNA, 7 Apr.). He also travelled to Brisbane, where he had talks with the Governor and with the Australian Foreign Minister, and to Sydney, where he had talks with the Premier (XHNA, 9 Apr.). Jia Qinglin visited Samoa from 9 to 11 April. He met President Tuiatua Tupua Tamasese Efi on 11 April and said that China would continue to provide economic and technical assistance, within its power, to Samoa, encourage Chinese enterprises to invest in the island and to make more practical contributions to local development (XHNA, 12 Apr.).

Li Changchun's visit to Armenia, Romania, Slovenia, Kenya and Mozambique

Li Changchun, Member of the Standing Committee of the Politburo, paid goodwill visits to Armenia, Romania, Slovenia, Kenya and Mozambique in mid-April. He was invited by the ruling parties in Armenia and Mozambique and by the governments of Romania, Slovenia and Kenya (XHNA, 6 Apr.). He was accompanied by the Head of the Party's International Liaison Department and by the Director of the State Council Information Office and the Minister of Culture. In Armenia, he met the President, the Prime Minister and the Chairman of the National Assembly. China was now Armenia's second largest trading partner (with bilateral trade reaching US\$164 million in 2010), and the Prime Minister spoke of developing relations in the fields of mining, chemicals, building materials, infrastructure, hi-tech research and tourism. An agreement on trade, economy and culture was signed during the visit (XHNA, 12 Apr.). In Romania, he met the President, the Prime Minister, the Senate Speaker, the Foreign Minister and the Deputy Prime Minister. A number of agreements on economic, trade, cultural and education co-operation were signed (XHNA, 14 and 16 Apr.). Bilateral trade increased in 2010 to US\$3.76 billion, and Chinese investment in Romania was estimated at US\$400 million (XHNA, 12 Apr.). In Slovenia he met the President and the Prime Minister on 15 April (XHNA, 16 Apr.). In Kenya he met the President, the Prime Minister, the Vice President, the Speaker, and the Minister of Home Affairs. He attended the launch of the first mobile newspaper in Sub-Saharan Africa which allows mobile subscribers to receive news from Xinhua (XHNA, 18 Apr.). Bilateral trade was US\$1.8 billion in 2010 (XHNA, 9 Apr.). Li's final visit was to Mozambique where he arrived on 21 April. He met the President on 22 April, and the leader of the Mozambique Liberation Front Party. He also met the Prime Minister and witnessed the signature of a number of co-operation agreements on culture, trade and press matters (XHNA, 23 Apr.).

Premier Wen Jiabao's visit to Indonesia and Malaysia

Premier Wen Jiabao visited Malaysia and Indonesia from 27 to 30 April, accompanied by Foreign Minister Yang Jiechi, Minister of the National

Development and Reform Commission Zhang Ping, Commerce Minister Chen Deming, Director of the Research Office of the State Council Xie Fuzhan, Vice Secretary-General of the State Council and Director of the Premier's Office Qiu Xiaoxiong and Chinese Assistant Foreign Minister Hu Zhengyue. In Malaysia he had talks with the Prime Minister, Najib Tun Razak, during which they discussed ways of strengthening their economic and political co-operation and issues of common concern. Wen noted that both nations were in a critical stage of their development and should, in face of the complex international and regional environment, further expand co-operation to cope with their common challenges and safeguard their common interests. Prime Minister Najib said that Malaysia hoped to expand co-operation with China in trade, finance, investment, infrastructure, tourism, education, youth issues, traditional Chinese medicine, law enforcement and other areas. After the talks, they witnessed the signature of a series of agreements covering co-operation in trade, finance and infrastructure construction. Premier Wen visited the University of Malaya and announced that the two countries would be concluding agreements on mutual recognition of higher education experience and academic degrees. He also delivered a speech to the China–Malaysia Forum on Trade and Investment. Bilateral trade was worth US\$74.2 billion in 2010 (XHNA, 28 Apr.). In Indonesia, he had talks with President Yudhoyono and met the Speaker of the House of Representatives, Vice President Boediono and the ASEAN Secretary General. He visited the University of Al Azhar and met a medical team which had helped in rescue operations after the Sichuan earthquake. In his talks with the ASEAN Secretary General on 30 April, Premier Wen said that the top priority in the region was to consolidate and deepen the existing co-operation, push forward the establishment of the East Asia Free-Trade Area and promote people-to-people exchanges among East Asian countries. He said that China was looking to boost its strategic partnership with ASEAN to a new stage. In his talks with President Yudhoyono, the two sides agreed to set a new trade target of US \$80 billion by 2012 (having reached US\$42.7 billion in 2010) and they agreed to enhance bilateral co-operation in trade, investment, finance, infrastructure, energy, agriculture and other sectors to promote common development and prosperity. A Memorandum of Understanding (MoU) on exchanges between foreign ministries was signed, including the establishment of a hotline (XHNA, 30 Apr.). A total of 21 MoUs were signed during the visit at both government and business level, involving potential investment of US\$10.4 billion (Antara News Agency website, Jakarta, 30 Apr.).

Foreign Minister Yang Jiechi's visit to Egypt, Serbia, Switzerland and Russia

Foreign Minister Yang Jiechi attended the second round of strategic dialogue between China and the Gulf Co-operation Council in early May as part of a wider tour taking in Egypt, Serbia, Switzerland and Russia from 1 to 7 May. His first call was Egypt where he met the Foreign Minister Nabil Adballah

al-Arabi. Yang noted that the situation in Egypt was changing and that China respected the will and choice of the Egyptian people, and believed that they had the wisdom and ability to realize a smooth transition of power and to enter a new era of stability and development. He also met the Chief of Egypt's Supreme Council on the Armed Forces, Husayn Tantawi. On 2 May he also met the Secretary General of the Arab League, Amr Musa, and told him that China wished to build on their "strategic co-operative relationship for comprehensive co-operation and joint development." China wished to work with the Arab side to "overcome the impact of turbulent situations in the region of West Asia and North Africa, continue to push ahead, in a solid and steady manner, with all the work related to the forum, and constantly expand and deepen China–Arab friendly co-operation in various fields to consolidate the foundation for bilateral strategic co-operative relations" (XHNA, 2 May). Yang co-chaired the second Strategic of the China–Gulf Co-operation Council in Abu Dhabi, together with the UAE Foreign Minister, the current chair of the Council, and the Saudi Foreign Minister, the next chair. The Secretary General of the Council and the Kuwaiti and Bahraini Foreign Ministers also attended the dialogue. Yang said that "China is satisfied with the development of both sides' relations, is ready to make joint efforts with the GCC to fully utilize the strategic dialogue mechanism, plan both sides' co-operation from a macroscopic angle, highlight the strategic nature of co-operation, and achieve mutually beneficial and win-win results." Trade between China and Arab countries reached US\$145.5 billion in 2010 (XHNA, 3 May). In Serbia, he met the Serbian President Boris Tadic on 4 May and the two men agreed to enhance their strategic partnership. Yang said that China looked forward to upgrading their practical co-operation in economy, trade, science, technology, culture and education. President Tadic said that Serbia would like to see more Chinese investment and to become a key platform for China's co-operation with the Balkans and with Europe. Yang also had talks with the Serbian Foreign Minister. They agreed to promote exchanges and co-operation between their foreign ministries (XHNA, 5 May). In Switzerland Yang had talks with the Swiss Foreign Minister Micheline Anne-Marie Calmy-Rey. Yang said that China was ready to work with the Swiss side to continue taking care of each other's interests and concerns, keeping close communication and co-ordination, maintaining exchanges at various levels, enhancing dialogue and co-operation in economy, trade, finance and science, and pushing for long-term steady growth of bilateral ties, on the basis of mutual respect, equality and mutual benefit. Calmy-Rey replied that Switzerland was opposed to protectionism, attached importance to negotiations on free trade with China, and was willing to strengthen exchanges and co-operation with China in the fields of finance, scientific research, intellectual property rights and consular affairs (XHNA, 5 May). Yang then went on to Russia where he met President Medvedev, and the Russian Foreign Minister, Sergei Lavrov. The two sides highlighted their expanding co-operation on economy and trade, energy, environmental protection, culture and other fields, and

their increasing co-operation in multilateral organizations such as the UN, BRICS and G20.

Wu Bangguo's trip to Namibia, Angola, South Africa and Maldives

Wu Bangguo, Chairman of the National People's Congress Standing Committee visited Namibia, Angola, South Africa and the Maldives from 18 to 31 May. In Namibia he met the Speaker of the National Assembly, Theo-Ben Gurirab, and called for expanding co-operation in education, health, culture and tourism, and the consolidation of bilateral co-ordination on such multilateral issues as UN reform, climate change and international economic governance. He also met the Chairman of the Namibia's National Council, Asser Kapere (XHNA, 20 May). In Angola, Wu met President José Eduardo dos Santos and had talks with the President of the National Assembly, António Paolo Kassoma. Wu said that the two countries had co-operated closely in education, culture, health, space and environmental protection and worked together on international and regional issues. He proposed that they should further improve their economic and trade links, including in agriculture (XHNA, 23 May). In South Africa he met the Speaker of the National Assembly, Max Sisulu, President Jacob Zuma, and the Chairman of the Council of Provinces, Mninwa Mahlangu. In his meeting with President Zuma on 25 May, Wu said that the two sides should maintain close high-level political contacts, and further deepen their practical pragmatic co-operation in manufacturing, energy and resources, further processing and infrastructure construction. China wished to work more closely with South Africa on international issues and desired more co-operation in the green economy, manufacture, agriculture as well as exchange between the two governments and the two parliaments. Wu expressed China's support for South Africa to host the 2011 UN Climate Change Conference in Durban. Bilateral trade in 2010 reached US\$25.7 billion (XHNA, 25 May). In Maldives, he met President Mohamed Nasheed and his Maldivian counterpart Abdulla Shaheed on 29 May. Wu told President Nasheed that promoting friendly relations of co-operation with Maldives was an important link in China's peripheral diplomacy, and China wished to consolidate their traditional friendship further and expand practical co-operation, noting the opportunities in tourism and fisheries that Maldives provided. He said that China fully understood the special concern of small island countries like Maldives over the issue of climate change, and that China would step up its co-operation with Maldives on this issue and urge developed nations to fulfil their due commitments (XHNA, 29 May).

