

## Grupo de Trabajo sobre China

*Boletín N° 9 – Marzo 2015*

中国新闻

阿根廷国际关系协会 – 中国工作组

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## Obama abandona aliados en el Plan Marshall de China

Basada en sus enormes recursos China está tomando iniciativas para financiar la construcción de infraestructura en Asia y otros lugares. Con ese propósito impulsa el Asian Infrastructure Investment Bank (AIIB), en el que participarán países de la región y de otras áreas. También lanzó, junto con los otros BRICs, el New Development Bank.

El gobierno de EE.UU. rechazó su integración al AIIB, aislándose de sus socios. Una prueba es la decisión del gobierno del Reino Unido de fortalecer su relaciones financieras con China.

(Una nota sobre el mismo tema en Forbes: <http://www.forbes.com/sites/panosmourdukoutas/2015/03/18/by-the-time-china-launches-aiib-america-will-have-lost-count-of-its-true-allies/>)

### Obama Abandons Allies on China's Marshall Plan

The United States is looking increasingly left behind as it defies its closest allies in Asia.

By Kevin P. Gallagher, March 18, 2015

The Globalist.

The US refuses to play ball with its allies on foreign economic policy in Asia.

China's more intense global engagement has some surprising consequences in the real world.

Chinese banks now provide more loans to Latin American governments than the World Bank.

Chinese finance could become a 21st century Marshall Plan and couldn't come at a better time.

Obama is passing up an opportunity for the US to take part in a legacy-making Marshall Plan for the 21st Century.

The Obama administration is looking increasingly left behind as it defies its closest allies and the President's own party on foreign economic policy in Asia.

This week, the administration rebuked the United Kingdom for agreeing to participate in negotiations for the multi-billion dollar Asian Infrastructure Investment Bank (AIIB) – even though the new institution would fill a major gap in Asian infrastructure needs.

At the same time, President Obama abandoned his own party in an attempt to ram through authority to finalize the Trans-Pacific Partnership agreement—a trade deal with Pacific Rim nations that would bring little economic benefit and high economic cost to Asia and the United States alike.

### Unable to follow through

In the wake of the global financial crisis of 2008-9, China offered its newly acquired financial

prowess to help boost Western-led financial institutions such as the International Monetary Fund and the World Bank.

While the Obama administration backed reforms at these institutions that would have given China more clout, it has done little to counter an intransigent Congress that, under Republican leadership, has failed to pass those critical reforms.

Already stuffed with low-yielding U.S. treasuries in need of a higher return, China has decided to go its own way. That is why China is establishing the AIIB with \$50 billion in capital and a Silk Road Fund with \$40 billion. Both are aimed at investing in 21st Century infrastructure projects in Asia and beyond.

In 2014, China also established the New Development Bank, along with Brazil, Russia, India and South Africa. This institution has an initial capital of \$100 billion.

These moves, intended to diversify the global funding landscape, come on top of financing that China's own development banks already provide across the world. The China Development Bank holds \$100 billion in capital and has over \$1 trillion in assets.

#### Consequences of a more engaged China

China's more intense global engagement – generally something not just welcomed but demanded by the U.S. government and politicians in Congress alike – does have some surprising consequences in the real world.

The China Development Bank and the Export Import Bank of China now provide more loans to Latin American governments than the World Bank and the Inter-American Development Bank – and more loans to Asia than the World Bank and the Asian Development Bank.

In this light, China-backed finance has the potential to be nothing short of a 21st century Marshall Plan and couldn't come at a better time.

Western-backed financial institutions have not been able to increase their capital in proportion to the growing needs in the world. According to some estimates, development banks fall short of providing lending for poverty alleviation by \$175 billion per year.

The World Economic Forum projects that by 2020 about \$5.7 trillion will need to be invested each year into green infrastructure in developing countries. Not only will this require shifting the current \$5 trillion into a greener direction, but there will also be need to increase \$700 million more each year to make the shift happen.

Washington can hardly complain about its sideline status. It was invited to take part in the AIIB. Not joining it is a choice made by the U.S. government. But the United States has not only refused to play, it has lobbied Australia, South Korea and Indonesia, as well as Europe – not to join in.

This week, the United Kingdom – and France, Germany and Italy – decided that it would be foolish not to be part of these efforts. Australia is now considering joining in as well.

Laughable excuses?

Obama's official complaint is that the AIIB will not replicate the transparency and anti-corruption norms found in Western banks, as well as safeguards for social and environmental protection.

This claim doesn't even pass the laugh test. Negotiations for the AIIB are not even underway yet – and the U.S. move means it is foregoing an active role in the negotiations where these issues will be on the table.

The United States has long demanded that other major countries share in the burden of global initiatives and institution-building.

Now that the Chinese government has stepped up to the plate, President Obama is passing up an opportunity for the United States to take part in a legacy-making Marshall Plan for the 21st Century.

On top of that, he is alienating Asians, Western allies and his own party. The U.S. government should be embracing the AIIB and abandoning the TPP, not the other way around (abandoning the AIIB and ramming through the TPP). Hopefully our global allies and the President's own party will help him see the light

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## **Presidente chino se reúne con Kissinger, pide mayor confianza entre China y EEUU**

Xinhuanet 18/03/2015

BEIJING, 17 mar (Xinhua) -- El presidente de China, Xi Jinping, pidió hoy una mayor confianza estratégica y cooperación recíproca entre China y Estados Unidos.

Xi hizo las declaraciones cuando se reunió con el ex secretario de Estado estadounidense Henry Kissinger en el Gran Palacio del Pueblo en el centro de Beijing. Xi elogió al veterano diplomático al calificarlo como un "rompehielos" de la diplomacia chino-estadounidense en la década de los 70 y por sus contribuciones continuas a la relación durante las décadas pasadas.

El presidente chino recordó las conversaciones que tuvo en noviembre en Beijing con el presidente estadounidense, Barack Obama, y por teléfono el mes pasado y dijo que ambos trazaron el curso de la relación bilateral y que los lazos chino-estadounidenses están presenciando un progreso visible.

Xi destacó la importancia de construir un nuevo tipo de relación entre China y Estados Unidos, así como paz, estabilidad y prosperidad en la región de Asia-Pacífico y en el mundo.

"China otorga mucha importancia a sus relaciones con Estados Unidos y está dispuesta a hacer esfuerzos conjuntos con la parte estadounidense para cuidar la relación", dijo el

líder chino, quien agregó que espera con gran interés su visita de Estado a Estados Unidos este año.

China seguirá el camino de desarrollo pacífico, afirmó Xi.

“Necesitamos un ambiente pacífico para el desarrollo y China es una fuerza positiva y constructiva en los asuntos internacionales”, indicó el presidente chino.

Para hacer avanzar la relación chino-estadounidense, las dos partes deben aprender de la historia, tener en mente la situación completa y elevar el entendimiento mutuo para construir confianza estratégica entre sí, agregó el presidente.

Los dos países deben respetarse mutuamente y buscar una base común al tiempo que dejan de lado las diferencias para abordar las disputas y los problemas sensibles.

Durante la reunión, Xi también informó a Kissinger sobre las sesiones anuales de China de los órganos legislativo y de asesoría política, que se llevaron a cabo en las dos semanas pasadas.

Kissinger elogió la actual reforma histórica en China y dijo que la relación estadounidense-china es importante e involucra la paz, progreso y desarrollo mundiales.

Construir un nuevo tipo de relación entre los dos países importantes es una decisión visionaria benéfica para ambas partes, afirmó el ex secretario de Estado. Además, deseó al presidente Xi una visita exitosa a Estados Unidos.

[http://spanish.xinhuanet.com/photo/2015-03/18/c\\_134075502.htm](http://spanish.xinhuanet.com/photo/2015-03/18/c_134075502.htm)

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## El próximo colapso chino

El final de juego del reino del comunismo en China ha comenzado y las duras medidas de Xi Jinping están llevando al país más cerca del punto de ruptura.

