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La China de Xi: el surgimiento de la política del Partido

El presidente concentró más poder de decisión que sus predecesores, notablemente en el área económica y frente a los poderes provinciales y locales. Incluso, representantes del Partido se hacen presentes en negociaciones con extranjeros.

[Xi's China: The rise of party politics](#)

By Tom Mitchell

Financial Times - 25/7/2016

Part one: The president is wresting control of economic policy away from other parts of government

A front-page article in the People's Daily in May sent shockwaves through the Chinese bureaucracy. It quoted an unidentified "authoritative figure" warning readers of the ruling Communist party's flagship newspaper about the country's dangerous addiction to debt.

After a tumultuous start to the year, which began with a stock market and currency crisis, the government had needed strong first-quarter growth to restore confidence in its ability to manage the world's second-largest economy. So there was relief when it was announced, on April 15, that the economy had grown 6.7 per cent in that period. The feeling soon evaporated, however, over concerns that the growth had been "bought" at the expense of financial discipline. In January alone, banks had issued Rmb2.54tn (\$380bn) in new loans, expanding China's property bubble and giving rise to a new one on its commodity exchanges.

According to party and government insiders, the article – a blunt warning that things had to change – was written by one of President Xi Jinping's key economic advisers, Liu He, who runs a Communist party "leading group" on financial and economic affairs. Such groups have existed for decades but since Mr Xi took office in March 2013 they have achieved a new prominence as he employs them to drive home his status as the country's most powerful leader since Deng Xiaoping.

The front-page story was interpreted by party officials as a shot across the bow of the government's top body, the State Council, traditionally responsible for the day-to-day management of the economy, and headed by Premier Li Keqiang. That the criticism can be traced back to a group headed by Mr Xi and one of his key advisers hints at their frustration with the State Council's handling of the economy.

“The leading group was annoyed by the first-quarter growth statistics because it felt that using the property sector and government-directed leverage to boost growth was irresponsible,” says one person familiar with the group’s deliberations. “Its argument was that Xi was going to have to get more involved [in economic policy]. Li hadn’t used the space effectively.”

The State Council information office says suggestions of discord between Mr Xi and Mr Li are “without foundation”. According to Li’s defenders, such debates are not suggestive of a broader factional rift between the president and premier. There is, however, increasing disagreement over how fast and effectively agreed policies are being implemented.

Presidential consolidation

China’s party-state has always been just that – a party-led entity. Mr Xi’s real power flows from his positions as party general secretary and head of its military commission, which controls the People’s Liberation Army. He assumed both posts in November 2012, four months before becoming president.

How has Xi Jinping, China’s leader since 2012, grown to have such power in such a short time and what does he want to do with it? James Kynge, the FT’s Emerging Markets Editor, talks to Kerry Brown, professor of Chinese politics at King’s College, and Tom Mitchell, FT Beijing Bureau Chief

The party’s primacy, however, has never been more blatant than it is today. In less than four years Mr Xi, the son of one of China’s founding revolutionary heroes, has placed it front-and-centre in spheres, such as economic policy, that were previously delegated to the State Council and its ministries. In doing so, he has transformed the nature of power in China and changed the way foreign governments, multinational corporations and international financial investors interact with the world’s most populous country.

“It [the article] was as if the chairman of a large state-owned enterprise had sent a critical email to the chief executive, cc’d to everyone in the company,” says one Asian diplomat. “After that, nobody was sure what to do.”

By telegraphing his intentions so explicitly on the front page of the party’s flagship newspaper, the president was further raising the stakes in what is already a bold gamble. Mr Xi had already shocked the establishment by unleashing the party’s anti-corruption watchdog to target not just the senior echelons of the party and government, but also the military. Now he is using another party entity to deliver a similar jolt to those running the economy.

His boldness appears motivated by two convictions: that China’s economy is poised at a “make-

or-break” moment, and that only a reformed party can steer the country through the treacherous rapids ahead.