Vice President Xi Jinping's visit to Italy, Cuba, Uruguay and Chile

Vice President Xi Jinping visited Italy, Cuba, Uruguay and Chile from 1 to 13 June. In advance of the visit, Xinhua suggested that its purpose was to enhance bilateral ties and bolster trade and economic co-operation. Trade with Italy

increased 44.5 per cent in 2010 to US\$45.15 billion. Trade with Cuba was US\$1.83 billion in 2010, with Uruguay it was US\$2.63 billion and with Chile US\$25.83 billion (XHNA, 31 May). Xi was in Italy to attend the 150th anniversary of the unification of Italy, and had meetings with other leaders attending the event, including President Medvedev of Russia, Ban Ki Moon, Secretary General of the UN, and the US Vice President Joe Biden.

Xi had talks with Prime Minister Berlusconi, and with President Napolitano, as well as the Foreign Minister. He met the Italian Ministers of Economy and Finance, and of Economic Development, on 3 June. He said that he had exchanged views on bilateral relations with Italy's leaders, on China–EU relations and on regional hot topics, and had reached a wide range of consensus. A series of agreements on economic, trade, scientific and technological co-operation had been signed. Economic and Trade relations between the two countries had developed well and China would be encouraging more imports from Italy and more investment in Italy (XHNA, 3 June).

Vice President Xi arrived in Cuba on 4 June. He had meetings with President of the Cuban Council of State and Council of Ministers Raul Castro, First Vice President of Cuba's Council of State and Council of Ministers José Ramón Machado Ventura, and other Cuban leaders. In his meeting with Raúl Castro he said that “China–Cuba relations have stood the test of the vast changes in the international situation” and that they served as an excellent example of China's co-operation with other developing countries in the world (XHNA, 5 June). He also had a meeting with Fidel Castro. He met the Uruguayan President José Mujica on 8 June and discussed ways to push their friendly bilateral co-operation to new levels. Xi said that practical co-operation had yielded fruitful results both in economic matters and in areas such as culture, education and tourism. China was very satisfied with the state of relations (XHNA, 8 June). He arrived in Chile on 9 June for talks with President Pinera and other Chilean leaders. On arrival he described the purpose of his visits as to expand consensus, increase friendship and deepen co-operation for common development (XHNA, 9 June).

President Hu Jintao's State Visit to Kazakhstan, Russia and Ukraine

President Hu Jintao paid state visits to Kazakhstan, Russia and Ukraine from 12 to 20 June, and attended the annual summit of the Shanghai Cooperation Organization (SCO) in Astana and the 15th International Economic forum in St Petersburg. President Hu had formal talks with President Nursultan Nazarbayev on 13 June and with the Premier Karim Masimov on 14 June. After the talks they issued the Joint Declaration of China and Kazakhstan on Development of All-round Strategic Partnership, building on the strategic partnership established in 2005, and marking a new phase of their relationship. The two leaders also witnessed the signature of a number of agreements, including agreements on environmental protection and currency swaps

(XHNA, 13 June). A *People's Daily* article described the two countries as friendly neighbours and important strategic partners. Border issues had been resolved; they had formulated a China–Kazakhstan Co-operation Strategy for the 21st Century, and had established an intergovernmental committee at Deputy Prime Minister level, which they were considering upgrading to Prime Minister level. China was Kazakhstan's largest trading partner and trade in 2010 reached US\$20.31 billion. They co-operated closely on security matters (*People's Daily* website, 13 June). The two sides agreed to set a target for their bilateral trade of US\$40 billion by 2015, and to continue expanding their energy co-operation, including on the construction of several oil and gas pipelines. China offered its support for Kazakhstan's entry into the WTO (XHNA, 13 June).

President Hu had a number of bilateral meetings in the margins of the SCO Summit, including with President Emomali Rahmon of Tajikistan, and President Roza Otunbayeva of Kyrgyzstan (XHNA, 14 June). He gave a speech to the Summit in which he outlined four priorities for the organization in its next decade: 1) to stick to the 2007 treaty of good neighbourliness and step up co-ordination and consultation on issues concerning their core interests; 2) to further improve the security co-operation mechanism and improve their interoperability and ability to fight the “three evils” of terrorism, separatism and extremism as well as other threats such as narcotics and transnational crime; 3) to expand their economic co-operation and “steer the region towards economic integration”; and 4) to continue to expand people-to-people exchanges in areas such as tourism, culture, education and health (XHNA, 14 June).

President Hu arrived in Moscow on 15 June. On arrival he stated that his visit was intended to deepen the practical co-operation between the two sides and inject fresh impetus into their strategic partnership of co-operation. He had meetings with President Dmitry Medvedev and Prime Minister Vladimir Putin. Two-way trade was US\$55.4 billion in 2010 (XHNA, 15 June). In his talks with President Medvedev, Hu said that the relationship had brought both sides substantial benefits and had helped promote world peace and stability. The next decade would be crucial for their respective developments and deepening their partnership. Russia would always be a foreign policy priority for China. Practically, he suggested that the two sides aim for goals of bilateral trade of US\$100 billion by 2015 and US\$200 billion by 2020, and build a strategic partnership of energy co-operation through collaboration on nuclear energy, coal, electricity, new energy technologies an oil and natural gas. After the talks they issued a joint statement on the current international situation and on major international issues (full text in XHNA, 16 June). Hu concluded his visit with a speech at the St Petersburg International Economic Forum, in which he underlined China's wish to work with other countries to address the world's major economic challenges (XHNA, 18 June).

President Hu arrived in Ukraine on 18 June for a state visit. He had meetings with President Viktor Yanukovich, Speaker Volodymyr Lytvyn and Prime Minister Mykola Azarov. The two Presidents agreed that they would set up a

strategic partnership following their talks on 20 June and signed a joint statement on the subject. President Hu said that this was a major decision and defined a new orientation for the relationship. He made a four-point proposal for improving relations covering political trust, economic co-operation, cultural and people-to-people exchanges, and co-ordination in the international arena. A number of bilateral documents were also signed during the visit, covering co-operation in such fields as agriculture, energy, science and technology and innovation (XHNA, 20 June).

Premier Wen Jiabao's visit to Hungary, Britain and Germany

Premier Wen Jiabao paid official visits to Hungary, Britain and Germany between 24 and 28 June, against a background of severe troubles in the Euro zone. Foreign Minister Yang Jiechi said that the aim of the visit had been to strengthen communication and co-operation and to promote common development. The outcome had been pragmatic, highly efficient and fruitful, and the visit had been a complete success (XHNA, 29 June). Premier Wen had talks with the Hungarian Prime Minister Orban Viktor and said that China was ready to inject more vitality into their relationship. Practically, he told Orban that China had confidence in the Hungarian economy and would buy some of its debt, as well as providing a special loan to support joint projects. China would continue to promote investment in Hungary and would import Hungarian products. He also invited 150 young Hungarians to visit China. After the talks they witnessed the signature of co-operation deals in investment, infrastructure, finance, logistics and culture. Trade with Hungary was US\$8.72 billion in 2010, and Chinese investment in Hungary was US\$2.5 billion (XHNA, 25 June).

Premier Wen visited Britain from 25 to 27 June. Much of the focus was on commercial matters. Two-way trade reached US\$60 billion in 2010 and a series of bilateral agreements were signed during the visit. Britain remains the largest European investor in China and China is now the sixth largest foreign investor in Britain. In a symbolic gesture Premier Wen visited the Longbridge motor plant which was a scene of major Chinese investment in the UK motor industry. Premier Wen had talks with Prime Minister David Cameron, and the Deputy Prime Minister Nick Clegg. He also met former Prime Ministers Tony Blair and Gordon Brown. In the talks with Cameron, Wen said that there were no major strategic conflicts between Britain and China and their common interests outweighed differences. Wen said that the two sides should patch up their differences on human rights through dialogue and promote mutual understanding. Cameron “hoped that the two sides will further open their markets to each other, enhance their exchanges and co-operation in trade, investment, high tech, financial service, infrastructure, education and the cultural sector, and become partners making joint efforts for economic growth” (XHNA, 27 June). During the talks bilateral trade agreements worth £1.4 billion were signed and

it was agreed that UK companies would get greater access to Chinese markets in architecture, civil engineering and research and development. A ban on British poultry exports was lifted and agreements on services and taxation were reached (BBC news website, 27 June).