Desde la experiencia de Tiananmen en 1989, varios expertos consideran que el colapso del gobierno del Partido Comunista Chino es inevitable.

El estilo autoritario de Xi Jinping y su campaña anticorrupción –que afecta a sus propios electores clave del Partido, el Estado, el Ejército y la economía– chocan con un partido y un sistema que son interiormente frágiles. La élite económica está lista para irse en masa si el sistema comienza a derrumbarse.

### The Coming Chinese Crackup

The endgame of communist rule in China has begun, and Xi Jinping's ruthless measures are on-

ly bringing the country closer to a breaking point

By DAVID SHAMBAUGH

Wall Street Journal. March 6, 2015 11:26 a.m. ET

On Thursday, the National People's Congress convened in Beijing in what has become a familiar annual ritual. Some 3,000 "elected" delegates from all over the country—ranging from colorfully clad ethnic minorities to urbane billionaires—will meet for a week to discuss the state of the nation and to engage in the pretense of political participation.

Some see this impressive gathering as a sign of the strength of the Chinese political system—but it masks serious weaknesses. Chinese politics has always had a theatrical veneer, with staged events like the congress intended to project the power and stability of the Chinese Communist Party, or CCP. Officials and citizens alike know that they are supposed to conform to these rituals, participating cheerfully and parroting back official slogans. This behavior is known in Chinese as *biaotai*, "declaring where one stands," but it is little more than an act of symbolic compliance.

Despite appearances, China's political system is badly broken, and nobody knows it better than the Communist Party itself. China's strongman leader, Xi Jinping, is hoping that a crackdown on dissent and corruption will shore up the party's rule. He is determined to avoid becoming the Mikhail Gorbachev of China, presiding over the party's collapse. But instead of being the antithesis of Mr. Gorbachev, Mr. Xi may well wind up having the same effect. His despotism is severely stressing China's system and society—and bringing it closer to a breaking point.

Predicting the demise of authoritarian regimes is a risky business. Few Western experts forecast the collapse of the Soviet Union before it occurred in 1991; the CIA missed it entirely. The downfall of Eastern Europe's communist states two years earlier was similarly scorned as the wishful thinking of anticommunists—until it happened. The post-Soviet "color revolutions" in Georgia, Ukraine and Kyrgyzstan from 2003 to 2005, as well as the 2011 Arab Spring uprisings, all burst forth unanticipated.

China-watchers have been on high alert for telltale signs of regime decay and decline ever since the regime's near-death experience in Tiananmen Square in 1989. Since then, several seasoned Sinologists have risked their professional reputations by asserting that the collapse of CCP rule was inevitable. Others were more cautious—myself included. But times change in China, and so must our analyses.

The endgame of Chinese communist rule has now begun, I believe, and it has progressed further than many think. We don't know what the pathway from now until the end will look like, of course. It will probably be highly unstable and unsettled. But until the system begins to unravel in some obvious way, those inside of it will play along—thus contributing to the facade of stability.

Communist rule in China is unlikely to end quietly. A single event is unlikely to trigger a peaceful implosion of the regime. Its demise is likely to be protracted, messy and violent. I wouldn't rule out the possibility that Mr. Xi will be deposed in a power struggle or coup d'état. With his aggressive anticorruption campaign—a focus of this week's National People's Congress—he is overplaying a weak hand and deeply aggravating key party, state, military and commercial constituencies.

The Chinese have a proverb, waiying, neiruan—hard on the outside, soft on the inside. Mr. Xi is a genuinely tough ruler. He exudes conviction and personal confidence. But this hard personality belies a party and political system that is extremely fragile on the inside.

Consider five telling indications of the regime's vulnerability and the party's systemic weaknesses.

First, China's economic elites have one foot out the door, and they are ready to flee en masse if the system really begins to crumble. In 2014, Shanghai's Hurun Research Institute, which studies China's wealthy, found that 64% of the "high net worth individuals" whom it polled—393 millionaires and billionaires—were either emigrating or planning to do so. Rich Chinese are sending their children to study abroad in record numbers (in itself, an indictment of the quality of the Chinese higher-education system).

Just this week, the Journal reported, federal agents searched several Southern California locations that U.S. authorities allege are linked to "multimillion-dollar birth-tourism businesses that enabled thousands of Chinese women to travel here and return home with infants born as U.S. citizens." Wealthy Chinese are also buying property abroad at record levels and prices, and they are parking their financial assets overseas, often in well-shielded tax havens and shell companies.

Meanwhile, Beijing is trying to extradite back to China a large number of alleged financial fugitives living abroad. When a country's elites—many of them party members—flee in such large numbers, it is a telling sign of lack of confidence in the regime and the country's future.

Second, since taking office in 2012, Mr. Xi has greatly intensified the political repression that has blanketed China since 2009. The targets include the press, social media, film, arts and literature, religious groups, the Internet, intellectuals, Tibetans and Uighurs, dissidents, lawyers, NGOs, university students and textbooks. The Central Committee sent a draconian order known as Document No. 9 down through the party hierarchy in 2013, ordering all units to ferret out any seeming endorsement of the West's "universal values"—including constitutional democracy, civil society, a free press and neoliberal economics.

A more secure and confident government would not institute such a severe crackdown. It is a symptom of the party leadership's deep anxiety and insecurity.

Third, even many regime loyalists are just going through the motions. It is hard to miss the theater of false pretense that has permeated the Chinese body politic for the past few years. Last summer, I was one of a handful of foreigners (and the only American) who attended a conference about the "China Dream," Mr. Xi's signature concept, at a party-affiliated think tank in Beijing. We sat through two days of mind-numbing, nonstop presentations by two dozen party scholars—but their faces were frozen, their body language was wooden, and their boredom was palpable. They feigned compliance with the party and their leader's latest mantra. But it was evident that the propaganda had lost its power, and the emperor had no clothes.

In December, I was back in Beijing for a conference at the Central Party School, the party's highest institution of doctrinal instruction, and once again, the country's top officials and foreign policy experts recited their stock slogans verbatim. During lunch one day, I went to the campus bookstore—always an important stop so that I can update myself on what China's leading cadres are being taught. Tomes on the store's shelves ranged from Lenin's "Selected Works" to Condoleezza Rice's memoirs, and a table at the entrance was piled high with copies of a pamphlet by

Mr. Xi on his campaign to promote the “mass line”—that is, the party’s connection to the masses. “How is this selling?” I asked the clerk. “Oh, it’s not,” she replied. “We give it away.” The size of the stack suggested it was hardly a hot item.

Fourth, the corruption that riddles the party-state and the military also pervades Chinese society as a whole. Mr. Xi’s anticorruption campaign is more sustained and severe than any previous one, but no campaign can eliminate the problem. It is stubbornly rooted in the single-party system, patron-client networks, an economy utterly lacking in transparency, a state-controlled media and the absence of the rule of law.

Moreover, Mr. Xi’s campaign is turning out to be at least as much a selective purge as an anti-graft campaign. Many of its targets to date have been political clients and allies of former Chinese leader Jiang Zemin. Now 88, Mr. Jiang is still the godfather figure of Chinese politics. Going after Mr. Jiang’s patronage network while he is still alive is highly risky for Mr. Xi, particularly since Mr. Xi doesn’t seem to have brought along his own coterie of loyal clients to promote into positions of power. Another problem: Mr. Xi, a child of China’s first-generation revolutionary elites, is one of the party’s “princelings,” and his political ties largely extend to other princelings. This silver-spoon generation is widely reviled in Chinese society at large.

Finally, China’s economy—for all the Western views of it as an unstoppable juggernaut—is stuck in a series of systemic traps from which there is no easy exit. In November 2013, Mr. Xi presided over the party’s Third Plenum, which unveiled a huge package of proposed economic reforms, but so far, they are sputtering on the launchpad. Yes, consumer spending has been rising, red tape has been reduced, and some fiscal reforms have been introduced, but overall, Mr. Xi’s ambitious goals have been stillborn. The reform package challenges powerful, deeply entrenched interest groups—such as state-owned enterprises and local party cadres—and they are plainly blocking its implementation.