Mr Xi has built his formidable reputation on the strength of his domestic anti-graft drive and a willingness to project power abroad, as Beijing asserts its territorial claims in the South and East China seas. But he will have to tackle deep-rooted economic problems in order to be recognised by history as a “transformative” leader in the mould of Deng, the architect of the country’s economic reforms, and its revolutionary founder, Mao Zedong. This partly explains the urgent tone of the People’s Daily broadside in May, especially as growth is slowing to rates not seen in a quarter of a century.

He has a commanding presence and rhetorical eloquence but also a ruthlessness that his two immediate predecessors, Hu Jintao and Jiang Zemin, lacked. “Xi’s rivals were shocked at how quickly he consolidated power,” says one senior Chinese government official.

By dint of his family’s revolutionary heritage and a career that has taken him through every level of government – from an impoverished village in the country’s north-west to head of one of its most economically advanced provinces – China’s president has demonstrated a fearsome understanding of the internal power dynamics of the Chinese Communist party.

Unlike his two predecessors, Mr Xi assumed control of the party military commission at the outset of his term and heads a streamlined Politburo Standing Committee, the party’s top decision-making body, which has been reduced in number from nine members to seven. Adding to the sense that China’s president had an ambitious blueprint, two of his erstwhile rivals – Bo Xilai and Zhou Yongkang – were jailed for life in 2013 and 2015 respectively for corruption.

“Jiang Zemin and Hu Jintao both began their terms in office with anti-corruption campaigns,” David Shambaugh, a Sinologist at George Washington University, said at a recent lecture in Beijing. “[The campaigns] both lasted about six months. They fizzled out and corruption continued to grow. This one has not fizzled out.”

Mr Xi’s anti-graft effort, which has felled more than 150 senior officials with vice-ministerial rank or higher plus thousands of other low-ranking figures, and the more muscular foreign policy are closely interlinked. One of the core aims of the crackdown has been to clear out the rot in the People’s Liberation Army, transforming it into a lean military capable of enforcing the country’s territorial claims.

Both initiatives are popular with the Chinese public. Ask any man or woman on the street what they think of their president, and the most common reply is that he is a strong leader who is fan fubai – “opposed to corruption”. His willingness to project power across the South and East China Seas also touches a chord with a populace steeped in nationalist propaganda – so much so that the party risks a political backlash if it is ever perceived to be weak in asserting territo-

rial claims.

That popularity has in turn given Mr Xi the political capital he needs to tackle his third and arguably most difficult policy objective – the most ambitious set of economic reforms since those launched by Deng almost 40 years ago. These include some 340 policy initiatives, ranging from the relaxation of China’s “one-child policy” to land reform, unveiled at the third plenary of the 18th Communist party congress in 2013.

Many of Mr Xi’s core reforms are politically risky, especially a “supply side” restructuring of the economy away from investment and heavy industry to consumption and services. They entail plant closures and job losses and must be enforced by central government ministries and local officials who fear the instability they could create. So far, China’s president has little to show for his bold economic vision.

“Almost three years later we see minimal implementation,” said Mr Shambaugh. “The [reform] package was more of a blueprint than a road map . . . There was no sense of prioritisation or sequencing in it. They sort of threw it all out there and said here are 340 things you [party and government officials] have to do.”

Party control

In frustration, Mr Xi is using the party to assert authority in areas traditionally devolved to central or local governments. The change has been so dramatic, especially over the past year, that party and government officials talk about Mr Xi’s rapid consolidation of power in martial terms. “The south,” they say, “has taken over the north.” The reference is to the 1.2 sq km compound at the heart of the Chinese party state, Zhongnanhai, where government offices are situated near the north gate while party offices are clustered further to the south.

A central element of Mr Xi’s power grab has been his use of the party “leading groups” – whose existence was in some cases treated as a state secret for many years – to co-ordinate policy-making and implementation across government agencies.