Premier Wen Jiabao arrived in Germany on 27 June. During his visit he co-chaired the first Germany–China intergovernmental consultations with Chancellor Angela Merkel and met President Christian Wulff. Much of the focus was on business links. Premier Wen addressed the Chinese German Forum for Economic and Technological Co-operation in Berlin and told them their goal should be to double trade volume in the next five years. China was ready to import German products and hoped that Germany would recognize China's market economy status at an early date. He also expressed the hope that Germany would urge the EU to relax its export controls on high-tech equipment. Bilateral trade was US\$140 billion in 2010, and over 7,000 German companies were operating in China (XHNA, 28 June). During the visit contracts worth €10.6 billion were signed, including the purchase of 62 Airbus A320 jets. The euro crisis was discussed and Wen said that China was prepared to help if Europe had problems and would buy an appropriate amount of Euro zone sovereign debt, if necessary (*Spiegel online International* website, 28 June).

c Countries and Regions

Africa (Congo, Eritrea, Senegal, Somalia, South African Development Community, Sudan)

The Congolese Foreign Minister, Basile Ikouebe, visited China from 3 to 12 June. He had talks with Foreign Minister Yang Jiechi and they agreed to develop their bilateral relationship (XHNA, 6 June).

The Eritrean Foreign Minister, Osman Saleh Mohammed, visited China for talks with Foreign Minister Yang Jiechi on 9 June and they agreed to encourage greater progress in their bilateral relationship (XHNA, 9 June).

Senegal's Foreign Minister Madicke Niang visited China from 18 to 19 May. He met Vice President Xi Jinping on 19 May. Xi noted that the two countries had achieved remarkable results in economics, trade, culture, education and public health (particularly in the fight against malaria with Chinese aid). Niang also had talks with Foreign Minister Yang Jiechi (XHNA, 19 May).

The Somali Foreign Minister, Mohammed Abdullahi Omaar, had talks with Foreign Minister Yang Jiechi in Beijing on 25 April. Yang said that China had consistently supported the peace process in Somalia and the transitional government's efforts to restore domestic peace. He said China was willing to make efforts to promote bilateral ties further (XHNA, 25 Apr.).

The President of Namibia and Chair of the South African Development Community (SADC), Hifikepunye Pohamba, visited China from 3 to 5 June to encourage further co-operation between China and the organization. He met President Hu Jintao on 5 June who praised the work done by the SADC to

boost solidarity and co-operation in southern Africa. Hu said that China looked forward to further co-operation with the SADC and wanted to establish a formal consultation mechanism at an appropriate time (XHNA, 6 June).

China supported the interim agreement reached by North and South Sudan on demilitarizing the Abbey area. Wang Min, China's Deputy Permanent Representative at the UN, said that the agreement showed the "good wishes of both north and south for maintaining peace and stability in Sudan and the region." He added that "we hope both north and south sides can capitalize on the conducive momentum at this moment, and reach a comprehensive solution for problems as existed in Southern Cordovan state and Blue Nile state, and implement the Comprehensive Peaceful Agreement comprehensively" (XHNA, 20 June). The Sudanese President, Omar Al-Bashir, paid a state visit to China from 27 to 30 June. In a pre-visit interview with Xinhua, he said that he regarded China as the strategic partner for Sudan in various fields, including the political, economic, commercial and cultural fields:

In the political field, we receive support from China at various international forums, while in the economic field, China is a partner for us in many projects, where it is funding many projects and the Chinese companies are the ones implementing many of our projects.... When the American companies refused to work in the oil field and when restrictions were imposed on the Western companies operating in Sudan, we found in China the real partner... While the agreements with the Western companies were unfair and a hundred per cent in their favour, the agreements with the Chinese companies constituted real exchange of benefits. In fact we have received a better offer from China than that of the Western companies (XHNA, 26 June).

Xinhua noted that the visit was intended to promote bilateral relations and contribute to the peace process in Sudan. China had played a unique role in keeping contacts with both sides and made intensive efforts to help achieve peace in Sudan. In response to a question about the arrest warrant for President Bashir issued by the International Criminal Court (ICC), the Chinese foreign ministry spokesman said: that China was not a party to the ICC statute and that President Bashir had visited many countries in recent years and been warmly welcomed there (XHNA, 28 June). President Bashir had meetings and talks with President Hu Jintao, Wu Bangguo, Chairman of the National People's Congress Standing Committee, and Vice Premier Li Keqiang. President Hu said that China firmly supported the peace process and had always respected the will and choice of the Sudanese people. Hu promised that China would follow a friendly policy towards Sudan, "no matter what changes in the international and internal situation of Sudan." China would continue to co-operate with Sudan and would encourage its companies to participate in the exploration and development of mining resources in Sudan. The two sides also signed a number of co-operation agreements during the visit. At the same as President Bashir was in Beijing, an envoy from the President of southern Sudan was also there and was received by Vice President Xi Jinping, who told him that: "China is ready to

promote friendly exchanges with southern Sudan on the basis of the Five Principles of Peaceful Coexistence” (XHNA, 29 June).

Arctic

China announced that it would launch a new icebreaker to take part in a 2013 polar expedition. Operating in the Arctic, it would form an Arctic-Antarctic maritime research team with China's other icebreaker the “Snow Dragon” (*Xue Long*). China now has three Antarctic stations (Changcheng, Zhongshan and Kunlun) and one Arctic station (Huanghe) (XHNA, 21 June).

Australasia (Australia)

The Prime Minister of Australia, Julia Gillard, visited China from 25 to 28 April. She had talks with Premier Wen Jiabao on 26 April. Wen noted that economic and trade co-operation had played a positive role in alleviating the impact of the financial crisis for both sides. He said that they should raise the level of co-operation in energy resources, and establish a long-term and strategic co-operative relationship through trade, investment, service, and personnel training. They should develop new areas of co-operation such as new energy, clean energy and renewable energy research, and infrastructure (such as ports and railways). He called for more talks on their free-trade agreement. Prime Minister Gillard welcomed more co-operation in economy, trade, energy resources, investment, infrastructural construction, tourism, and humanities. After the talks they witnessed the signing of five co-operative agreements (involving co-operation in science and technology, customs, tourism and service trade), and a US\$600 million deal on financing for an iron ore project of Western Australia's Karara mining company. She then attended the China Australia Economic and Trade Co-operation Forum and met Vice Premier Li Keqiang (XHNA, 26 Apr.). She met President Hu Jintao on 27 April and left the following day (XHNA, 28 Apr.).

Central Asia (Kyrgyzstan, Mongolia, Uzbekistan)

The First Vice Premier of Kyrgyzstan, Omurbek Babanov, visited China from 6 to 9 April. He met Vice Premier Wang Qishan and Vice President Xi Jinping. Chinese reports noted that China would enhance co-operation with Kyrgyzstan in trade, transportation, finance, agriculture and security, and that China would continue to provide aid to Kyrgyzstan to help promote its stability and economic development as it recovered from last year's political turmoil (XHNA, 7 Apr.).

The Prime Minister of Mongolia, Sukhbaataryn Batbold, paid an official visit to China from 15 to 17 June. He had discussions with Premier Wen Jiabao, Vice President Xi Jinping and Wu Bangguo, Chairman of the National People's Congress Standing Committee. They discussed bilateral relations and international and regional questions in a “friendly and sincere” atmosphere, and

agreed to upgrade their good neighbourly partnership of mutual trust to a strategic partnership. During the visit the opening of a Mongolian Consulate in Hong Kong was announced and a number of agreements were signed, including a treaty on the handover of sentenced personnel, and agreements on economic and technical co-operation, on the prevention of theft, illegal excavation, and illegal import and export of cultural properties. They also signed a “Treaty on the PRC Government’s Provision of \$500 Million Preferential Export Buyer’s Credit for the Government of Mongolia,” and a five-year implementation plan on educational exchange and co-operation (XHNA, 17 June).

The Uzbek President Islam Karimov visited China from 19 to 20 April. He had talks with President Hu Jintao, Wu Bangguo, Chairman of the National People’s Congress Standing Committee and Premier Wen Jiabao. Eight agreements on subjects ranging from investment, economic co-operation, and finance to natural resources were signed during the visit, and the two sides issued a Joint Communiqué (XHNA, 19 Apr.).

Europe (Austria, Germany, Hungary, Spain, Turkey, Ukraine, EU)

The Austrian Chancellor Werner Faymann visited China from 5 to 7 May. He had talks with President Hu Jintao and with Premier Wen Jiabao. Premier Wen told him that China was ready to double trade in the next five years and welcomed Austrian investment. The two sides should deepen their co-operation in energy saving, environmental protection, renewable energy, modern manufacturing industry, and high technology (XHNA, 5 May). Chancellor Fayman met President Hu on 6 May and Hu told him that there were no fundamental differences between the two sides, both of whom advocated diversity of civilization and shared aspirations to boost their co-operation (XHNA, 6 May).

The German Vice Chancellor and Minister of Foreign Affairs, Guido Westerwelle, visited China from 31 March to 2 April to chair the first round of the ministerial level China Germany Strategic Dialogue with Foreign Minister Yang Jiechi. Following the talks with Yang, Xinhua noted that they had both called for a political solution to the crisis in Libya. It was announced that a comprehensive dialogue mechanism would be inaugurated later in the year, chaired by Premier Wen Jiabao and the German Chancellor Angela Merkel. Westerwelle’s visit also coincided with the opening of a major exhibition on the “The Art of the Enlightenment” in the National Museum of China (XHNA, 1 Apr.).

State Councillor Dai Bingguo, who had been Ambassador to Hungary earlier in his career, had separate meetings with the Hungarian President and Prime Minister while he was in Hungary for the EU–China High-Level Dialogue (XHNA, 13 May).