These five increasingly evident cracks in the regime’s control can be fixed only through political reform. Until and unless China relaxes its draconian political controls, it will never become an innovative society and a “knowledge economy”—a main goal of the Third Plenum reforms. The political system has become the primary impediment to China’s needed social and economic reforms. If Mr. Xi and party leaders don’t relax their grip, they may be summoning precisely the fate they hope to avoid.

In the decades since the collapse of the Soviet Union, the upper reaches of China’s leadership have been obsessed with the fall of its fellow communist giant. Hundreds of Chinese postmortem analyses have dissected the causes of the Soviet disintegration.

Mr. Xi’s real “China Dream” has been to avoid the Soviet nightmare. Just a few months into his tenure, he gave a telling internal speech ruing the Soviet Union’s demise and bemoaning Mr. Gorbachev’s betrayals, arguing that Moscow had lacked a “real man” to stand up to its reformist last leader. Mr. Xi’s wave of repression today is meant to be the opposite of Mr. Gorbachev’s perestroika and glasnost. Instead of opening up, Mr. Xi is doubling down on controls over dissenters, the economy and even rivals within the party.

But reaction and repression aren’t Mr. Xi’s only option. His predecessors, Jiang Zemin and Hu Jintao, drew very different lessons from the Soviet collapse. From 2000 to 2008, they instituted policies intended to open up the system with carefully limited political reforms.

They strengthened local party committees and experimented with voting for multicandidate par-



ty secretaries. They recruited more businesspeople and intellectuals into the party. They expanded party consultation with nonparty groups and made the Politburo's proceedings more transparent. They improved feedback mechanisms within the party, implemented more meritocratic criteria for evaluation and promotion, and created a system of mandatory midcareer training for all 45 million state and party cadres. They enforced retirement requirements and rotated officials and military officers between job assignments every couple of years.

In effect, for a while Mr. Jiang and Mr. Hu sought to manage change, not to resist it. But Mr. Xi wants none of this. Since 2009 (when even the heretofore open-minded Mr. Hu changed course and started to clamp down), an increasingly anxious regime has rolled back every single one of these political reforms (with the exception of the cadre-training system). These reforms were masterminded by Mr. Jiang's political acolyte and former vice president, Zeng Qinghong, who retired in 2008 and is now under suspicion in Mr. Xi's anticorruption campaign—another symbol of Mr. Xi's hostility to the measures that might ease the ills of a crumbling system.

Some experts think that Mr. Xi's harsh tactics may actually presage a more open and reformist direction later in his term. I don't buy it. This leader and regime see politics in zero-sum terms: Relaxing control, in their view, is a sure step toward the demise of the system and their own downfall. They also take the conspiratorial view that the U.S. is actively working to subvert Communist Party rule. None of this suggests that sweeping reforms are just around the corner.

We cannot predict when Chinese communism will collapse, but it is hard not to conclude that we are witnessing its final phase. The CCP is the world's second-longest ruling regime (behind only North Korea), and no party can rule forever.

Looking ahead, China-watchers should keep their eyes on the regime's instruments of control and on those assigned to use those instruments. Large numbers of citizens and party members alike are already voting with their feet and leaving the country or displaying their insincerity by pretending to comply with party dictates.

We should watch for the day when the regime's propaganda agents and its internal security apparatus start becoming lax in enforcing the party's writ—or when they begin to identify with dissidents, like the East German Stasi agent in the film "The Lives of Others" who came to sympathize with the targets of his spying. When human empathy starts to win out over ossified authority, the endgame of Chinese communism will really have begun.

Dr. Shambaugh is a professor of international affairs and the director of the China Policy Program at George Washington University and a nonresident senior fellow at the Brookings Institution. His books include "China's Communist Party: Atrophy and Adaptation" and, most recently, "China Goes Global: The Partial Power."

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**La ampliación de la exportación sigue siendo el énfasis de la política de comercio exterior de China en este año**

Cri Online 18/03/2015

El nuevo año parece tener un comienzo difícil para el comercio exterior de China, donde se han presentado datos negativos en dos meses en 2015.

El Ministerio de Comercio de China dio a conocer este martes en una conferencia de prensa datos sobre el comercio exterior y la absorción de fondo foráneo del país.

El nuevo año parece tener un comienzo difícil para el comercio exterior de China, donde se han presentado datos negativos en dos meses en 2015.

Las exportaciones aumentaron en febrero más de 48 por ciento con respecto al año previo, encabezadas por las ventas a Estados Unidos y Europa. No obstante, la caída en las importaciones se acentuó, lo que refleja los vientos en contra que enfrenta la segunda mayor economía del mundo. Las exportaciones y las importaciones combinadas cayeron 2 por ciento en los dos primeros meses.

El vocero del Ministerio de Comercio, Shen Danyang, dijo en la conferencia de prensa que la ampliación de la exportación sigue siendo el énfasis de la política de comercio exterior de China en este año:

”El gobierno chino no persigue empeñadamente la balanza favorable del comercio, pero la ampliación de la exportación sigue siendo el énfasis de la política de comercio exterior de China en este año.”

El crecimiento menor del comercio exterior será una ”nueva normalidad” comentó Shen. ”El comercio exterior sigue siendo un importante motor del desarrollo económico, y su índice de crecimiento no puede desacelerarse tanto”, afirmó.

En la misma conferencia, el vocero Shen reveló que la inversión extranjera directa (IED) en la parte continental de China subió un 17 por ciento interanual en los dos primeros meses de 2015, al situarse en 22.480 millones de dólares, anunció hoy martes el Ministerio de Comercio.

El ritmo se desaceleró respecto al aumento del 29,4 por ciento registrado en enero. Sin embargo, superó la tasa de crecimiento anual de 2014, del 1,7 por ciento.

La inversión extranjera directa en el sector servicios ascendió a 13.730 millones de dólares hasta febrero, una subida del 30 por ciento interanual. Esto representó el 61 por ciento de toda la inversión extranjera directa durante el período. En el sector servicios, los servicios financieros y los servicios de transporte atrajeron la mayoría de las inversiones.

La inversión extranjera directa en el sector manufacturero fue comparativamente más baja, registrando una tasa de crecimiento del 7,1 por ciento y totalizando 7.470 millones de dólares durante el período. Representó alrededor del 33 por ciento de la inversión extranjera directa total.

Junto con el aumento de la inversión extranjera directa, el número de empresas de capi-

tal extranjero de nueva creación aumentó un 38,6 por ciento en los dos primeros meses del año, hasta situarse en un total de 3.831, según los datos.

La Región Administrativa Especial (RAE) de Hong Kong de China, Taiwan, la República de Corea, Singapur y Japón fueron los cinco principales contribuidores a la IED durante el período.

De enero a febrero, la IED en las regiones del este y el oeste del país registró crecimientos estables del 25,9 por ciento y el 6,6 por ciento respectivamente, mientras la IED en las regiones centrales cayó un 29,5 por ciento con respecto al año pasado, según las estadísticas.

En un esfuerzo por facilitar la inversión extranjera, el Ministerio de Comercio divulgó el 10 de marzo una directriz revisada para la inversión extranjera en la cual el número de industrias restringidas se redujo desde 79 hasta 38.

Asimismo, las industrias que han de contar con participación de accionistas chinos se redujeron de 43 a 15, y el número de aquellas que requieren una participación mayoritaria de inversores chinos disminuyó de 44 a 35, de acuerdo con el revisado catálogo industrial para el capital de ultramar que entrará en vigor a partir del 10 de abril.