The leading group for financial and economic affairs run by Mr Liu, the president’s adviser and author of the People’s Daily article, is the most prominent. It first began to garner attention in the wake of the State Council’s botched effort last summer to rescue China’s cratering stock markets. “[Its] influence really increased in July [2015] after the stock market crisis,” says one Asian investment strategist who now receives news alerts every time Mr Liu or any of his party colleagues are quoted in the Chinese media. “What the leading group says seems to have more influence. Its voice is clearly becoming louder.”

Under Mr Xi they are increasingly recognised as important power centres. The president is director of at least six of the leading groups, including newly created ones focused on cyber space, economic reform and national security.

Evan Medeiros, a former Asia adviser to President Barack Obama now with the Eurasia Group, the political risk consultancy, says the function of the leading groups is “similar but not identical to” the National Security Council or National Economic Council in the US. “They can call together most other organisations and try to drive everybody to answers on difficult policy questions,” he says.

Foreign governments, companies and investors have taken notice. US and EU negotiators, for example, have been surprised to see representatives of the party in attendance at bilateral trade negotiations, in addition to usual suspects such as officials from the National Development and Reform Commission and banking regulator. “We always knew the party kept a close eye on things,” says a European diplomat. “But it never had a seat at the table before.”

Similarly, when US and European business groups last year sought to express their concerns over draft regulations governing Chinese banks’ use of foreign IT equipment, they sent a letter to the newly created Party Leading Group for Cyberspace Affairs, bypassing the banking regulator.

“There was a lot of discussion about whether to send it to the banking regulator,” says one person involved in the lobbying effort. “But we were worried it would just get lost in the weeds [there]. In our analysis the cyber space leading group was the swing factor.” After an intense lobbying effort by western trade associations and government officials, including Mr Obama, implementation of the draft regulations was delayed.

‘Disrupting the pecking order’

Such incidents have not endeared the party leading groups to front-line ministries and regulators, especially those traditionally entrusted with responsibility for the economy and financial sector.

“The leading groups add another layer to the decision-making process, which the bureaucracy hates,” says a former Chinese government official who maintains close ties to his former colleagues. According to another person close to Chinese policymakers, the leading groups have coalesced into a kind of “kitchen cabinet around Xi Jinping that has disrupted the pecking order”.

“The leading groups have gained more authority under Xi at the expense of the State Council

and the ministries,” agrees Timothy Heath, a China specialist at the Rand Corporation. “There is consensus in the [party] about the need to centralise power in this manner to ram through reforms.”

Whether Mr Xi succeeds in his ambitious project will have reverberations far beyond China and the Asia-Pacific region.

“Xi Jinping’s stable hold on power matters to us in ways that probably weren’t true even three or four years ago,” says Kerry Brown, a Chinese studies professor at King’s College London. “The EU is in disarray [and] America looks like it’s very unstable at the moment . . . [So] suddenly Xi becomes hugely geopolitically important in ways he probably didn’t want to be.

“We’re going to see pretty soon whether this man is for real. That means that he’s got to not just start talking about initiatives but really effectively implementing them.”

Xi’s leading man: When Liu met Lew

The Communist party leading groups that President Xi Jinping has used to consolidate his power often receive little, if any, mention in Chinese state media.

A notable exception is the group responsible for financial and economic affairs, which is increasingly at the forefront of important policy debates. Headed by Mr Xi, it has some two dozen members including Liu He, a key presidential adviser who runs the group’s general office and oversees its operations on a daily basis.

Mr Liu’s clout is increasingly recognised abroad. When China’s equity and currency markets melted down in January, it was Mr Liu who spoke about the developments in a phone call with Jack Lew, US Treasury secretary.

While Mr Liu holds a government position – he is one of 10 vice-ministers at the National Development and Reform Commission – he derives his real power from his party leading group job. It was in the latter capacity that he spoke to Mr Lew.