The Spanish Prime Minister, Jose Luis Rodriguez Zapatero, visited China from 12 April. He had talks with Premier Wen Jiabao who told him that China was ready to buy more Spanish government bonds and to play a part in

supporting the Spanish savings bank restructuring bond. Prime Minister Zapatero said that China's support had helped build Spain's confidence and ability to prevail over its difficulties. Premier Wen said that as a responsible and long-term investor in the European financial market, China supported the bailout measures by the EU and the IMF, and was convinced that Europe would achieve social stability and development. He said that China wished to develop an all-round strategic partnership with Spain (XHNA, 12 Apr.). Deals worth €8 billion were signed during the visit, and agreements were reached on co-operation in finance, wind energy, helicopter and valve manufacture (XHNA, 13 Apr.). Prime Minister Zapatero met President Hu Jintao in Sanya on 14 April before the Boao Forum.

The Turkish Deputy Prime Minister, Ali Babacan, visited China in early April. He met Li Changchun on 1 April. Li said that China stood ready to enhance co-ordination with Turkey and to implement consensus reached by both sides. Babacan noted the fruitful co-operation that there had been in economics, culture, tourism, infrastructure building and aviation (XHNA, 2 Apr.).

The Ukrainian Prime Minister, Mikola Azarov, visited China for the Boao Forum. He had a bilateral meeting with President Hu Jintao on 14 April, and they agreed to increase bilateral trade to US\$10 billion, with co-operation focussing on economy, trade, technology and space technology (XHNA, 14 Apr.). On 18 April he met Premier Wen Jiabao in Beijing, who told him that China was ready to establish and develop a strategic partnership with Ukraine, which he described as China's trustworthy friend and partner. He said that a co-operation mechanism at deputy Prime Minister level would soon be established. A number of bilateral co-operation documents were signed after the meeting (XHNA, 18 Apr.).

In advance of the China-EU High-Level Strategic Dialogue in Hungary, the Chinese Foreign Ministry spokesman publicly urged the EU to lift the arms embargo and to recognize China's market economy status at an early date. She said that China considered these matters to involve political discrimination against China and the sooner they were resolved the more progress could be made in the relationship (XHNA, 10 May). Vice Foreign Minister Fu Ying made the same points to reporters in Hungary on 12 May. A senior EU official was quoted by Xinhua as saying that the arms sale issue was a "known debate," which the two sides had discussed in detail many times. The EU delegation to the High-Level Strategic Dialogue was led by Catherine Ashton, the High Representative for Foreign Affairs and Security Policy. She said that the dialogue enabled the two sides to address in a systematic and real way key global issues of importance to both sides (XHNA, 11 May). The Dialogue was held on 12 May with State Councillor Dai Bingguo leading the Chinese side (XHNA, 12 May).

The President of the European Council Herman Van Rompuy visited China from 15 to May. He had talks with President Hu Jintao on 16 May. Hu said that the "Chinese side has always approached China-EU relations from the

perspective of the development of the times and from a strategic height, and we are willing to work together with the EU side to make a better plan for and gain a better understanding of the overall development of China–EU relations, with a view to promoting China–EU comprehensive strategic partnership to a new level.” He also made a pitch for market economy status and for relaxation of the EU’s controls on the export of high technology. Van Rompuy said that: “Despite the fact that Europe and China were at different development phases and were on different growth levels, the two sides had many things in common. The two sides had tremendous co-operation potentials in the areas of investment and trade; and enjoyed broad co-operation space in the areas of dealing with climate change, finance, science and technology, and urbanization. The EU side was willing to strengthen its co-operation with China in various fields, expand people-to-people and cultural exchanges, jointly keep markets open, guard against protectionism, and see to it that the Doha round of WTO negotiations would yield results at an early date” (XHNA, 16 May). Premier Wen Jiabao told President Van Rompuy that China and Europe were two major forces in advocating peace and development in the world. He said that China was confident of Europe’s stability and prosperity, supported its integration, and attached importance to its position on the world stage (XHNA, 17 May).

The 30th round of the China–EU dialogue on human rights was held in Beijing on 16 June, led by Chen Cu, Director General of the Department of International Organizations and Conferences at the Ministry of Foreign Affairs, and by Jim Moran, Director for Asia at the External Action Service (XHNA, 17 June).

Japan

The Chinese Foreign Ministry spokesman said that China was concerned about reports that the Tokyo Electric Power Company had dumped 11,500 tonnes of liquid nuclear waste from the Fukushima Plant into the Pacific Ocean. He said that China was watching the situation closely and hoped that the Japanese would act in accordance with relevant international laws and take practical measures to protect the ocean environment (XHNA, 8 Apr.). Tests from around the country had found harmless levels of radioactive material from the plant in most regions of China, but there was no need to take protective measures according to China’s National Nuclear Emergency Coordination Committee (XHNA, 9 Apr.). On 15 April Kyodo News Service reported that China had effectively halted the import of all agricultural and food products from Japan. On 8 April the General Administration of Quality Supervision, Inspection and Quarantine had required all importers of these products from Japan to provide documents issued by the Japanese government certifying that they had been inspected for radiation and their place of origin – but no Japanese central government agency issued such documents (Kyodo News Service, 15 Apr.). The Chinese government reported on 19 April that it had banned the import of foodstuffs from 12 areas in Japan from 8 April, which it described as measures based on considerations of

public health. It said that they were moderate compared to the regimes imposed by other countries (XHNA, 19 Apr.).

Premier Wen Jiabao attended the fourth trilateral meeting of the leaders of China, Japan and South Korea and then toured Japan including the disaster-hit areas of Miyagi and Fukushima on 21 and 22 May. An advance briefing by the Ministry of Foreign Affairs said that the visit was intended to give further impetus to the practical co-operation between the three countries, and would contribute to regional peace, stability and prosperity. In addition to the leaders' meeting, Wen had separate bilateral meetings with Prime Minister Naoto Kan and President Lee Myung-bak (XHNA, 18 May). The three leaders issued a joint declaration (text in XHNA, 22 May) after their discussions. According to the Japanese Foreign Ministry, the main topics discussed in the bilateral meeting were nuclear power safety, disaster prevention and post-disaster relief efforts, environmentally friendly energy saving, and reconstruction support. Prime Minister Kan said he would visit China later in the year. The Chinese agreed to send a large-scale tourism mission to Japan and a delegation to promote support for reconstruction and for trade and investment. China would lift restrictions on a number of Japanese food products. They also discussed greater transparency on the Japanese side over information on radioactivity, rare earth supplies, the development of resources in the East China Sea, and human rights. They agreed to aim for a target for bilateral trade of US\$300 billion in 2015 (Kyodo News Service, 22 May).

Koreas (Democratic People's Republic of Korea, Republic of Korea)

Kim Kye-Gwan, the First Vice Minister of Foreign Affairs and North Korea's lead negotiator at the Six-Party Talks, visited China in April and had talks with the Foreign Minister and with China's special representative on Korea. But no details were released of the substance of the conversations (XHNA, 11 Apr.). The Chinese Foreign Ministry spokesman said on 19 April that "the situation on the Korean Peninsula has recently shown signs of easing and relevant parties are gradually conducting interactions ... we hope all parties involved can take advantage of the current opportunities, have contact and dialogue in all forms and create conditions for resuming the Six-Party Talks at an early date." This followed renewed diplomatic activity with Hillary Clinton visiting Seoul (XHNA, 19 Apr.). In response to the announcement that the US was imposing sanctions on a North Korean Bank for its role in weapons related transactions, the Foreign Ministry spokesman said that "China hopes relevant parties will exercise flexibility by doing more to ease tensions in an effort to create conditions for resuming Six-Party Talks" (XHNA, 21 Apr.). China's special representative for the Korean Peninsula, Wu Dawei, visited South Korea on 26 April (at the same time as former President Carter and the "elders" group were visiting North Korea) (Yonhap News Agency, Seoul, 26 Apr.).

Kim Jong Il paid an unannounced visit to China which was picked up by the South Korean press, initially thinking he might be Kim Jong Un. He travelled by

train to Changchun in Northeast China on 21 May where he visited a car plant. He then travelled on to Yangzhou on 22 May, before visiting other cities in the area including Nanjing where he visited IT companies, a solar energy company and a large discount store as well as a top electronics company. The aim of the trip was apparently to learn from China's market-oriented reforms, and to expand the bilateral economic relationship and seek more economic aid from China. He had talks with Premier Wen Jiabao and President Hu Jintao on 26 May, and then left for Pyongyang (Yonhap News Agency, Seoul, 21, 22, 25 26 May). After Kim's departure, the Chinese press reported on the visit, giving some details of his discussions with President Hu and Premier Wen. Kim reportedly said that North Korea advocated an early resumption of the six party talks. President Hu spoke highly of North Korea's efforts to ease tensions on the peninsula and to improve the external environment. He said that "China maintains that related parties should continuously hold high the banner of safeguarding peace and stability on the Korean Peninsula and denuclearization, remain calm and restrained, show flexibility, remove obstacles, improve relations and make positive efforts to ultimately accomplish peace, stability and development on the peninsula" (XHNA, 26 May).

The South Korean Prime Minister, Kim Hwang-sik, visited China from 12 to 15 April. He had talks with Premier Wen Jiabao on 13 April and they agreed to develop further their strategic and co-operative partnership. They undertook to lift bilateral trade to US\$300 billion by 2015, and Wen noted that they had huge potential for co-operation in telecommunications, shipbuilding, finance, logistics, high technologies and environment. Wen said that dialogue and consultation were the best way to solve issues on the Korean peninsula (XHNA, 13 Apr.). Kim met President Hu Jintao in Sanya on 14 April just before the Boao Forum (XHNA, 14 Apr.). According to the South Korean press, the leaders discussed co-operation on nuclear safety (following the disaster in Japan) and Premier Wen asked Korea to push ahead with their plans for a free-trade agreement (Yonhap News Agency, 18 Apr.).

