

China and India:
Newspaper Stories
2016

China

- Cao (prosecutor general at the Supreme People's Procurator) said the number of corrupt officials involved in the misuse and embezzlement of poverty relief funds has risen sharply due to "loopholes in the supervision mechanism, and the high number of anti-poverty projects and the huge funds involved". According to the SPP, 933 corrupt officials in charge of poverty alleviation were investigated by prosecutors last year, a year-on-year increase of 19.2 percent. In October, China set a goal of building a well-off society and lifting all poverty-stricken people in rural areas out of poverty by 2020. China's anti-corruption campaign will focus on investigating graft issues that involve exporting labour services, ecological protection, education and medical insurance, as well as minimum rural living allowances.
- The Chinese economy is facing the challenge of restructuring and while performances have varied across different regions and industries, the economy as a whole "has great potential," said Chinese Premier Li. "We have full confidence in the long-term growth prospects of the Chinese economy." The country will promote market competition and encourage innovation to unleash the economy's potential. China is carrying out supply-side reform and pressing ahead with many market-boosting measures, such as the administrative streamlining initiative, to provide better services and facilitate business start-ups. The country still has ample room for investment to boost the economy, Li said — in the under developed central and western regions, for example.
- Arjuna Capital (investment firm) is pressurising shareholder at seven tech giants (including eBay, Amazon, Google, Microsoft and Facebook) to disclose salary disparities between men and women. Women are traditionally deterred from the technology sector due to cultural beliefs where women should carry the bulk of the family's responsibilities. The company Tech X Women is to launch soon, offering advice to women so they can connect, share knowledge and support one another.
- The Chinese government's target of maintaining a "sustainable" range of 6-7 percent of annual growth is achievable in the coming five years as the country implements structural reform, said Angel Gurría, chief of Paris-based Organization for Economic Cooperation and Development (OECD). China's top legislators have already approved the national 13th Five-year Economic and Social Development Program (2016-2020) at their annual gathering.
- Beijing has resumed diplomatic ties with Gambia, the West African country that cut "diplomatic" relations with Taiwan in 2013. Foreign Minister Wang said both countries will explore cooperation in areas such as agriculture, investment, and trade and infrastructure.
- "But with the booming Chinese economy, domestic conditions have improved and there is a stronger need for talent. Not to mention the Chinese government has brought in a series of preferential policies to attract people back," Chen said. "In addition, a rapidly developing economy and a lot of emerging industries usually create more jobs and other opportunities and this is also a factor that adds to students' willingness to come back." Both the number of Chinese students heading overseas to study and the number of those returning to China after finishing their studies abroad have increased in comparison with the year before, the Ministry of Education said. Chen

Zhiwen, editor-in-chief of EOL, China's largest online education portal, said the trend started to become obvious a few years ago, when the Chinese economy took off and the economic gap between China and other developed countries began to shrink.