The US Treasury secretary has also visited Mr Liu at his office in an unmarked compound within easy walking distance of Zhongnanhai – the compound at the heart of the Chinese party state. According to visitors, one of the rooms in Mr Liu’s compound is lined with pictures of him meeting foreign dignitaries including Susan Rice, US national security adviser, and Christine Lagarde, managing director of the International Monetary Fund.

One foreign government official who recently visited Mr Liu says the president’s adviser is worried about the Chinese economy’s prospects. “He told us not to believe the people who say it’s

spring in China again. It's still winter.

“Our meeting with him was in English without translation and he was surrounded by overseas-educated staffers,” the person adds. “It was like meeting with a group of Americans except they were all members of the Chinese Communist party.”

Guerra con China. Pensando cuidadosamente lo impensable

La Rand Corporation presenta un análisis sobre las probabilidades de una guerra entre las potencias, sus consecuencias y las alternativas que tienen los líderes para evitar una confrontación armada.

[War with China](#)

[Thinking Through the Unthinkable](#)

By David C. Gompert, Astrid Cevallos, Cristina L. Garafol

Rand Corporation - 2016

Research Questions

What are the alternative paths that China and the United States might take before and during a war?

What are the effects on both countries of each path?

What preparations should the United States make, both to reduce the likelihood of war and, should war break out, to ensure victory while minimizing losses and costs?

Premeditated war between the United States and China is very unlikely, but the danger that a mishandled crisis could trigger hostilities cannot be ignored. Thus, while neither state wants war, both states' militaries have plans to fight one. As Chinese anti-access and area-denial (A2AD) capabilities improve, the United States can no longer be so certain that war would follow its plan and lead to decisive victory. This analysis illuminates various paths a war with China could take and their possible consequences.

Technological advances in the ability to target opposing forces are creating conditions of conventional counterforce, whereby each side has the means to strike and degrade the other's forces

and, therefore, an incentive to do so promptly, if not first. This implies fierce early exchanges, with steep military losses on both sides, until one gains control. At present, Chinese losses would greatly exceed U.S. losses, and the gap would only grow as fighting persisted. But, by 2025, that gap could be much smaller. Even then, however, China could not be confident of gaining military advantage, which suggests the possibility of a prolonged and destructive, yet inconclusive, war. In that event, nonmilitary factors – economic costs, internal political effects, and international reactions – could become more important.

Political leaders on both sides could limit the severity of war by ordering their respective militaries to refrain from swift and massive conventional counterforce attacks. The resulting restricted, sporadic fighting could substantially reduce military losses and economic harm. This possibility underscores the importance of firm civilian control over wartime decisionmaking and of communication between capitals. At the same time, the United States can prepare for a long and severe war by reducing its vulnerability to Chinese A2AD forces and developing plans to ensure that economic and international consequences would work to its advantage.

Key Findings

Unless Both U.S. and Chinese Political Leaders Decline to Carry Out Counterforce Strategies, the Ability of Either State to Control the Ensuing Conflict Would Be Greatly Impaired

Both sides would suffer large military losses in a severe conflict. In 2015, U.S. losses could be a relatively small fraction of forces committed, but still significant; Chinese losses could be much heavier than U.S. losses and a substantial fraction of forces committed.

This gap in losses will shrink as Chinese A2AD improves. By 2025, U.S. losses could range from significant to heavy; Chinese losses, while still very heavy, could be somewhat less than in 2015, owing to increased degradation of U.S. strike capabilities.

China's A2AD will make it increasingly difficult for the United States to gain military-operational dominance and victory, even in a long war.

Conflict Could Be Decided by Domestic Political, International, and Economic Factors, All of Which Would Favor the United States in a Long, Severe War

Although a war would harm both economies, damage to China's would be far worse.

Because much of the Western Pacific would become a war zone, China's trade with the region and the rest of the world would decline substantially.

China's loss of seaborne energy supplies would be especially damaging.

A long conflict could expose China to internal political divisions.