Latin America (Brazil)

President Dilma Roussef of Brazil paid a state visit to China from 12 to 13 April and then went on to attend the BRICS meeting and the Boao Forum. She had talks with President Hu Jintao on 12 April and also met Wu Bangguo, Chairman of the National People's Congress Standing Committee, and Premier Wen Jiabao. After the talks with President Hu, the two sides issued a joint communiqué which noted the fast growth of trade and investment, and undertook to expand co-operation in the high-tech industry, automobile, energy, mining and logistics sectors. They also agreed to deepen co-operation in aviation, especially business jets and regional aircraft, and to co-operate in infrastructure construction, with Brazil welcoming Chinese bidding for high-speed rail projects. Over 20 co-operation deals were signed in the fields of politics, defence, science

and technology, water conservancy, quality inspection, physical training, agriculture, energy, electricity, communication, and aviation. Bilateral trade was over US\$56 billion in 2010 and China became Brazil's largest foreign investor that year (XHNA, 12 Apr.).

Middle East (Bahrain, Iran, Libya, Morocco, Syria, Tunisia)

The Foreign Ministry spokesman said on 30 June that China supported Bahrain's efforts to maintain its national stability and development. He added that China hoped that the various parties in Bahrain would soon achieve long-term peace and stability for the country by means of dialogue, (XHNA, 30 June).

Following the news that the Iranian President had welcomed an EU proposal to resume talks between Iran and the P5 + 1 (Germany) on the nuclear issue, the Chinese Foreign Ministry spokeswoman said that she hoped talks could start at an early date, and that China had always supported the proper resolution of Iran's nuclear issue through negotiations and dialogue (XHNA, 10 May). On 23 May the Iranian Foreign Minister Ali Akbar Salehi made a public offer for Chinese technicians and experts to inspect Iran's nuclear facilities in order "to get more acquainted with the country's peaceful nuclear programmes" (Islamic Republic News Agency website, Tehran, 23 May). He visited China on 23 and 24 May and had talks with Foreign Minister Yang Jiechi during which they exchanged views on nuclear issues, as well as bilateral relations and other issues of common concern. The Chinese Foreign Ministry spokeswoman said on 24 May that Iran should start a new round of nuclear talks with the P5 + 1 at an early date. She said that China would seriously consider the offer the Iranians had made about inspections (XHNA, 24 May). He also met Vice President Xi Jinping.

Chinese commentary regularly emphasized that discussions and dialogue were the only effective way of producing a solution to the crisis in Libya and warned that continued use of force would only complicate the issue. China's view was summed up in four points: a) the turmoil in the countries concerned was an internal affair of those countries, and their political future should be determined by the people of the countries concerned without foreign interference; b) the issues raised should be resolved through dialogue between the relevant parties and violence was undesirable; c) the international community should do all it could to maintain peace and stability in the region, and to maintain stable oil prices; and d) the League of Arab States and the African Union should play an important role in resolving issues in the region (*People's Daily* website, 2 Apr.). The Bank of China (BOC) announced on 4 April that it had been monitoring the situation in Libya closely and that its business (mainly covering advance payments for projects and performance guarantees) had so far suffered no actual losses and that the risks were controllable. It had earlier been reported that three Chinese banks, including the BOC, had been asked by Libyan partners for extensions of letters of guarantee. The Ministry of Commerce had said that

it was working with the authorities to help affected banks and companies respond “properly” to the Libyan requests (XHNA, 4 Apr.). The Chinese Foreign Ministry spokesman said on 22 April that China disapproved of any actions beyond the authorization of the UN Security Council. He was commenting on reports that Britain was planning to send military officers to advise rebel forces in Libya (XHNA, 22 Apr.). On 2 May, the Chinese Foreign Ministry spokesman expressed concern at the number of civilian casualties from the escalating conflict in Libya. She was commenting on reports that Colonel Ghaddafi’s grandson had been killed in an air raid. She said that “The Chinese side always disapproves of any actions that exceed the UNSC authorization. It is hoped various parties will immediately cease fire and adopt peaceful methods, including dialogue and talks, to politically resolve the current Libyan crisis” (XHNA, 2 May). Li Baodong, China’s representative at the UN, said on 4 May that China was not in favour of arbitrary interpretations of the UN Security Council resolutions on Libya or of any actions that went beyond their mandate. The international community should respect the sovereignty, independence, unity and territorial integrity of Libya, and the future of Libya should be left to the people of Libya to decide. China believed that the priority was to achieve an immediate and unconditional ceasefire and that peaceful means of dialogue and negotiations were the right way forward to find a political solution to the Libyan crisis (XHNA, 4 May). The Chinese Foreign Ministry spokesman confirmed on 3 June that China’s Ambassador to Qatar had met the Libyan opposition leader Mustafa Abdel Jalil, but gave no further details (XHNA, 3 June). Chinese diplomats stationed in Egypt then met him in Benghazi on 6 June. They had travelled to Benghazi to observe the humanitarian situation. The spokesman for the Foreign Ministry said that China believed that “all sides of Libya should put the national and people’s fundamental interests front and centre and take into full account the mediation plans of the international community so as to solve the Libyan crisis by political means” (XHNA, 6 June). The following day it was announced that a special envoy of the Libyan government would visit China from 7 to 9 June and meet Foreign Minister Yang Jiechi (XHNA, 7 June). Yang told Abdul Ati Al-Obidi that the top priority was for the interested parties to seek a ceasefire to avoid greater humanitarian disasters and to solve the crisis through political means. He reiterated that China was opposed to any act that went beyond the authorization of the Security Council (XHNA, 8 June). The leader of the Libyan opposition, Mahmud Jibril, visited China from 21 to 22 June and met Foreign Minister Yang Jiechi. Yang said that the National Transitional Council had become an important political force in Libya and that China saw it as an important dialogue partner. He said that China was not seeking any private interest in the Libyan issue, which it believed was essentially an internal Libyan issue, and that the future of Libya should be decided by the Libyan people. He said that the two sides in the conflict should truly give peace a chance which would work for the fundamental interests of the Libyan people. For his part Jibril was quoted as saying that the NTC appreciated

China's fair position and active role in resolving the crisis, and said that they would take all necessary measures to protect the safety of Chinese people and property in areas under their control (XHNA, 22 June).

The Moroccan Foreign Minister, Taieb Fassi Fihri, visited China from 10 to 12 April. He had talks with the Foreign Minister, Yang Jiechi, and with Vice President Xi Jinping. Xi noted China's concerns with the unrest in the region and said, "We believe the affairs of West Asian and North African nations should be left to decide on their own. We expect the regions to resume stability as early as possible." He added that China's relations with Morocco enjoyed a solid political foundation and a broad public basis (XHNA, 11 Apr.). On 24 June, the Chinese Foreign Ministry expressed support for the constitutional reforms in Morocco: "We have noticed the progress Morocco has made in its constitutional reforms, and we hope the country will keep pushing the process forward" (XHNA, 24 June).

Li Baodong, China's representative at the United Nations, said on 27 April that China was following the developments in Syria closely and was deeply concerned about the effect recent events in the Middle East were having not just in the countries concerned but also on stability in the region: "We welcome the fact that the government of Syria has lifted the state of emergency and announced that it will carry out political reforms and started a national dialogue" (XHNA, 27 Apr.). On 21 June, the Foreign Ministry spokesman said that China supported dialogue and co-ordination amongst the various parties in Syria, and that China supported Syria to choose a development path that suited its national conditions so as to achieve long-term stability and prosperous development. He called on the international community to play a constructive role in promoting peace and stability in Syria (XHNA, 21 June).

China's first shipment of emergency humanitarian aid to Tunisia left China on 7 April. The materials included tents and medicines to help with looking after refugees from Libya. This was in fulfilment of China's pledges in March to offer aid to Egypt and Tunisia worth US\$50 million (XHNA, 7 Apr.). Vice President Xi Jinping met Mouldi Kefi, the Foreign Minister of the Tunisian interim government on 20 May. He said that China believed that "the Tunisian government and its people have the ability, wisdom and ways to find an economic system and road of development suitable for the country's conditions" and that they could realize social stability and economic prosperity. Kefi also met Foreign Minister Yang Jiechi during his visit from 19 to 21 May (XHNA, 20 May).

The Chinese Ambassador to Yemen said on 27 June that the political crisis could only be solved through internal dialogue and peaceful means (XHNA, 27 June).

South East Asia (Burma, Indonesia, Malaysia, Singapore, South China Sea)

Xu Caihou, Vice Chairman of the Central Military Commission, visited Burma in mid-May and met President U Thein Sein and the Speaker of the Lower House for an exchange of views on matters of common concern. The President said that

Xu's visit reflected the friendly relations between the two countries and the two armed forces. Xu stressed the need to maintain stability and prosperity in the border areas, and said that China believed that the Burmese government could cope properly with challenges at home and abroad and could manage related issues peacefully to create a stable environment for its economic development (XHNA, 13 May). Xu had talks with the Commander in Chief of the Burmese forces, General Min Aung Hlaing on 12 May. He said that the two armed forces had long "maintained friendly exchange and launched outstanding practical achievements in reciprocal visits at high level, training of military personnel, border personnel exchange, not only boosting respective defence and armed forces construction but also making new contribution to the all-sided development of the two countries' relations" (XHNA, 12 May). The Burmese President U Thein Sein visited China from 26 to 28 May. He was scheduled to have talks with President Hu Jintao, Premier Wen Jiabao and Jia Qinglin. Bilateral trade was US\$4.44 billion in 2010, an increase of over 50 per cent from the previous year. Chinese investment in Burma stood at US\$15.5 billion in March 2011 (XHNA, 26 May). In the meeting with President Hu Jintao they agreed to upgrade their relationship to a comprehensive strategic co-operative partnership. President Hu said that economic co-operation between the two sides should be better co-ordinated and planned, and they agreed to work more closely in the areas of energy, transportation and agriculture. After the talks they witnessed the signature of a number of economic agreements (XHNA, 27 May).