- The world's system of "global governance" badly needs China to deliver - and it needs it to deliver this year. Everyone has thought for a while that it would only be a matter of time before China began to take on more of a leadership role within the global economy. With a population of 1.3 billion people and an economy recently deemed by the World Bank to have become the world's second-largest, this has long seemed inevitable. China assumed the presidency of the G20 last December and it will therefore convene the next G20 summit of world leaders. The G20 unquestionably matters within the framework of global governance. China has published its key document setting out its main themes for Hangzhou summit and has followed the recent trend of phrasing these in an easy sound bite. It has thus talked of addressing four 'I' themes; namely, innovation, invigoration, interconnectivity and inclusion.
- China is responsible for a far smaller share of global warming than previously thought, according to new evidence published in the science journal Nature. They found that despite a recent abrupt increase in China's contribution to world CO2 emissions, the country only contributed to 10 percent of global warming.
- Scientists estimate that the government will invest no less than 5.9 billion yuan (\$910 million) on space science research during the period of the 13th Five-Year Plan (2016-20), according to a research report. Scientists estimate that the country's overall research and development funding will maintain 2.5 percent annual growth between 2016 and 2030. In 2011, China initiated the Strategic Priority Program on Space Science, the country's first project that includes a series of satellites planned purely for scientific research in space but not for economic benefit.
- The WIPO issued a report analysing the amount and sources of global IP applications in 2015, including patents, trademarks and industrial designs, in Geneva. "We see through this indicator that, while the United States of America maintains its premier position, the geography of innovation continues to shift and to evolve, with Asia, and in particular Japan, China and the Republic of Korea, forming the predominant geographical cluster," Gurry added (Director of WIPO). The report revealed that, with over 2,400 applications last year, China made the most filings for international trademark applications under the Madrid System since it became a member of the system in 1989. The country was in seventh place among all filers.
- Lin (former World Bank economist) says that modernisation doesn't need wholesale Westernization.
- Hong Kong is developing four more water sources in the city to address the possibility of water deficiency caused by unexpected extreme weather in the future. Currently, main water source is rainfall from natural catchment and supply from the Dongjiang River. City also supplies 80% of the population with seawater for flushing purposes.

- The largest nuclear security centre in the Asia-Pacific region, financed by China and the USA, has recently opened. It is capable of training 2000 nuclear security staff for China and other Asia-Pacific nations each year. The US is responsible for supplying nuclear security equipment.
- The construction of the China-Russia east-route natural gas pipeline and the Yamal liquefied natural gas (LNG) project, and called on both sides to maintain momentum of the projects, adding that discussions should start on new collaborations and cooperation models. Miller (Gazprom CEO) said Russia attached great importance to energy cooperation with China and that the east-route natural gas pipeline construction was being promoted, as planned.
- Ground infrastructure construction on China's gravitational wave research project, Tianqin, began in Zhuhai, Guangdong province. At an estimated cost of 10-20 billion yuan (\$1.5-3 billion), the project plans four steps during the coming two decades to launch three satellites into high Earth orbit and detect gravitational waves.
- Shanghai is set to open a Disney resort in June (first Disney theme park in China) and ticket sales for the opening were sold out in minutes. Package holidays include visiting the resort whilst visiting nearby Chinese towns.
- An energy saving reconstruction project targeting 160 buildings in Xingjian is being carried out. Additionally, 150 Chinese ministerial officials planted trees within Beijing to bring awareness about environmental protection. More than 1400 trees were planted.
- Of course BRICs you should already know A LOT about these (Brazil, Russia, India, China) But remember, these are not just Economic superpowers growing, but also Military Superpowers. Russia invading the Ukraine, possibly showing their military dominance on a world stage. China's military growth, with increased spending on their military per their GDP while their economy is still growing (some say it's slowing down, or that the growth will be too exponentiation and could burst?)
- The USA is big in this with it dominating most of the 20th century with its culture. Capitalism, McDonaldisation, Hollywood, etc. Even the BBC could be classed as influential figure in culture, as it is mostly spread across the world, with BBC WORLD NEWS, and many BBC TV shows (Doctor Who, Top Gear) being sold to other countries to be run on their own TV channels. Possibly even South Korea? K-Pop? We all know you have all listened to some K-pop or at least heard about it.
- The US has built up a massive trade deficit with China. The US argues that this is partly because China has kept its currency artificially weak, which makes its products cheaper overseas. Until the 1990s, the US economy grew strongly while China remained relatively stagnant. Since then, and especially since the turn of the millennium, China's growth rate has surged, driven by economic reforms, a huge workforce and massive investment.
- The US National Intelligence Council suggested that China, India and Brazil would grow at the expense of USA and EU. The hypermarket giant now buys 60 percent of its internationally made goods in China and works with over 300 vendors in the world's most populous country, said Ken Towle, CEO of Tesco China.