Japan's increased military activity in the region could have a considerable influence on military operations.

Recommendations

U.S. and Chinese political leaders alike should have military options other than immediate strikes to destroy opposing forces.

U.S. leaders should have the means to confer with Chinese leaders and contain a conflict before it gets out of hand.

The United States should guard against automaticity in implementing immediate attacks on Chinese A2AD and have plans and means to prevent hostilities from becoming severe. Establishing "fail safe" arrangements will guarantee definitive, informed political approval for military operations.

The United States should reduce the effect of Chinese A2AD by investing in more-survivable force platforms (e.g., submarines) and in counter-A2AD (e.g., theater missiles).

The United States should conduct contingency planning with key allies, especially Japan.

The United States should ensure that the Chinese are specifically aware of the potential for catastrophic results even if a war is not lost militarily.

The United States should improve its ability to sustain intense military operations.

U.S. leaders should develop options to deny China access to war-critical commodities and technologies in the event of war.

The United States should undertake measures to mitigate the interruption of critical products from China.

Additionally, the U.S. Army should invest in land-based A2AD capabilities, encourage and enable East Asian partners to mount strong defense, improve interoperability with partners (especially Japan), and contribute to the expansion and deepening of Sino-U.S. military-to-military understanding and cooperation to reduce dangers of misperception and miscalculation.

Los análisis chinos dan cuenta de los problemas económicos, especialmente en Venezuela y del giro político hacia la derecha, pero las autoridades afirman que actúan con pragmatismo y que la cooperación se mantendrá.

[China sanguine about Latin America's economic crisis](#)

China promises continued economic backing for Latin American countries despite Venezuela's meltdown and recession in Brazil, Argentina, writes Pablo Wang

By Pablo Wang

China Dialogue - 20/7/2016

For a country massively exposed to Latin America in terms of loans and investment, China's state media has been remarkably sanguine about the economic meltdown in Venezuela and deep recessions in Brazil and Argentina.

"Venezuela will not drag on its debt" was the title of a recent editorial in the state-run People's Daily. The paper also vaunts what it sees as a laudable attempt at wealth distribution by a socialist state backed by Chinese investment.

"Which country in this world would not want to ride on China's express train to economic development?," the People's Daily asked.

This official editorial was in response to a wave of speculation about the solvency of the Venezuelan government against the backdrop of a failing economy. Speculation has been growing that the crisis could topple the Chavista government which, for over a decade, has been friendly towards Beijing.

Venezuela's debt woes are set against the backdrop of wider political changes in Latin America.

After over a decade of the predominance of left-leaning governments on the continent, more centre-right political parties are taking power as voters have responded to recession and economic crisis.

In Argentina, Mauricio Macri's Cambiemos (let's change) alliance ended over a decade of populist government led by Cristina Kirchner, which had defied the international financial order on debt repayments and attracted Chinese investment in the absence of US and European inward investment.

In Brazil, embattled president Dilma Rousseff of the Workers Party has been suspended in an impeachment process and replaced by liberal Michel Temer. In Venezuela, Hugo Chávez's appointed successor Nicolás Maduro faces an unprecedented economic crisis and increasing pressure to step down after the opposition won an overwhelming majority in the National Assembly last year. And in Cuba, Raúl Castro's government has re-established diplomatic ties with the US and ended decades of economic embargo.

The leftist governments that swept to power around the turn of the 21st century, led by Chavez and Lula in Brazil, rode a tide of sky-high commodity prices, buoyed by Chinese demand. Countries rich in resources prioritised their extraction and export, with little concern about a price crash or the environmental impacts. Pundits in the Western media have been quick to chastise the Latin American left's management of resources and dependence on China.

Diplomatic pragmatism

Chinese foreign minister Wang Yi has acknowledged changes in Latin America's political landscape, but stressed that "China's policy of enhancing cooperation with Latin American countries remains unchanged".