El portavoz del ministerio, Shen Danyang, dijo que el nuevo catálogo invita también a los inversores extranjeros a invertir en sectores tales como la agricultura moderna, las altas tecnologías, la manufactura avanzada, el ahorro energético y la protección medioambiental, las nuevas energías y otros servicios modernos.

China se convirtió en un exportador neto de capitales por primera vez, al superar las inversiones directas en el exterior a las entradas de capital en 2014.

<http://espanol.cri.cn/741/2015/03/18/1s343801.htm>

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## China se convierte en el tercer exportador mundial de armamento

El País

China es ya el tercer mayor exportador de armamento del mundo. Aunque su porcentaje del total global es de solo un 5%, muy por debajo del 58% que suman los dos “grandes” –Estados Unidos y Rusia–, sus suministros al exterior han explotado en los últimos cinco años. En ese periodo sus ventas de armas han crecido un 143% con respecto al quinquenio anterior, según el informe publicado este lunes por el Instituto de Investigación para la Paz Internacional de Estocolmo (SIPRI).

En todo el mundo, el volumen del comercio de armas creció un 16% en el periodo entre 2010 y 2014 con respecto al quinquenio 2005-2009. El aumento del flujo se encaminó

principalmente a Asia, que acaparó el 48% de las importaciones, Oriente Medio (22%) y el continente americano (10%), mientras el volumen de ventas hacia Europa decreció en un 36%.

Estados Unidos se mantiene como el principal exportador de armamento convencional, con un 31% del total tras registrar un aumento de su volumen de ventas del 23% en los últimos cinco años. Este país es el que tiene una cartera más diversificada de clientes, 94, de los que el mayor es Corea del Sur, que le compra el 9%. Rusia, su principal rival, logró también un amplio crecimiento de sus exportaciones en 2010-2014, del 37%, y se hace con un 27% del total de exportaciones, con India —el principal comprador del mundo— como el mejor de sus 56 clientes.

Tras China, el cuarto y quinto puestos en la lista de suministradores mundiales corresponden a Alemania y Francia, también con un 5% cada uno. Reino Unido desaparece de la lista de los cinco grandes exportadores.

Tres países fronterizos con India —Pakistán, Bangladesh y Birmania— acaparan el 68% del armamento chino. Pakistán es, con diferencia, el mejor cliente de la República Popular. El país al que los diplomáticos chinos les gusta describir como un “amigo bajo cualquier circunstancia”, y al que el presidente Xi Jinping ha anunciado una visita en los próximos meses, recibe el 41% del armamento que exporta el gigante asiático.

En su consolidación como suministrador global de armamento, China vende ya a 38 países, de los que 18 son africanos. Así, ha suministrado tres fragatas a Argelia, o drones a Nigeria. Su alcance llega también a Venezuela, que le ha comprado vehículos blindados y aeronaves de adiestramiento y de transporte, indica SIPRI.

Acerca de un aumento de las ventas que le ha llevado del noveno lugar mundial que ocupaba en 2005-2009 al tercero actual, China afirma que “siempre es prudente y responsable en sus exportaciones de armas”. Pekín, según asegura el portavoz de su Ministerio de Exteriores Hong Lei, insiste en “que [este comercio] debe tener como fin la mejora de la capacidad de autodefensa del país receptor, no perjudicar la paz y la estabilidad mundiales o regionales y no injerir en los asuntos internos de otros países”

Precisamente, China, el segundo país del mundo por presupuesto militar, se encuentra en pleno proceso de modernización y profesionalización de sus Fuerzas Armadas. Su gasto militar ha aumentado en porcentajes superiores al 10% en el último lustro. En una muestra de los avances en su industria de Defensa, se ha hecho menos dependiente de las importaciones. Si en 2005-2009 era el mayor comprador del mundo, ha cedido ahora ese puesto a su rival militar regional, India. Entre 2010 y 2014 sus adquisiciones de armas cayeron un 42% con respecto al quinquenio anterior. Su principal suministrador fue Rusia, que le proporcionó el 61%. Francia le vendió el 16%, y Ucrania, el 13%.

Los helicópteros constituyen una de las principales partidas de las compras a Rusia y Ucrania. China, que ha puesto el énfasis de su modernización militar en sus fuerzas de mar y aire, ha padecido tradicionalmente problemas para producir motores propios para

aeronaves que cuenten con calidad suficiente. En los últimos cinco años, indica el SIPRI, Pekín siguió importando un gran número de motores rusos y ucranios para aeronaves de combate, transporte y adiestramiento y para buques de guerra.

Los medios oficiales chinos han prometido “avances” para este año en la producción de aviones militares propios. Su mayor aeronave de transporte de producción nacional, el Xian Y-20, estará listo para la entrega “próximamente”, aseguraba a principios de este mes la agencia oficial Xinhua, citando a Tang Changhong, ingeniero jefe adjunto de la Corporación Industrial de Aviación de China (AVIC). Además, la mayor aeronave anfibia china, la AG600, que se empleará en operaciones de rescate, efectuará su primer vuelo el año próximo, según Xinhua.

### **India, principal importador mundial**

India fue el mayor importador de armamento del mundo en el periodo 2010-2014, cuando sus compras representaron el 15% del total global, según el informe publicado este lunes por el Instituto de Investigación para la Paz Internacional de Estocolmo (SIPRI). En ese quinquenio las adquisiciones de armas indias crecieron un 140% con respecto a los cinco años anteriores y fueron tres veces mayores que las de sus principales rivales regionales, China y Pakistán.

“India hasta el momento ha fracasado a la hora de producir armas competitivas de diseño propio y sigue dependiendo de las importaciones”, señala el SIPRI en su informe sobre las tendencias en el comercio de armas mundial.

El principal suministrador entre 2010 y 2014 a la India fue Rusia, que le proveyó del 70% del total. Israel, el 7% y, en lo que representa una ruptura con el comportamiento previo de Nueva Delhi y una confirmación de la buena sintonía con Washington en los últimos años, Estados Unidos le vendió el 12%. Antes de 2005-2009, India apenas importaba armamento estadounidense.

“Parece darse una tendencia al alza en las importaciones desde Estados Unidos”, apunta el SIPRI. Las adquisiciones a Estados Unidos entre 2010 y 2014 fueron 15 veces mayores que en el quinquenio anterior, e incluyeron armas avanzadas como aeronaves antisubmarinas. En 2014 se acordaron compras adicionales, incluidos 22 helicópteros de combate.

Arabia Saudí es el segundo principal comprador global.

[http://internacional.elpais.com/internacional/2015/03/16/actualidad/1426528783\\_134141.html](http://internacional.elpais.com/internacional/2015/03/16/actualidad/1426528783_134141.html)

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### **China y su política de cooperación en el Mercosur**

Transul Brasil como modelo inicial

Revista Dang dai 20/2/2015

La política de ayuda/cooperación de China, dirige el 80% de los fondos de ayuda externa a Asia y África. Sin embargo, son 14 los países de ALC los que recibieron, entre 2001 y 2011, la mayor parte de la cooperación económica, en comparación con esas regiones. Estos fondos se dirigieron en especial a Venezuela, Argentina, Ecuador y Brasil. El mayor socio del Mercosur, miembro además del grupo BRICS, comenzó a desarrollar con China, el auspicioso proyecto Transul.

Dado el desempeño económico de China, que gracias a la apertura iniciada en 1979, devino en la segunda economía del mundo, cuenta con capacidad para comprometerse en programas sustanciales de ayuda al desarrollo y para ejecutar proyectos de inversión en cualquiera de los países con mercados emergentes, señala un trabajo de PiPP de la Universidad de Cuyo. (1)

En la primera década del siglo XXI, ha logrado expandirse a 93 países, en base al declarado beneficio de los receptores, así como en sus propios intereses.