- Growth of China:
 - MEDC companies will invest in order to sell their products in an emerging market
 - Consumers benefit from cheap products that are mass produced in China
 - Could lead to a decline in US economy as India and China pay lower wages and produce goods more competitively
 - Western countries worried that Chinese influence in Africa is stronger than EU and USA
 - Increased environmental impact e.g. transport emissions, acidification and poor air quality

China Goes Global - Lecture by Professor Giles Mohan at the Open University

- Outward investment within China, e.g. to Africa, is becoming greater than inward investment.
- China runs a trade surplus with the rest of the world → selling their produce, have reserves.
- Hitchens (2008): China's imperialism in Africa is a 'wicked enterprise' and a 'slave empire'. Infrastructure, hospitals, schools in return for tax-free rich reserves.
- Mid-19th Century, Asia had almost half of global GDP. Dropped to 7% after colonialism (when western powers undermined Asian development).
- Instead of competing for Africa's attention, as USA and Russia did in the height of combat, China focused on friendship. In fact, many projects built by China have 'friendship' within the name: such as Friendship Stadium, Friendship Bridge etc.
- Cheaper products/infrastructure for Africa BUT environmental impacts and elite control ties.



- Number of child labourers aged 14 or below has dropped to 45 lakh in 2011 from 1.26 crore a decade before. Census figures in 2011 showed a 64% decrease in child workers over 10 years. More than half work in agriculture (cotton, rice paddies and sugarcane fields) where they are exposed to pesticides and risk injury. FOOD INSECURITY LINK. News laws hoping to be passed will double jail time for employing children to a maximum of two years with a fine of £500 to £200. But what about corruption? Critics question problems made for children who work for families.
- The report by Hong Kong-based Political and Economic Risk Consultancy ranks bureaucracies across Asia on a scale from one to 10, with 10 being the worst possible score. India scored 9.21. The report said India's bureaucracy was responsible for many complaints businessmen had about India, like lack of infrastructure and corruption. It also said that Indian bureaucrats were rarely held accountable for wrong decisions. (BBC, 2012)
- India has a 'Make in India' initiative in the defence sector which has stepped up the country's defence, ready for any terrorist attacks.
- Some of the ministers in Narendra Modi government are busy these days increasing their outreach to people through Twitter, after receiving a pointed direction from Prime Narendra Modi who has asked them to raise their profile on social media. Marginalises those who do not have access to technology.
- India has the world's largest number of people without access to safe water, according to a report released to mark World Water Day. In fact, this is responsible for around 1.4 lakh child deaths annually due to diarrhoea, a mainly water-borne disease.
- In order to provide better passenger amenities, railways have firmed plans to redevelop 400 major stations within India. Improvements will involve shopping complexes, foreign exchange kiosks and parking lots.
- In April, India will formally sign the Paris climate agreement adopted by 190 countries last December. This commits them to the UN. The agreement involves keeping GHG emission low to prevent the 2° C rise.
- Washington have expressed concern over India's recent missile launch which could threaten regional energy and nuclear security.
- The royal couple visited India in April 2016, showcasing India culture and landmarks on a worldwide stage.
- In Gujarat, only 530 doctors served in rural areas in five years.

Other

- Interestingly, O'Neill (who created the term BRICs) suggests that future power may not shift towards the BRICs alone. Instead MINT (Mexico, Indonesia, Nigeria and Turkey) countries will also begin to dominate the scene, since they have a large and youthful population. This can engender a 'demographic dividend' (when birth rates fall but there are enough people of working age to boost the economy). If so, old core nations will find themselves in an increasingly multipolar world as economies, populations and development of the BRICs/MINT countries triumphs. Concerning, whilst the BRICs and MINT both have large, youthful populations, old core nations such as the UK will face a growingly ageing population, possibly weakening military strength and economic development. This population structure will only change if core nations focus on increasing birth rates but, whilst efforts to reduce the birth rate in China have worked, increasing the rate has proved to be difficult.