In an official press release after a meeting with Argentine counterpart Susana Malcorra in Beijing on May 19, Wang said that although the volume of China-Latin America commodities trade has "slightly dropped", the difficulties facing Latin American countries are "temporary" and cooperation in investment, finance, production capacity and infrastructure will continue.

Malcorra, on behalf of Macri's new administration, was in Beijing to ratify infrastructure agreements signed by the previous administration. Despite the wish to "revise" certain aspects of the agreements, the new government emphasised a strong desire to "ratify the strategic alliance with China".

Venezuela woes

In June, the Financial Times reported that Chinese officials had met with Venezuelan opposition members to gain assurances that the country will honour its debts even in the event of a recall referendum that will cut short president Nicolás Maduro's term. The Chinese government denied the report the next day. The Financial Times also reported that Venezuela had requested a moratorium on its debt equivalent to US\$65 billion (435 billion yuan).

There is no official data on the exact amount or terms of the debt from the Chinese side, and media outlets – commercial or official – quote foreign news sources while denying their credi-

bility at the same time. The People's Daily editorial blamed "Western media" for playing up the issue, asserting that when financial and energy security are at stake, "it is common practice to keep details of the agreements secret".

"The current crisis in Venezuela makes Beijing uneasy," says Antonio Hsiang, director of the Centre for Latin American Economic and Trade Studies of the Chihlee University of Technology. Although South-South cooperation is not necessarily based on ideology, if a country of like Venezuela's strategic importance defaults, the failure of the "money for oil" model will deal a huge blow to Chinese diplomacy in Latin America, Hsiang tells *Diálogo Chino*.

He also believes that "leftist governments have a tendency towards anti-American rhetoric," adding that the current political shift in Latin America implies a loss of ground for Beijing in the Western hemisphere: "They are losing comrades in the diplomatic arena," he concludes.

Adapting to change

"In the next five to ten years, right-wing governments will play a leading role in Latin American politics," a 2015 yearbook published by the Latin America Institute of the Chinese Academy of Social Sciences predicts. The yearbook (not available online) was published on June 1 and highlights two major trends: "great political changes in the making" and an "overall economic downturn".

In the face of these changes, the 2015 yearbook suggests China should carry out "policy readjustments" and "strategic redeployment" in Latin America. With a clear emphasis on pragmatism, the yearbook further suggests pushing for greater cooperation on infrastructure projects to expand bilateral trade and commercial ties.

Wu Baiyi, head of the Latin America Institute of the Academy of Social Sciences, takes a longer view of Latin America's political changes and the region's 'inherently cyclical' electoral processes. The region's economic development, he says, is most important.

"If the right-wing governments cannot find a path out of the economic downturn... the Latin American left will very possibly rise again," Wu says.

La primera extradición china desde América Latina sienta precedente.

China logró extraditar desde Perú a un ciudadano chino acusado de contrabandear aceite de soja, como parte de su campaña para repatriar personas fugadas. A pesar de que su delito es condenable con pena de muerte, por el acuerdo no podrá serlo.

[Xinhua Insight: First Chinese extradition from Latin America sets precedent](#)

By Hou Qiang

Xinhua, 19/7/2016

China's precedent-setting extradition of a suspected criminal from Latin America is built on increasing recognition of the country's progress in human rights and will have long-lasting implications, according to Chinese authorities and experts.

After exhausting all legal remedies through Peruvian courts and Inter-American procedures, Huang Haiyong, who is suspected of smuggling crude soybean oil into China, was repatriated Sunday, the General Administration of Customs (GAC) said.

Since his capture by Interpol in 2008, Huang fought an eight-year battle against his extradition from Peru, and the case went as far as the Inter-American Court of Human Rights and the Constitutional Court of Peru, the GAC said.

It was the first time that the Inter-American Court of Human Rights heard an extradition case that concerned China, which emerged victorious in the judgment, said the GAC.

The case also marks China's first extradition of a criminal suspect from Latin America, and the repatriation was the first of its kind under an extradition treaty between China and Peru, according to the GAC.