El crecimiento de la Inversión Extranjera Directa (IED) china, a nivel global, se explica por la estrategia “Going Global” iniciada por el Gobierno chino a fines de la década de los años noventa, con objetivos macroeconómicos y de desarrollo productivo, priorizando la adopción de nuevas tecnologías y la obtención de materias primas y recursos energéticos, refiere el especialista Dussel Peters (2). Entre las principales características de la IED originada en China, se destaca que en general las firmas son propiedad del sector público (gobierno central, provincias, ciudades y municipios), y que se concentran fundamentalmente en los sectores de minería y energía, siendo inversiones de índole estratégica para asegurarse el aprovisionamiento de recursos en el largo plazo (resource seeking). Las inversiones de empresas en otros sectores, como comunicaciones y automotriz, se producen en búsqueda de mercados (market seeking).

Dada la disponibilidad de recursos financieros y su estrategia ‘going global’ o ‘go out’, comenzó a dar un gran impulso a sus políticas de ayuda exterior, con énfasis en África y Asia, y de cooperación exterior, en la que destaca Latinoamérica, afirma el informe de UNC, y también se refiere a los esquemas de Cooperación Sur-Sur, basados en los principios de horizontalidad, que implica la colaboración como socios, más allá de los niveles de desarrollo de cada país. Es en el segundo término de la fórmula, la del consenso, en la que el informe recomienda poner más cuidado, ya que se trataría de establecer marcos de negociación comunes, una cooperación bajo acuerdo y la no imposición de condiciones unilaterales; así como equidad, con el propósito de compartir costos y beneficios.

El 80% de los fondos de ayuda/cooperación de China, se dirigen a las regiones cercanas de Asia y África. Sin embargo, son 14 países de ALC los que recibieron, entre 2001 y 2011, la mayor parte de la cooperación económica, en comparación con las regiones de África, Oriente Medio, Asia del Sur, Central y del Este, que se ha materializado, princi-

palmente, en proyectos relativos a recursos naturales, con relevancia del sector de infraestructura. En América del Sur sobresalen Venezuela, Argentina, Brasil y Ecuador. (idem)

Esta cooperación quedó graficada en el caso de Argentina en el reciente viaje de Cristina Fernández a la República Popular China, que concluyó con la firma de acuerdos estratégicos esencialmente de infraestructura y energía, inéditos en la relación bilateral, que contaron incluso con la aprobación del sector industrial, al principio reacio al impacto de las inversiones chinas en el país. (ver nota aparte)

Por su parte, Brasil avanzó en mayo de 2014, en el marco del grupo BRICS (Brasil, Rusia, India, China y Sudáfrica), sobre el Proyecto Transul, cuyo objetivo sería el de articular una alianza estratégica entre el mayor socio del Mercosur y China, que podría en el futuro extenderse a otros países de América del Sur y BRICS, señala Carlos de Assis. (3)

China haría el outsourcing de la producción metálica y de la industria alimenticia en territorio inicialmente brasileño, y posteriormente suramericano y de otros países BRICS. Brasil piensa de esta forma retomar su proyecto de desarrollo industrial, para dejar de ser mero exportador de commodities agrícolas y minerales. Algunas reticencias en el sector industrial podrían verse reflejadas en las declaraciones de la CNI (ver nota aparte), relacionadas con la lentitud en la organización del Banco BRICS, para el financiamiento del sector privado, pero también con la preocupación por las cláusulas de trato igualitario en los acuerdos alcanzados con el gigante asiático.

La República Popular obtendría ventajas significativas en el campo de la economía en cuanto a consumo de energía, de agua y, sobre todo, de control y hasta reversión de la polución, con garantía de provisión de insumos metálicos y de alimentos procesados mediante contratos de largo plazo, estabilizadores de las economías involucradas.(idem)

Artículo "Las relaciones sino-latinoamericanas 1990-2012. Retos y oportunidades para América Latina. ".

Publicado en la Plataforma de información para políticas públicas de la Universidad Nacional de Cuyo. 12/2/2015

URL del artículo: <http://www.politicaspUBLICAS.uncu.edu.ar/articulos/index/las-relaciones-sino-latinoamericanas-1990-2012-retos-y-oportunidades-para-america-latina->

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## China: con amigos como esos

Beijing prestó miles de millones para extender su influencia, pero a medida que los default amenazan, cambia su orientación.

China incrementó sus préstamos en Asia y en otros continentes para incrementar su influencia y para promover la producción y transporte los productos que importa. En ese camino estaría tomando riesgos excesivos que se presentan por las dificultades de pago de algunos de sus prestatarios. También, como en la India, la dependencia de los préstamos chinos está generando rechazos.

#### China: With friends like these

James Kyngé and Gabriel Wildau

Beijing has lent billions to spread its influence, but as defaults loom its approach is shifting

Financial Times, March 17, 2015.

In global terms, the defeat of Mahinda Rajapaksa in Sri Lanka's presidential elections in January ranked as a mere political tremor. But for China's policy of financial diplomacy – a key strand in Beijing's strategy to win friends and commercial advantage around the world – the loss has been convulsive enough to rearrange the region's diplomatic furniture.

Sri Lanka's new leader, Maithripala Sirisena, has not hid his antipathy toward China. In a veiled reference to Chinese policy-backed loans worth several billion dollars, Mr Sirisena blamed "foreigners" during his election campaign for stealing his country.

"This robbery is taking place before everybody and in broad daylight . . . if this trend continues for another six years our country would become a colony and we would become slaves," he said in his manifesto.

Since his victory, Colombo has informed Beijing that it is reviewing the terms of its loans. It has also suspended work on a \$1.5bn port project being built by the state-owned China Communications Construction Company. And while Sri Lanka says it hopes to keep warm ties with Beijing, last week Mr Sirisena also stepped up his courtship of China's main regional competitor, by welcoming Narendra Modi on the first visit by an Indian premier for 28 years.

The reversal is not an isolated setback for China's "cheque book" foreign policy but the latest in a string of upsets that have punctuated Beijing's attempts to secure resources, markets and strategic alliances in developing countries with policy-driven loan deals.

#### Risky business

Ukraine is heavily in arrears in its Chinese lending, while Zimbabwe has failed to repay a much smaller amount. Other recipients of Chinese policy-driven finance – such as Venezuela, Ecuador and Argentina – are suffering varying degrees of economic distress, casting doubt on their ability to repay. "China is taking on too much risk in its lending to regimes that are unstable in Africa, Latin America and even in some Asian countries," says Yu Yongding, a professor at the Chinese Academy of Social Sciences think-tank. "Many Chinese institutions thought that as long as they made deals with the governments, the deals are done. But political reality is much more complicated."



For China, there is much more than money at stake. Beijing has used its status as the world's biggest provider of development finance to burnish claims of leadership in the developing world, deploying funds from its \$3.8tn in foreign currency reserves to boost relations with countries that sometimes have an anti-US agenda. But this model now looks compromised, analysts say. Bilateral deals stitched together in secret with countries afflicted with poor credit ratings, insecure governments and ailing resource sectors have shown a propensity to unravel.

The change in China's financial diplomacy model has implications for the wider world. There are signs that Beijing is growing less tolerant of the more egregious risks, a trend that could deprive some of the world's most fragile economies of crucial lines of credit. Beijing also appears intent on spreading its risk, embracing a more institutional and multilateral approach – as demonstrated by its plans for an Asian Infrastructure Investment Bank and the New Development Bank. In addition, there are tensions within Beijing over how far these Chinese-led institutions should be purely profit-driven and to what extent they should pursue the country's political and strategic agendas, analysts say.

#### What are the credit risks and the political risks that China faces?

Even minor changes in the way that China deploys development finance could have a significant impact, given the scale of its operations and the speed of its growth since the 2008 crisis.

The opacity of its disbursements and the lack of comprehensive official data make it difficult to calculate how much Chinese state institutions actually lend. Fred Hochberg, chairman of the US's Export-Import Bank, says Chinese state institutions have pledged a whopping \$670bn in recent years, while others point to more modest numbers.