Malaysian Foreign Minister, Anifah Aman, visited China from 17 to 21 April. He met the Foreign Minister, Yang Jiechi, on 18 April. Yang said that the strategic co-operation between the two countries had been developing smoothly with frequent top-level visits and deepening political mutual trust (XHNA, 18 Apr.).

The Singapore Senior Minister, Goh Chok Tong, visited Hong Kong on 11 and 12 April and then went to Hainan for the Boao Forum. He visited the Sino-Singapore Tianjin Eco-City on 17 April and then had talks in Beijing with Premier Wen Jiabao and the Governor of the People's Bank of China (XHNA, 11 Apr.). After his meeting with the Governor, Goh announced that the People's Bank of China had agreed to designate a Chinese bank in Singapore to undertake the clearing of renminbi trade (XHNA, 19 Apr.).

Following reports that the Philippines had filed a note with the United Nations claiming sovereignty over the Kalayaan Island Group, the Chinese Foreign Ministry spokesman said that China could not accept this claim and that it had undisputed sovereignty over the South China Sea islands and adjacent waters (XHNA, 14 Apr.). The Chinese Foreign Ministry rejected Philippine protests over the movement of its new deep-water drilling platform into the South China Sea. The spokesman said on 2 June that Chinese companies' activities in their own territorial waters were completely normal (XHNA, 2 June). Chinese Foreign Ministry spokeswoman Jiang Yu said on 28 May that China has always been committed to safeguarding peace and stability in the South China Sea and that it is ready to work together with all the parties concerned

to seek ways to appropriately resolve the relevant disputes, earnestly implement the Declaration on the Conduct of Parties in the South China Sea, and conscientiously safeguard stability in the South China Sea. This followed Vietnamese reports that Chinese maritime surveillance vessels had been interfering with oil and gas exploration. Jiang said,

China's stance on the South China Sea is clear and consistent. We oppose the oil and gas operations conducted by Vietnam in the sea area under China's jurisdiction, which have undermined China's interests and jurisdictional rights in the South China Sea and violated the consensus both countries have reached on the issue. What the relevant competent Chinese department did was completely normal marine law-enforcement and surveillance activities in China's jurisdictional sea area (ZXS, 28 May).

China rejected Vietnamese reports that Chinese ships had fired warning shots at Vietnamese fishermen near the Spratly Islands. The spokesman said on 3 June that the reports were sheer fabrications. He added that China was committed to safeguarding peace and stability in the South China Sea and was willing to make concerted efforts with relevant countries to make the South China Sea "a sea of peace, friendship and co-operation" (XHNA, 3 June). The Foreign Ministry spokesman said that Philippine complaints about Chinese ships infringing on the rights of Philippine fishermen were groundless. He said that it was entirely proper for Chinese ships to carry out routine patrols and scientific research and surveys in areas under the jurisdiction of China, and demanded that the Philippines stop unilateral actions that violated China's sovereignty and maritime rights and interests (XHNA, 7 June). China rejected suggestions that the US might take a more direct role in the South China Sea. The Foreign Ministry spokesman said on 14 June that the problem lay with some countries taking unilateral action to impair China's maritime rights and interests and sovereignty, and then releasing groundless and irresponsible remarks in an attempt to complicate the issue. He said that China hoped that the involved countries would do more to contribute to peace and stability in the region. For its part, China would not resort to force and wanted to resolve matters peacefully through friendly consultations and negotiation (XHNA, 14 June). On 28 June, the Vietnamese sent a special envoy to discuss the question with China, and the Foreign Ministry spokesman reported that the two sides unanimously agreed to resolve disputes through friendly consultations; not to adopt actions that would complicate and expand the situation; to oppose the intervention of outside forces in Sino-Vietnamese dispute; jointly to help maintain peace and stability in the South China Sea; and actively to help guide public opinions and prevent remarks and acts that undermine the friendship and mutual trust between the two peoples (XHNA, 28 June). The following day, the Defence Ministry spokesman said that the naval drills China had been carrying out in the past month were in accordance with China's annual exercise plan and were "irrelevant" to the South China Sea situation, and that others should view them in a rational and objective way. On the possibility of US-Philippines joint manoeuvres in the

area, he said that bilateral co-operation should not be directed against any third party or damage the interests of a third party. He said that there had never been any problems of freedom of navigation in the South China Seas (XHNA, 29 June).

South Asia (Afghanistan, Bangladesh, India, Pakistan, Sri Lanka)

The Afghan Foreign Minister, Zalmay Razaouli, visited China from 9 to 12 May, where he had talks with Foreign Minister Yang Jiechi and with Vice Premier Li Keqiang. He also gave a speech to the China Institute for International Studies. Vice Premier Li told him that China wished to cement its co-operation with Afghanistan on important international and regional issues. Minister Razaouli said that Afghanistan saw China “not only as a good neighbour, but also as a good friend.” Yang said that China would continuously support Afghanistan in safeguarding its national independence, sovereignty and territorial integrity, as well as support the country’s efforts to promote peace, stability and development (XHNA, 10 May). In response to President Obama’s announcement of the drawdown of US troops in Afghanistan, the Chinese Foreign Ministry spokesman said that China expected a peaceful and stable security power transition in Afghanistan: “China hopes that relevant parties will take responsibility in transferring security power to Afghanistan and help the country beef up its capability on security building so to ensure a peaceful and stable transition” (XHNA, 23 June).

The Foreign Minister of Bangladesh, Dipu Moni, paid an official visit to China from 15 to 23 June and had talks with the Foreign Minister Yang Jiechi, and Vice President Xi Jinping. She said that the visit was intended to keep up the momentum of bilateral relations and enhancing co-operation. Trade was now over US\$7 billion, but she had concerns about the imbalance in China’s favour even though it was somewhat offset by rising Chinese investment. She also visited Xi’an and Shanghai (XHNA, 20 June).

The Indian Prime Minister, Manmohan Singh, visited China to attend the BRICS Summit in Sanya, Hainan. He met President Hu Jintao for an exchange on bilateral issues in Sanya on 13 April. Bilateral trade between the two countries was US\$61.8 billion (XHNA, 13 Apr.). The Press Trust of India reported that they had discussed a wide range of issues including the trade imbalance about which the Chinese had agreed that they had some “responsibility.” The Prime Minister also said that he hoped that the decision to set up a new bilateral mechanism on border management would yield concrete results (Press Trust of India, 16 Apr.).

The Pakistani Prime Minister, Yusuf Raza Gillani, visited China from 17 to 20 May, partly to celebrate the 60th anniversary of diplomatic relations. He met Premier Wen Jiabao on 18 May. He gave a speech to the China–Pakistan Entrepreneurs Forum on 19 May noting that bilateral trade was expected to reach US\$15 billion in the coming years (it was US\$8.6 billion in 2010), and

another speech to students at Peking University. He met President Hu Jintao on 20 May. President Hu said China would enhance its co-operation with Pakistan in fighting terrorism and cross-border crime to create a sound security environment for the economic and social development of both countries. Gillani thanked him for his support and said that Pakistan wanted to strengthen practical co-operation in infrastructure, energy, agriculture, trade, finance, technology and culture, and to have better dialogue and co-ordination on international and regional issues. Three agreements on economic assistance, finance and mining were signed during the visit. The two sides issued a joint statement after the meeting (text in XHNA, 20 May). It was reported that China would take over the running of Gwadar Port as soon as the current agreement with the Singapore Port Authority expired (Associated Press of Pakistan, 21 May). This was later denied by Prime Minister Gillani (Dawn website, 7 June).

The Sri Lankan Foreign Minister, Gamini Lakshman Peiris, visited China and had talks with the Chinese Foreign Minister on 23 May. Yang noted that Sri Lanka had made great progress in economic and social reconstruction work and said that China attached great importance to its comprehensive strategic partnership with Sri Lanka (XHNA, 23 May). The Prime Minister of Sri Lanka, D M Jayaratne, visited China on 5 June to attend the opening ceremony of the 19th Kunming Import and Export Fair and the fourth South Asian Countries Trade Fair. He met State Councillor Dai Bingguo for a discussion on bilateral relations (XHNA, 5 June). President Hu Jintao had a brief bilateral meeting with Prime Minister Jayaratne in the margins of the St Petersburg International Economic forum on 17 June (XHNA, 17 June).

Taiwan

A row broke out over the way in which Taiwan was described at the World Health Organization (WHO). Initially, the Taiwanese seemed content because the invitation to their Health Minister had described him by his proper title, and President Ma Ying-jeou claimed that this had won dignity and respect for Taiwan. But it also appeared that an internal letter within the WHO had referred to the "Taiwan province of China." Taiwanese representatives were instructed to complain to the WHO Secretariat for denigrating its sovereignty by this reference (CNA, 9 May). President Ma later publicly complained against both the WHO and against China urging it not to jeopardize cross-Strait relations with its efforts to limit Taiwan's space for international engagement (CNA, 11 May).