Lengthy extradition

Despite the eventual success, the extradition was not always smooth, said Liu Huawen, a researcher with the Institute of International Law under the Chinese Academy of Social Sciences, whose expert opinion was provided by Peru to the Inter-American Court.

"Huang Haiyong created a number of obstacles to evade legal punishment, including claims that he could face the death penalty and risk of torture upon extradition," said the GAC, adding that Chinese officials traveled to Peru as many as six times.

The Inter-American Commission on Human Rights had sided with a number of Huang's arguments against extradition before submitting the case to the Inter-American Court, said Liu.

The court, however, found that extradition would not expose Huang to "a real, foreseeable and personal risk" of torture, according to its judgement.

The court also found that, based on China's standing criminal law, Huang could not possibly be sentenced to death upon repatriation.

China's criminal law used to allow for the death penalty for smugglers of ordinary merchandise, which included crude soybean oil.

But an amendment eliminating capital punishment for various economic crimes, including smuggling ordinary merchandise, came into force in May 2011.

Respect for human rights

Huang's capture is part of China's global campaign, nicknamed Fox Hunt, to capture fugitives. Data given by the Chinese Ministry of Public Security showed that the campaign helped return 857 fugitives to China between April and December last year.

Unlike other cases, China had to deal not only with a foreign country's legal system, but also the Inter-American mechanism, which emphasizes human rights protection, said Liu.

"China's progress in rule of law and human rights laid the foundation upon which the Inter-American Court rendered its judgment," said Liu, who specializes in human rights law. The Chinese government participated to exhaust nearly all possible legal proceedings sought by Huang, showing considerable respect for the rule of law in Peru and Latin America, said Tan Daoming, an associate researcher with the Research Institute of Latin America of the Chinese Academy of Social Sciences.

Precedent set

The process to extradite Huang has closely followed all relevant legal proceedings and is itself a prime example of China's respect for the rule of law, said Tan.

"The extradition provides valuable experience for further cooperation on extradition and law enforcement," the GAC said.

”Geographically and culturally speaking, Latin America is quite a distance from China. But the case sends a signal that Latin America will not be a shelter for criminal suspects,” said Yang Zhimin, a researcher with the Research Institute of Latin America at the Chinese Academy of Social Sciences.

La nueva relación comercial de ALC con China. ¿Integración o desintegración regional? Enrique Dussel Peters coordinador Red ALC-China

[Link](#)

¿Puede China eradicar la pobreza?

China redujo sustancialmente la pobreza, pero en el actual nivel de desarrollo y debido a la ampliación de las brechas de ingresos, la estimación y reducción de la pobreza son temas más complejos que en el pasado.

[Can China eradicate poverty?](#)

By Ding Dou*

East Asia Forum, 30/7/2016

China has had remarkable success in alleviating poverty. According to World Bank statistics, over the past several decades China has accounted for more than 70 per cent of reductions in global poverty. The poverty-stricken population in China has plunged from 770 million people in 1978 – the year before economic reforms began – to 55.8 million in 2015. And the Human Development Index (HDI) for China has improved by 43 per cent between 1990 and 2013, compared to an improvement of 17.6 per cent globally.

A boy, whose parents collect garbage for a living, plays on a makeshift swing at his dwelling, in Yuncheng, Shanxi province, 10 March 2015. (Photo: Reuters).

In September 2015, the participating countries in the United Nations Development Summit unanimously adopted a new agenda for poverty reduction that aims for the complete elimination of extreme poverty over the next 15 years. In light of that challenge, China’s great achievements might provide lessons for other developing countries.

Initially, poverty was understood as a matter of absolute income, and so the way to eliminate poverty was economic growth. Economist Simon Kuznets argued that increases in per capita GDP would lead to a widening income gap in the early stages of development, but that the gap would gradually narrow when per capita GDP reached a certain level.