Kevin Gallagher, associate professor at Boston University's Frederick Pardee School of Global Studies, and Margaret Myers, programme director at the Inter-American Dialogue, a think-tank, maintain a database showing that Chinese government-related lending to Latin America has totalled \$119bn since 2005, up \$22bn in 2014 alone. Deborah Brautigam, professor at Johns Hopkins University, curates a database on China-Africa lending that shows disbursements of \$52.8bn between 2000 and 2011.

Mr Gallagher believes the end of the commodity supercycle and the low price of oil will expose several of the economies that China has supported most vigorously. "Somewhere in Latin America or Africa, one of these countries is going to default on their Chinese loans," predicts Mr Gallagher.

Venezuela, in particular, is a source of alarm. China has lent a total of \$56.3bn in 16 loan tranches to the country, according to Inter-American Dialogue data. The country's economic meltdown has prompted bond investors to price in a 90 per cent likelihood of default in the next five years. Beijing is perturbed. It refused the entreaties of Nicolás Maduro, the president, who travelled to China seeking a bailout earlier this year.

The debt deal was initially struck by "a friend of the Chinese people", the late Hugo Chávez, Mr Maduro's predecessor. Checks and balances were skirted, with the debt bypassing authorisation by parliament on the grounds that because it was to be repaid in oil – not in dollars – it could not be classified as "debt".

This has meant, according to Ricardo Hausmann, director of the Center for International Development at Harvard University, that the money was never accounted for in the national budget,

thus escaping national oil revenue-sharing rules. However, when PDVSA, the national oil company, was unable to meet its debt-for-oil repayment schedules, it was forced to borrow from the central bank, contributing to the hard currency shortage that is fuelling inflation and curtailing imports of food.

China's cooling toward Venezuela stems not only from concern over Caracas's economic management. The once-voracious appetite for oil and base metals that drew Beijing and Latin America into a clinch has now dissipated as the Chinese economy slows. "While countries such as Venezuela have previously enjoyed something of a special relationship with China, the Chinese government does not appear to have the appetite to write a blank cheque to bail them out now that lower commodity prices have exposed strains in their balance of payments," says David Rees, an analyst at Capital Economics.

In the case of Ukraine too, Beijing has cooled its early ardour. Viktor Yanukovich, the kleptocratic former president of Ukraine, was received by Xi Jinping, China's president, with a special warmth in 2013 to affirm a bilateral "strategic partnership". But since Mr Yanukovich's overthrow and China's pivot toward Russia, Beijing's dealings with Kiev have descended into wrangles over some \$6.6bn in debt arrears.

Such setbacks, analysts say, are likely to convince China to route more finance through the new multilateral institutions it is set to lead. The key motivation behind its lending programme also appears to be in flux; over the last decade the main purpose was to seek access to resources but this is now giving way to an imperative to open up overseas markets for China's engineering giants.

"Putting [China's foreign exchange reserves] into US Treasuries isn't getting much of a return, so lending them out in infrastructure projects is a win-win situation that generates business for large companies that are facing overcapacity at home," says Prof Brautigam.

### Grand projects

The scale of the infrastructure ambitions may exceed anything yet seen in terms of resource-related commitments. A case in point is the Twin Ocean Railroad Connection, a planned 5,000km railway to run from cities on Peru's Pacific coast through the Andes mountain range to Brazil's Atlantic coast. There is no estimate as yet on the cost of the project but Mr Xi has signed memoranda of understanding – indicating its importance to Beijing.

Similarly, China's "New Silk Road" initiatives – which envisage billions of dollars in investment to build transport infrastructure across Eurasia, the South China Sea and the Indian Ocean – is animated at least partly by helping state-owned producers of cement, steel, ships and heavy equipment export their overcapacity, says Tom Miller of Gavekal Dragonomics, a research unit in Beijing.

The nature of such infrastructure megaprojects – to be built over a long period and spanning national territories – compels China to spread the risk. "Due to China's overcapacity, it needs to lend to facilitate its exports by, for example, providing credit to some countries so that China can help them to build high-speed railways," says Prof Yu. "To minimise loss and risk, China needs co-operation with other countries in risky investments."

It is against this background that Beijing is establishing a new generation of institutions to rival the World Bank, Asian Development Bank and other entities that have dominated development finance under the “Washington consensus” since the second world war.

A decision by the UK and other European powers to join negotiations to become one of the founder members of the AIIB – in spite of strong opposition from Washington – demonstrates the pull of China’s planned infrastructure-related lending. What is not clear is what sort of rules may govern the lending protocols of the AIIB, the NDC – which embraces Brazil, Russia, India and South Africa as members – and the \$40bn “Silk Road Fund”. It is in this domain that China – as well as its partners in these new multilateral institutions – may struggle to reconcile competing agendas.

Yun Sun, an expert on Chinese foreign policy at the Stimson Center in Washington, says there has been pressure to use the AIIB’s loans to “advance China’s economic agenda, especially the export of Chinese products and services”. Chinese foreign policy strategists, meanwhile, have argued that the bank “should support China’s strategic interests, with a result that countries disrespectful of China should receive less favourable consideration”, she adds.

Such ideas present a challenge not only for China, but also for the countries that join the multilateral lenders that it leads. Beijing’s shifting strategic interests are often at odds with those of its neighbours and western powers, while the aim of promoting Chinese exports may not appeal to all partners. Thus, the mutual acquiescence that underlies the current US-led system in international development finance may prove elusive under Chinese management. The “Washington consensus” could become the “Beijing dilemma”.

### Credit risks

A total of \$56.3bn in Chinese credit has been extended to Venezuela, accounting for the lion’s share of a total stock of \$119bn in finance from China to Latin America since 2005, according to figures from Inter-American Dialogue, a think-tank. Credit risks are soaring, with the economy set to shrink by as much as 7 per cent this year. The slump in crude prices is clobbering Caracas’s ability to finance its debt. The markets are pricing in about a 90 per cent probability that Venezuela will default on its debt over the next five years. Chinese lending may, in effect-

High quality global journalism requires investment.

China extended a \$7.5bn line of credit to Ecuador earlier this year, with a significant \$5.3bn of it coming from the Export-Import Bank of China. But like Venezuela, the country faces severe strains in its balance of payments that have been exacerbated by oil prices at \$60 a barrel. Capital Economics estimates that the \$7.5bn will plug only about 75 per cent of the expected hole in Ecuador’s balance of payments this year, while finding fresh sources of finance may be difficult given the double-digit yields on sovereign bonds and the country’s poor relationship with institutions such as the International Monetary Fund and World Bank.

China has provided Zimbabwe with about \$1bn in credit lines but is growing cooler toward the African nation. Sinosure, a leading Chinese insurance company, has refused to guarantee loans from Chinese state banks to Zimbabwean companies because of Harare’s failure to repay arrears worth more than \$60m, according to the Zimbabwe Independent newspaper. President Robert Mugabe was hoping to secure a \$10bn financial bailout package with an initial tranche of \$4bn during a visit to Beijing last year. Instead, he obtained a \$2bn deal for the future construction of a coal mine, power station and dam secured against future Zimbabwean mining tax revenues.

Chinese lending to Argentina has totalled \$19bn since 2005 but since the country defaulted on its foreign debt in July 2014, for the second time in 13 years, it has had increased difficulty accessing international capital markets. Thus, the government of Cristina Fernández, who caused a storm during a visit to Beijing in February with a tweet that transposed the letters “l” and “r” in an apparent satire on Chinese speech, is relying on Beijing to keep its economy afloat, drawing down \$3bn from an \$11bn currency swap facility to boost its foreign exchange reserves. Nevertheless, the low oil price is leading to an improvement in Argentina’s balance of payments position.