Delegates from the Straits Exchange Foundation and the Association for Relations across the Taiwan Straits met in Taipei on 8 June to examine 15 new cross-Strait agreements and to try to reach agreement on them before the seventh round of the cross-Strait talks (*Taipei Times* website, 9 June). The meeting also decided to lift the ban on individual Chinese tourists visiting Taiwan (XHNA, 8 June).

Hu Jintao met the KMT Honorary Chairman, Wu Poh-hsiung, in his capacity as CCP General Secretary on 10 May. Wu was in China for the seventh

Cross-Strait Economic Trade and Culture Forum. Hu said that the two sides should cement their political foundations and expand consultations in order to create more favourable conditions for the development of cross-Strait ties. He called on the two parties to continue their efforts to oppose secessionists seeking Taiwanese independence and stick to the 1992 Consensus over the one-China principle (XHNA, 10 May).

Fredrick Chien, a former Foreign Minister, and now head of Taiwan's delegation to the Boao Forum had two brief encounters with President Hu Jintao although he would not reveal what was said (CNA, 15 April). According to the Chinese press, Hu said that the two sides should continue increasing mutual trust and deepening co-operation to create more favourable conditions for the peaceful development of cross strait relations (XHNA, 15 April).

Liu Mingkang, Chairman of the China Banking Regulatory Commission visited Taiwan for a meeting with the Chairman of Taiwan's Financial Supervisory Commission, the highest level such meeting since the signature of the cross-Strait MoU on financial supervisory co-operation (CNA, 25 April). China continued to send high-level provincial delegations on buying and commerce missions to Taiwan. Ma Biao, Chairman of Guangxi Zhuang Autonomous Region, led a delegation to Taiwan from 23 to 26 April, where they signed 68 agreements of various kinds and bought NT\$100 million worth of agricultural products (CNA, 26 April). The Governor of Anhui province, Wang Sanyuan, visited Taiwan from 18 to 25 April with a substantial delegation to promote Anhui's cultural industries, Chinese medicine, tourism and painting and calligraphy (CNA, 18 April). The Governor of Sichuan visited Taiwan from 21 to 26 May. Accompanied by a large delegation he arrived in Kaohsiung saying that he hoped to step up trade exchanges between Taiwan and Sichuan (CNA, 21 May). The Governor of Henan province, Guo Gengmao, led a large buying mission to Taiwan from 17 to 24 June. It was announced that Henan intended to place orders for 8 million yuan worth of Taiwanese agricultural produce during the year (CNA, 21 June).

United States

State Councillor Liu Yandong visited the United States from 10 to 16 April to chair the second round of high-level consultations with Secretary of State Hillary Clinton on people-to-people and cultural exchanges. On 11 April Liu met Education Secretary Arne Duncan and Assistant to the President for Science and Technology John Holdren (XHNA, 12 April). The consultations took place on 12 April and the two sides agreed to increase and deepen their exchanges, with Liu speaking of the arrival of a "beautiful spring" of people-to-people exchanges. China announced the creation of an additional 10,000 scholarships for Americans who wished to learn Chinese. They also announced the inauguration of the China-US Women's Leadership Exchange and Dialogue (XHNA 13 April).

The third round of the Strategic and Economic Dialogue was held in Washington on 9 and 10 May and focussed on issues of strategic, long-term and overall significance. According to Xinhua both sides evaluated the experience positively. The economic track of the dialogue was co-chaired by Vice Premier Wang Qishan and State Councillor Dai Bingguo on the Chinese side, and by Hillary Clinton, Secretary of State, and Timothy Geithner, Secretary for the Treasury, on the US side. They also agreed to hold the strategic security dialogue and to launch consultation on Asia-Pacific affairs. Wang described the dialogue as a “great success” and Secretary Clinton called it productive and comprehensive. The two countries signed the US–China Comprehensive Framework for Promoting Strong, Sustainable and Balanced Growth and Economic Co-operation (XHNA, 15 May). The main topics of the dialogue were:

1. Promoting trade and investment co-operation, including promoting open trade and investment, promoting trade and investment co-operation between emerging industries, and promoting innovation co-operation;
2. Improving the banking system and tightening up banking regulation. Subject matters included measures for reforming the banking industry, co-operation in providing trans-regional banking regulation, and banking regulation for trans-regional capital flow;
3. Promoting economic restructuring and the change of development mode. The main issues were adjusting consumption and savings ratios, improving the social security net, and improving productivity and competitive capabilities;
4. Bringing about a strong, sustainable and balanced economic growth. The main issues were global macroeconomic situation and challenges, including Europe’s sovereign debt crisis, the impact that the situations in the Middle East and North Africa have on regional and world economies, and the impacts of Japan’s devastating natural disasters and energy price rises on the world’s strong, sustainable and even economic growth. It was hoped that the discussions would help promote a sustained global economic recovery, minimize the uneven global developments and promote reforms of the international monetary system (XHNA, 6 May).

In her opening remarks Secretary Clinton said that the United States did not see China’s growth as a threat and wanted to seek greater trust to work together with China on global issues. For his part, Vice Premier Wang said that they faced common challenges and opportunities for co-operation. At a subsequent press briefing the Chinese Minister of Commerce suggested that US companies were losing market share in China because of US government restrictions on exports of high technology (XHNA, 9 May). After the talks, State Councillor Dai was received by President Obama and they “exchanged views on economic, security and other issues of importance to both countries, including Iran and North Korea” (XHNA, 10 May). Human rights were also a matter of some discussion; an article by Hillary Clinton was published which described the situation in

China as deplorable. In the press conference after the meeting the Chinese said that they had made enormous progress in promoting rights, and suggested that political motivations were behind any criticism of their record (XHNA, 10 May). The strategic security dialogue was held during the main Strategic and Economic dialogue. It was chaired by Vice Minister Zhang Zhijun and by US Deputy Secretary of State, James Steinberg.

China reacted in a standard fashion to the publication of the annual US State Department report on human rights on 8 April. The Foreign Ministry spokesman urged the US to stop interfering in China's internal affairs under the pretext of human rights. He said that China was willing to engage in dialogue on the issue based on equality and mutual respect. He said that the US should reflect more on its own human rights issues rather than acting as a "preacher on human rights" (XHNA, 9 April). In order to help the US with its contemplation, China released its own report on the US's human rights record on 10 April (full text in XHNA, 10 Apr.). It claimed that the US used human rights as "a political instrument to defame other nations' image and seek its own strategic interests." It advised the US to "take concrete actions to improve its own human rights conditions, check and rectify its acts in the human rights field, and stop the hegemonistic deeds of using human rights issues to interfere in other countries' internal affairs." A further round of the human rights dialogue between China and the United States was held in Beijing on 27 and 28 April chaired by Chen Xu, Director of the Department of International Organizations and Conferences in the Ministry of Foreign Affairs, and Michael Posner, Assistant Secretary of State for Democracy, Human Rights and Labor. They had an "in-depth exchange of views on issues regarding bilateral co-operation in UN human rights field, the rule of law, labour rights, freedom of expression" which was described as "frank, open and constructive" (XHNA, 29 Apr.). The US delegation leader was later quoted as saying that there had been a serious backsliding in the human rights situation in recent months, and that there was a lot more to be done (*SCMP* website, 29 Apr.).

Chen Bingde, Chief of the PLA General Staff, visited the United States from 15 to 21 May. He had talks with Mike Mullen, Chairman of the US Joint Chiefs of Staff, and met US Defence Secretary Robert Gates, Secretary of State Hillary Clinton and Assistant to the President for National Security Affairs, Tom Donilon. In advance of the visit, Chinese sources spoke of new type of military relationship being developed featuring mutual respect and reciprocal beneficial co-operation. Chen's entourage included a political commissar of the Second Artillery Force, deputy commanders of Military Area Commands and an intelligence department chief of the General Staff Headquarters, among others. Chen was scheduled to visit Naval Station Norfolk, Fort Stewart, Nellis Air Force Base and the US Army's National Training Centre (XHNA, 15 May). The main outcomes as reported by the Chinese were

First, a healthy, stable, and reliable military relationship is an important component of the two countries' relations. Both sides agreed to make joint efforts to promote the

development of the two countries' military ties under the framework of the co-operative partnership featuring mutual respect, mutual benefit, and win-win results initiated by President Hu Jintao and President Obama. Second, both sides reiterated the importance of maintaining high-level contacts and dialogue between the two militaries and stressed the need to jointly foster a positive atmosphere for this. The Chinese PLA Chief of the General Staff and the Chairman of the US Joint Chiefs of Staff will conduct communication through the defence departments' direct telephone. Third, both sides reiterated that strengthening joint actions between the two countries' navies will be conducive to enhancing maritime military security and reducing risks. Both sides agreed that the two countries' navies will conduct exchanges, including carrying out navel vessels' formation movements at the Gulf of Aden, telecommunication exercises, and joint exercises against piracy. Fourth, both sides agreed to conduct exchanges on providing humanitarian rescue and reducing disasters, and to carry out a joint exercise on providing humanitarian rescue and reducing disasters in 2012. Fifth, both sides agreed to conduct exchanges on military medical sciences, exchanges between ships of the two countries' naval hospitals, and training on joint medical rescue. Sixth, both sides reiterated that exchanges in the fields of culture and sports between the two countries' militaries will be conducive to increasing mutual understanding and trust. The Chinese side invites the US Army Military Band and shooting team to visit China (ZXS, 19 May).