This was consistent with China's experiences with exceptional economic growth over a period of years. Alongside the soaring income produced by massive industrialisation, huge numbers of farmers flocked to cities, facilitating poverty reduction in China's villages through remittances sent back home. By the early 2000s, the overall poverty rate in China had shrunk dramatically.

But China's poverty entered a new phase marked by widening gaps between cities and rural areas, and between coastal industrial regions and the interior hinterlands. The relationship between economic growth and poverty alleviation was more complicated and less assured than once thought.

It appeared that economic growth driven by industrialisation was not a panacea. Economist Theodore Schultz argued that developing a modern agricultural sector was equally as important. After all, the majority of poor people live in the countryside and earn their livelihood through agriculture. Schultz argued that the root cause of poverty is not a shortage of physical capital but a shortage of 'human capital', such as education and healthcare.

From the early 2000s onward, the Chinese government began to focus on addressing agriculture, the state of rural areas and the status of farmers. In 2006 they eliminated agricultural taxes, which had existed for more than 2000 years. The government also made great efforts to improve social services in rural areas, providing improved education for rural students and new cooperative medical care, as well as minimum living-standard guarantees for more than 53 million rural people.

Since 2011 the growth rate in per capita net income and per capita GDP for rural residents has been higher than the national average. In 2015 alone, the impoverished population in rural areas declined by 14.42 million people, and the incidence of poverty fell to 5.7 per cent from 7.2 per cent in the previous year.

Economist Amartya Sen shifted the perspective on poverty again from income to human capability, and the meaning of development from income and wealth to the quality of life. He believed economic theory should focus on human behaviour rather than the consumption of commodities. Following his work, the United Nations Development Program in 1997 proposed the concept of human poverty, defined as a lack of individual development opportunity and freedom of choice.

Human poverty consists of four dimensions: income poverty, rights poverty, human resources poverty and knowledge poverty. As the concept of poverty moved from an economic issue to a

social issue, governments were encouraged to take comprehensive measures to unlock those rights, and engage in the necessary fiscal transfers. According to this new concept, China's record looked worse, making it necessary for the government to take corrective measures. One outstanding measure was the effort to improve the social security system across society to reduce the vulnerability of poor people.

After many years of rapid economic growth, aggregate poverty in China has been effectively stamped out. The issue now is individual poverty, which involves a diversity of contributing factors ranging from education, health and social inequality to ethnic minority status, digital divides and even environmental degradation. Research on measuring the multidimensional degree of poverty got a forceful boost. In 2015, the Nobel Prize for economics was awarded to Angus Deaton, who compared the living standards of people in different countries with changing international price differences through the concept of purchasing power parity (PPP), effectively gauging the real depth of the headcount ratio for poverty and wealth in different countries.

Defining the real poverty line and adjusting the poverty standard correspondingly is critical for poverty alleviation in China. In 1978, China's absolute poverty was defined as a per capita net income of 100 yuan (US\$15) per year for rural residents. In 1984, this number was raised to 200 yuan (US\$30) a year. In 2011, annual per capita income of 2300 yuan (US\$344) was set as the latest national poverty standard, causing the statistical measure of the country's poor population to increase five-fold from 26.88 million in 2010 to 128 million people.

So how can we gauge China's poverty compared with the rest of the world? The World Bank in 2005 defined the poverty line as US\$1.25 per person per day. According to the official exchange rate, Chinese rural residents ranged between US\$1.00 and US\$1.25. Yet judged by PPP standards, China's rural poverty situation is better than the World Bank's benchmark.

At the beginning of 2016, President Xi Jinping again promised to address poverty in his New Year's message. Xi's administration has set the goal of building a xiaokang (well-off) society by 2020, which means seeing an average of 10 million impoverished people a year bid farewell to poverty. If that goal is achieved, China will again be the frontrunner in reaching the UN's Post-2015 Development Agenda.

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China abre un sitio con información sobre el conflicto sobre el Mar del Sur de China

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