### Political risks

Russia’s financial arrangements with China are shrouded in mystery which is reinforced by western sanctions imposed on Moscow since the Ukraine crisis began. However, several analysts put Chinese state-backed lending to Russian corporations at well over \$30bn, much of it secured by oil shipments to China. Even with the oil-price driven slump in Russia’s economy, a default on its debt to China is seen as unlikely, given Moscow’s strong foreign reserves

and oil output. Indeed, the key risk associated with Russia is less financial than diplomatic: that Beijing’s warming relationship with Moscow could alienate the US and other western powers.

Ukraine enjoyed a “strategic partnership” with China under its ousted former president Viktor Yanukovich. Beijing had extended some \$10bn in credit lines to Ukraine, followed by another \$8bn in investment and government-related lending pledges in late 2013, according to Mr Yanukovich and other former officials. The crisis in Ukraine appears to have derailed the proposed \$8bn in investments and credits, while Kiev is heavily in arrears on a \$3bn loan backed by promised grain exports to China, according to reports. A further \$3.6bn Chinese loan made in 2012 to pay for the gasification of coal by Naftogaz is under renegotiation, the company says.

Sri Lanka’s new president, Maithripala Sirisena, informed Beijing last month that it will review and potentially renegotiate a series of Chinese-funded infrastructure projects, most prominently a \$1.5bn “port city” commercial development being built on reclaimed land off Colombo. The new government has also criticised the lax transparency and high costs on Chinese-backed projects developed under former president Mahinda Rajapaksa, who developed close ties with his Chinese counterpart Xi Jinping. These include a second international airport close to Mr Rajapaksa’s home town, which has received little use since opening in 2013, and two new port developments.

The switch from a military junta to a nominally civilian government in Myanmar in 2011 led to the suspension of work on the \$3.6bn Myitsone Dam, a project developed by the state-owned China Power Investment Corporation and financed from sources within China. The dam became a focus of public anger over what was seen as Beijing’s growing role in the country. Negotiations over compensation for some of the investment made by the Chinese side are continuing. A \$20bn railway from the Chinese city of Ruili across Myanmar to the Bay of Bengal has been put on hold, voiding a 2011 agreement that envisaged a 50-year build-operate-transfer agreement.

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## El incremento de las compras inmobiliarias de chinos, provoca reacciones globales.

El año pasado los chinos se convirtieron en el grupo más grande de inversores en propiedad residencial en EE.UU., Reino Unido y Australia así como en otras ciudades.

Varios países están tomando medidas para limitar ese flujo de inversiones.

### Surge in Chinese housebuying spurs global backlash

Jamil Anderlini in Beijing

Financial Times, February 25, 2015

Prospective buyers wait in line to inspect a house for sale in the suburb of Eastwood in Sydney, Australia, on Saturday, Jan. 11, 2014. Purchases by locally resident Chinese and those from mainland China are inflating housing bubbles in and around Sydney, where prices in some suburbs have surged as much as 27 percent in the past year.

Australia plans to impose a new tax on foreign property buyers after Chinese investment in Australian real estate soared 60 per cent last year, in the latest sign of a gathering international backlash against wealthy Chinese property investors.

The move, which came after locals complained about being priced out of the housing market, follows the introduction of similar, more punitive, taxes in Hong Kong and Singapore aimed primarily at discouraging the flood of mainland Chinese money into those markets. Governments in all three locations say that the new taxes are not directed at any single nationality.

In the past year, mainland Chinese buyers have become the biggest single group of foreign investors in residential property in the US, UK and Australia, as well as in key cities in other western countries, according to real estate brokers.

In the year to March 2014, mainland Chinese buyers accounted for nearly a quarter of all foreign purchasers of residential real estate in the US, spending about \$22bn, compared with \$12.8bn a year earlier, according to the US National Association of Realtors. Canadians, the second biggest group, spent \$13.8bn in the same period.

Most apartments being built by Chinese developers in prime markets such as New York, London and Sydney are also being sold directly to mainland Chinese buyers.

The UK, Australia, Canada and the US are the most popular destinations for Chinese real estate investment. Australia had the strongest growth in inbound real estate investment from China in 2014, with an increase of more than 60 per cent, according to estimates from property consultancy Knight Frank, based on official Australian data.

In London, Chinese buyers accounted for 11 per cent of all property transactions above £1m in 2014, up from 4 per cent in 2012, according to Knight Frank. The comparable figure for Russian buyers, the second-largest group, was 5 per cent – a proportion that has hardly changed for several years.

Total value of investment in overseas real estate by Chinese institutional investors has also ballooned from \$600m in 2009 to about \$15bn last year, according to Knight Frank estimates.

Jin Guo, head of Asia at Cordea Savills, a real estate investor, says: “It is actually very difficult to properly trace volumes of individual Chinese property purchases abroad since most people do not register with any government agency and they get their money out of China using informal channels.

“But . . . we have seen estimates from the US, Australia and UK showing 20-30 per cent of foreign buyers are from China.”

Analysts say the rush of Chinese money into western property markets is the result of a complex combination of factors.

The enormous overcapacity and recent slowdown in China’s domestic property market has pushed many wealthy people to diversify their investments into offshore assets.

This has been made easier and more attractive by the collapse in property prices in many western markets that followed the 2008 financial crisis and the huge rise in Chinese prices over the past decade.

“The domestic Chinese market is very unstable, full of bubbles and depends on government policy,” says Cathy Zhang, senior sales consultant at Ausunland Group.

Prices for prime residential real estate in cities such as Los Angeles and Miami are roughly 25 per cent lower than in Shanghai.

Government restrictions, worsening pollution and decrepit health and social services have also led many Chinese to buy property in more developed countries they may wish to eventually emigrate to. Add to that the anxiety generated by the anti-corruption campaign launched by President Xi Jinping two years ago.

Although few in the industry will openly discuss it, some acknowledge privately that fear among Chinese officials and businesspeople has been a big factor in the surge of investment into western real estate. The Chinese government has stepped up efforts to repatriate corrupt officials and recover offshore assets, including luxury foreign properties.

“The ongoing purge and the fear of losing everything if you are caught up in an anti-corruption investigation or a political fight has convinced many in China to diversify to places with clear and stable legal and political environments,” says one figure at a large property advisory company.

Capital controls restrict Chinese residents from exchanging more than \$50,000 in foreign currency each year, which would make it almost impossible for a Chinese person to buy a prime residential property abroad.

This means effectively that all property purchases by Chinese nationals overseas are technically illegal.

Questions over the provenance of much of the Chinese money streaming into cities such as New York, London and Sydney will also add to growing resentment among locals who feel they are being priced out of the market.

Analysts expect the backlash to spread as Chinese investment continues to rise and politicians face increasing pressure to act.

The Australian government has proposed “application fees” of A\$10,000 (US\$7,800) for every A\$1m that foreign buyers spend on Australian property.

It has also pledged to enforce an existing law that prohibits non-residents from buying existing – rather than newly built – housing. Offenders could be fined up to 25 per cent of the value of the property and forced to sell it.

The UK government has made a series of tax changes in the past three years aimed at discouraging wealthy foreign buyers from the London housing market. The crackdown focused particularly on homes bought using offshore companies, which make it hard to trace a property’s ownership.

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## Mamá y papá: desconocidos para millones de niños chinos

CNN 12/03/2015

La difícil situación de las comunidades del interior de China obliga a los padres a dejar a sus hijos para buscar empleo en las ciudades.

**Mom and dad: Strangers to millions of Chinese kids**

Chao Hu, Anhui, China (CNN)Six-year-old Lu Yiming is a handful.

One minute, he’s on the concrete roof of his two-story house, the next he’s fiddling with fireworks.

Now, he’s skating down an alley.

“Come back here!” yells his grandmother.

“I have such a headache raising this child,” 72-year-old old Tang Xinying confides.

Lu’s mother abandoned him after he was born and his father works as a carpenter in Shandong province hundreds of miles further north. He comes back perhaps once a year.

In China, Lu is what’s called a “left-behind child.”

Conservatively, there are at least 61 million such children in China -- that’s a staggering one in five.