In the joint press conference on 18 May, Chen Bingde commented on US arms sales to Taiwan saying that the US–Taiwan Relations Act is essentially a law that interferes with China's internal affairs. Using a domestic law to meddle with the internal affairs of another country is, bluntly speaking, too domineering." He said that "sales will definitely have an impact on the relations. As to what the extent of the impact may be, it depends on the degree of the US arms sales to Taiwan." He denied that the test of the J-20 fighter during Secretary Gates' visit in 2010 had been timed to coincide with his visit. He also complained about the US high-tech ban on China as well as the EU Arms Embargo but claimed that they had only spurred China on to develop its own technology (ZXS, 19 May).

China and the United States held their first round of consultations on Asia-Pacific issues in Hawai'i on 25 June. The delegations were led by Vice Foreign Minister Cui Tiankai and by Assistant Secretary of State, Kurt Campbell. The talks were held in a "friendly, constructive and candid atmosphere," and Kurt Campbell said that the aim had been to get a "better understanding of each other's intentions, policies and actions toward the Asia-Pacific region" (XHNA, 25 June).

d *Defence Diplomacy*

As has become customary, the Chinese naval flotilla despatched to the Horn of Africa made a number of goodwill visits on its way home. The flotilla, consisting of two guided missile frigates and a general supply ship, visited South Africa and the Seychelles (XHNA, 4 April). China and Indonesia undertook joint training of their special forces in Indonesia in an exercise called "Sharp Knife 2011." It was the first such joint training (XHNA, 6 June).

Inward visits

Cameroon's Minister of Defence, Edgar Alain Mebe Ngo'o, visited China in April and had talks with Guo Boxiong, Vice Chairman of the Military Commission and with the Minister of Defence (XHNA, 8 April).

The Chilean Minister of Defence, Andres Allamand, visited China from 6 to 10 June and had discussions with Liang Guanglie, the Minister of Defence (XHNA, 8 June).

The Israeli Defence Minister, Ehud Barak, visited Beijing in June and had meetings with Minister of Defence Liang Guanglie and with Vice Premier Li Keqiang. Liang told him that China valued its relations with Israel and was willing to expand its practical co-operation with the Israeli military. Li said that relations between Israel and China were healthy with enhanced trade links and improved co-operation in agriculture and high technology. He said that military co-operation was an important part of their overall relationship (XHNA, 13 and 14 June).

The first Indian military delegation to China in over a year arrived in Beijing on 19 June, since the last visit was cancelled owing to the Chinese refusal to issue visas to the leader as he was stationed in Kashmir. China eventually began issuing visas again to Indian Kashmiri residents in 2011 and the resumption of military links was agreed when the Prime Ministers of the two countries met at the BRICS summit in China. The delegation was led by Major-General Gurmeet Singh of the Northern Command (Press Trust of India website, 19 June).

The Cambodian Deputy Prime Minister and Defence Minister, Tea Banh, visited in June and had talks with Vice President Xi Jinping who said that the comprehensive strategic partnership between the two countries had reached a new level, and that military co-operation formed an important part of that relationship (XHNA, 21 June). Defence Minister Liang Guanglie suggested that the two armed forces should continue high-level exchanges and strengthen communications on personnel training (XHNA, 22 June).

The Slovenian Defence Minister, Ljubica Jelusic, visited China in late June, the first visit at this level since Slovenian independence. She had meetings with Xu Caihou, Vice Chairman of the Military Commission, and with Liang Guanglie, the Minister of Defence. The two sides agreed to increase their military co-operation, citing the establishment of a dialogue mechanism between the two defence ministries and more co-operation in personnel training (XHNA, 27 June).

Outward visits

General Guo Boxiong, Vice Chairman of the Central Military Commission, visited Vietnam from 12 to 14 April. He met the Vietnamese Defence Minister on 13 April and they agreed to enhance their military co-operation, and the comprehensive strategic and co-operative partnership between the two countries. He also met the General Secretary of the Communist Party of Vietnam (XHNA, 13 April).

A press communiqué was issued during the visit. It expressed satisfaction with the state of military relations, and said additional steps would be taken to deepen exchange and co-operation in all areas. The two sides had agreed to increase high-level visits, and strive to enhance mutual trust. They would actively conduct border defence exchanges, including joint patrols of the land border and an enhancement of the joint naval patrol in the Beibu Gulf. There would be more academic exchanges, and middle-ranking and senior Vietnamese officers would receive short-term training in China. Direct telephone lines between Defence Ministries would be established (XHNA, 15 April).

The Minister of Defence, Liang Guanglie, visited Singapore, Indonesia and the Philippines from 15 to 23 May on an official goodwill visit to exchange views and depend practical co-operation. Admiral Wu Shengli, Commander of the Navy, also visited Singapore from 17 to 21 May (*Straits Times*, 21 May). He then travelled to Israel where he had talks with the Defence Minister and Commander of the Navy (*Jerusalem Post*, 26 May). Defence Minister Liang Guanglie visited Singapore again in early June to attend the Shangri-La security dialogue, the first time that a Chinese defence minister has attended. He had meetings in the margins with a number of other Defence Ministers including those from Singapore, the United States, New Zealand, Russia, India, Japan, Mongolia, Britain South Korea and Vietnam (XHNA, 3–6 June). Liang addressed a plenary session of the meeting and said that China was committed to safeguarding peace and stability in the South China Sea. He said that the overall security situation in the region was stable and the momentum for dialogue and consultation remained strong. He said that China would hold steadfast to its pursuit of peace and development, and stressed the defensive nature of its policies. He said China would pose no threat to any countries in developing its defence capabilities. “As I said, China did not, and does not, seek hegemony, and it shall not even when it is developed” (XHNA, 5 June).

e Aid

China issued a White Paper on Foreign Aid on 21 April. Introducing the White Paper at a press conference on 26 April, Vice Minister of Commerce Fu Ziying said that China would increase its assistance “to an appropriate extent” within its ability. In future China would seek to promote regional and sub regional co-operation through foreign aid and would allocate its resources through platforms such as the China Africa Cooperation Forum. China had been giving foreign aid since 1950 and by the end of 2009 it had offered aid to 161 countries and more than 30 international and regional organizations, providing 256.29 billion yuan in aid (XHNA, 26 April).

The White Paper consists of an Introduction and six sections with a conclusion. The six main sections are:

- I. Foreign Aid Policy;
- II. Financial Resources for Foreign Aid;

III. Forms of Foreign Aid;
IV. Distribution of Foreign Aid;
V. Management of Foreign Aid; and
VI. International Co-operation in Foreign Aid. It also had six Appendices with the texts of fundamental public documents on China's aid policy over the years.

The paper described the basic principles of China's aid as:

Unremittingly helping recipient countries build up their self-development capacity. Practice has proved that a country's development depends mainly on its own strength. In providing foreign aid, China does its best to help recipient countries to foster local personnel and technical forces, build infrastructure, and develop and use domestic resources, so as to lay a foundation for future development and embarkation on the road of self-reliance and independent development.

- Imposing no political conditions. China upholds the Five Principles of Peaceful Coexistence, respects recipient countries' right to independently select their own path and model of development, and believes that every country should explore a development path suitable to its actual conditions. China never uses foreign aid as a means to interfere in recipient countries' internal affairs or seek political privileges for itself.

- Adhering to equality, mutual benefit and common development. China maintains that foreign aid is mutual help between developing countries, focuses on practical effects, accommodates recipient countries' interests, and strives to promote friendly bilateral relations and mutual benefit through economic and technical co-operation with other developing countries.

- Remaining realistic while striving for the best. China provides foreign aid within the reach of its abilities in accordance with its national conditions. Giving full play to its comparative advantages, China does its utmost to tailor its aid to the actual needs of recipient countries.

- Keeping pace with the times and paying attention to reform and innovation. China adapts its foreign aid to the development of both domestic and international situations, pays attention to summarizing experiences, makes innovations in the field of foreign aid, and promptly adjusts and reforms the management mechanism, so as to constantly improve its foreign aid work.

Full text at http://news.xinhuanet.com/english2010/china/2011-04/21/c_13839683.htm

f *Terrorism*

The Chinese Foreign Ministry spokeswoman responded to reports of the death of Osama Bin Laden by saying that

We have taken note of the announcement. We believe that this is an important event and a positive development in the international fight against terrorism.... Terrorism is a common enemy of the international community. China is also a victim of terrorism. China has always opposed terrorism in all its forms and has actively participated in the international fight against terrorism. The Chinese side maintains that the international community should further strengthen co-operation to jointly fight against terrorism. The Chinese side believes that the fight against terrorism should address both the symptoms and root causes and should strive to eliminate the breeding grounds of terrorism (XHNA, 2 May).

The Xinhua commentary described the event as a major accomplishment in US anti-terror efforts, but warned that it would not serve as a panacea in the war against terror in Afghanistan, where the situation was continuing to worsen (XHNA, 2 May). China went on to describe the situation as still “grim and complex,” and called for more joint efforts by the international community to counter the threat of international terrorism (XHNA, 5 May). China also made a point of noting the contributions made by the Pakistanis in the war against terror. The Foreign Ministry spokeswoman said on 3 May that: “We noticed that the Pakistani Foreign Ministry has pledged not to allow its territory to be used for terrorist attacks against any country and it will continue to support the world’s anti-terror efforts ... so, China will continuously and firmly support Pakistan to lay out and implement anti-terror strategies based on its own domestic situation” (XHNA, 3 May). China, Kyrgyzstan and Tajikistan, all Shanghai Cooperation Organization members, held a joint anti-terrorism exercise in Kashgar on 6 May (XHNA, 6 May). In this context, Chinese Public Security officials said that they had detected signs that terrorists belonging to the East Turkestan independence movement had sneaked back into China via Central Asia (*SCMP* website, 9 May).

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