Commentators claim that the world will move towards a 'post-core' state, opposing the analysis of Wallerstein and Frank who saw the 'core' countries rise. Some argue that powerful groups such as G8 will become irrelevant in comparison to the larger and globally representative G20, which includes BRIC and MINT members. The core nations may however see it favourable that growth in India has recently stalled whilst Brazilian manufacturers struggle to match prices of Chinese competitors. Perhaps such fluctuations will continue as the BRICs compete amongst themselves. Could core nations then use this to reclaim their wealth, using military might to obtain greater territory? This is unlikely, instead it seems plausible to assume that they will continue to spread indirect power, preserving prosperity through the growth of western culture abroad. In doing so, political influence may be recognised but not rewarded.

- "When adjusted for variations in the cost of living, 32.7 % of India's population live below the international extreme poverty line of \$1.25 per day. India is home to a third of the world's poor, a third of the world's slave population and on a host of other social and development indicators it continues to slip further and further behind other developing countries." The Diplomat, 2014

Though the Times of India could be bias, since it represents the country, it nonetheless depicts an array of stories, which generally presents India positively by emphasising development progression. For example, one article praises the fall in child labourers aged below 14, having dropped by 64% in the last 10 years. Could this decrease India's 'slave population'? More than half of these children worked in agriculture, perhaps to lessen the burden farmers' face. Patel (2007) claims that farmer suicides are worryingly common within India as food insecurity pressures continue to rise. The article, albeit looking at India's social growth, does however fail to recognise the negatives associated with tougher employment laws. For instance, jail time may be doubled for companies employing children but is this realistic as India faces widespread corruption within its bureaucracy, said to be 'the worst in Asia' (BBC, 2012). Perhaps then The Diplomat (2014) is right to criticize India's overall development, considering how corruption and poverty lower social development indicators. Additionally, if child workers are forbidden, poverty may increase as many children sacrifice education to support families by working. If laws intensify, there is likely to be a growth in the informal sector, potentially increasing injury risks and dislodgement between the government and the citizens.

At the same time, it seems as though India remains culturally rich as numerous stories focus upon Bollywood stars. India thus prides itself on its cultural heritage, showcasing this to the world. Though China has more Olympic medals than India, India dominates in feature film production. If India is to be a future superpower, perhaps it will spread control indirectly, as the USA currently does, by enhancing such cultural assets. For instance, the curry already has a favourable reputation within the UK, being the most popular takeout, bringing Indian styles to western audiences. It seems unfair to label India as

slipping 'further and further behind' when stories depict an improvement in social work and better government cooperation.

- "China's growth model is broken and can't be so easily fixed. Since the start of capitalist reforms in the 1980s, China excelled by throwing tons of resources into a modernizing economy — mountains of cash to build factories, roads and apartment towers, and millions of poor people into making iPads, blue jeans and cars. Under China's 'state capitalism,' **bureaucrats often directed the cash into massive infrastructure projects or favoured industries.** However, this growth engine can't keep purring indefinitely. The pools of idle labour that filled **Foxconn's assembly lines are drying up** — China's one child policy made sure of that, by **ageing the population more rapidly. The workforce has already started to shrink.**" Time magazine, 2013

China is far more conscious of its global image than India, releasing articles which particularly focus upon development and global dominance. For instance, there are reoccurring references made to the '13th Five-Year Plan' which, beginning in 2016 and finishing in 2020, will build a 'moderately well-off society' whilst introducing reforms within the economic, political and social spheres. 'China's Development Forum 2016' being held in March will include 130 foreign guests and 300 foreign observers, propelling China's development plans onto a worldwide stage. China may be a modernising economy, as Times Magazine states, but it still places importance on future development such as investing within space innovation, planned alongside the development plan.

Although the one-child policy and the yellow fog alerts, hindering the health of urban populations, has caused a decrease in the workforce, recent reports state how oversea students have returned to their home country. Emerging industries have opened up greater job opportunities, inviting back academic students. Perhaps this could push China's economy from being manufactured based to a tertiary based economy, akin to the current superpower, the USA.