They struggle at school, have higher rates of mental health issues, and suffer from more behavioral problems than their contemporaries.

"I tell him 'your father is working and your mother doesn't want you,'" says an exasperated Tang.

### No jobs

In Chao Hu, a village in the inland province of Anhui, a dead-end track passes by half-finished housing projects and abandoned fields. A yellow haze hangs in the air leaving a metallic taste in the mouth.

China's industrial pollution made it out here, but the jobs haven't.

Everyone of working age in Chao Hu has gone to the cities to find work, leaving the old and very young behind.

Lu holds my hand as we walk through the tiny village.

A group of old women sit on three-legged wooden stools listening to Chinese opera on a small radio. Another walks by knitting. Some old men make bootleg liquor in an oil drum.

"We don't have fields that we can farm, if you don't go out to work, then how do you earn an income?" says Tang.

"Their parents have to work outside of town and they cannot bring their children with them."

The All China Women's Federation, a state-backed organization, paints a bleak picture for left behind children.

A steady stream of state media reports highlights the abuse suffered by left behind children. And crimes are often blamed on them.

"It has a huge impact on society and the generation of people who grow up without parents," says Ines Kaempfer, of the Center for Child-Rights and Corporate Social Responsibility. "There is a generation of Chinese society that lacks security and trust. It could have a potentially disastrous effect."

Unintended consequences of mass urbanization and migration are not unique to China. But draconian rules have made the problem worse.

China's much-hated hukou system registers families as either rural or urban. Most migrants can't change their household registration when they move.

They struggle to access healthcare and other social services in urban areas. Their children can't go to public schools -- even if they are born in the cities.

### Underclass

Critics say the hukou system has created a vast underclass of cheap labor to help drive China's manufacturing revolution.



Recognizing some of its failures, the Chinese Communist Party has proposed reforms of the hukou system including doing away with temporary residence permits.

The topic is under discussion this week at the annual meeting of China's National People's Congress, the country's rubber-stamp parliament.

"Though it is better than before, the hukou system is a huge problem," says Professor Fan Bin, of the Huadong Technology Institute.

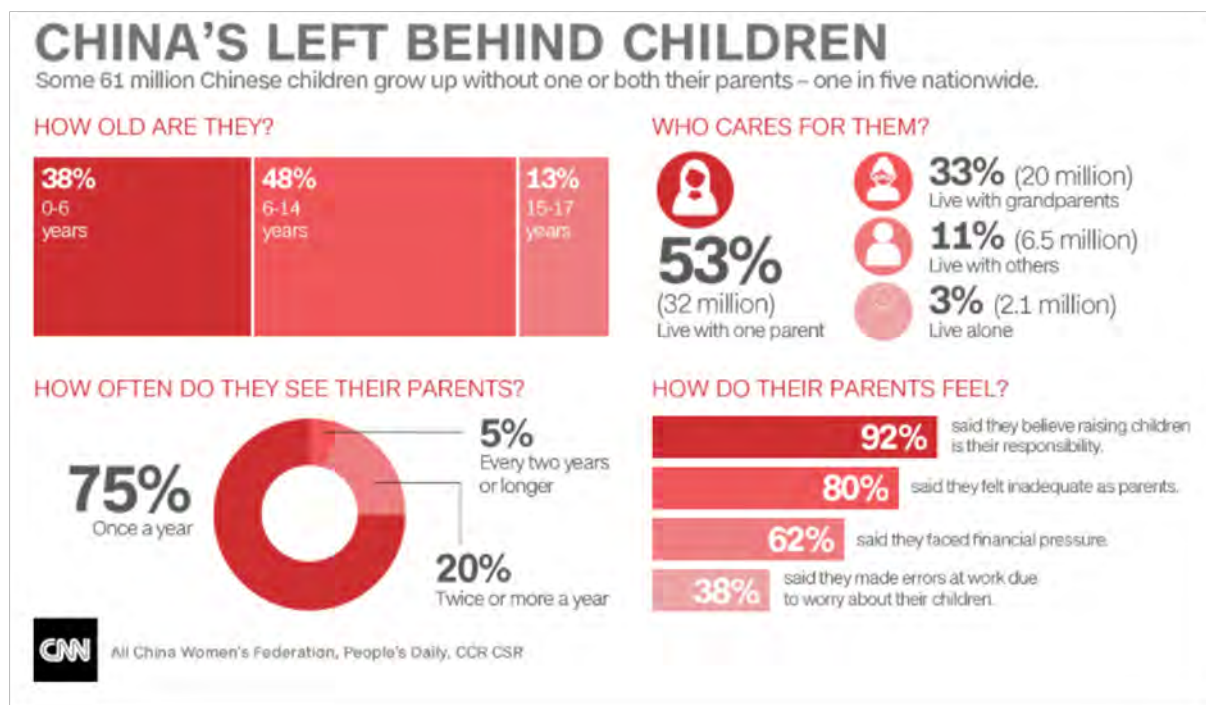
"Migrants can't afford to keep their children in big cities, the rent is high and the wages are low, and they can't pay the tuition for private schools."

In Chao Hu village, Tang is cooking a meal of rice and spinach for her grandson. She swirls peanut oil on her simple stove top.

"I can't teach my grandson well. This boy should be educated by his father and mother," she says, "I cannot catch him when he runs away from me. I cannot discipline him when he misbehaves."

Tang is convinced she can't give her grandson the support he needs.

"We don't have a choice, even if the situation isn't good. If I don't take care of him who will," she says.



<http://edition.cnn.com/2015/03/11/asia/china-left-behind-kids/index.html>

## Cupido ataca en el continente, para mujeres profesionales de Hong Kong

Aumenta el número de mujeres de Hong Kong que van al continente, donde hay cada vez más ricos, a buscar marido. Hong Kong es un mercado matrimonial duro para las mujeres porque hay escasez de hombres. Hasta hace poco, sólo hombres de edad y de pocos recursos iban en busca de matrimonio al continente.

### Cupid strikes for Hong Kong career women on Chinese mainland

Julie Zhu in Hong Kong

Financial Times

A PR manager then in her late 30s, Ms Cheung was attracted by better job opportunities in China's most westernised city. As a "leftover woman" – a term referring to highly educated, well-paid but unmarried Chinese females in their late 20s or older – she felt her chances of meeting someone were slim. "I was almost 40. The age became a big problem. It's already very late and hard for me to find someone suitable," she says.

But things changed when she met Mr Chen, newly returned to Shanghai after working in New Zealand. They fell in love and married two years later.

Back then, it may have been rare for Hong Kong women to look for love on the Chinese mainland. Traditionally, older and poorer Hong Kong men went to China to find younger brides. But in recent years, thousands of highly educated Hong Kong women have followed in Ms Cheung's footsteps.

Nearly 7,500 women from Hong Kong married Chinese men in 2013, a threefold increase from 2003. The number of cross-border marriages registered in Hong Kong accounted for 38 per cent of the total in 2013, compared with 32 per cent 10 years earlier.

It is not hard to understand why women look for love outside of Hong Kong, say marriage brokers and sociologists. Hong Kong is a tough marriage market for women because of the city's skewed gender ratio – 876 males for every 1,000 females, a gap predicted to worsen to 712 to 1,000 by 2041.

"Men are in a short supply," says Paul Yip, an expert on population policy at the University of Hong Kong. "And men always like to marry down, women always like to marry up . . . what we will see is an increasing number of women who remain single."

China's economic boom – and with it, its growing number of wealthy men – has also encouraged women to consider partners from the mainland.

Renowned for being independent and selective, says Sandy To, a sociologist at the University of Hong Kong, women from the territory tend to favour Chinese bachelors with decent education, particularly haigui or "sea turtles" – Chinese who have studied overseas and returned to China.

More than 400,000 haigui returned to the motherland last year, according to Chinese government data. "They speak fluent English, have the global perspective and cultural sophistication," she says. "Their background is similar to that of professional Hong Kong women. They would click."