FIRMLY MARCH ON THE PATH OF SOCIALISM WITH CHINESE CHARACTERISTICS AND STRIVE TO COMPLETE THE BUILDING OF A MODERATELY PROSPEROUS SOCIETY IN ALL RESPECTS

Report to the Eighteenth National Congress of the Communist Party of China on Nov 8, 2012

Hu Jintao

Comrades,

I now wish to deliver the following report to the Eighteenth National Congress of the Communist Party of China on behalf of the Seventeenth Party Central Committee.

The Eighteenth National Congress is one of great importance being held when China has entered the decisive stage of completing the building of a moderately prosperous society in all respects. The underlying theme of the congress is to hold high the great banner of socialism with Chinese characteristics, follow the guidance of Deng Xiaoping Theory, the important thought of Three Represents and the Scientific Outlook on Development, free up the mind, implement the policy of reform and opening up, pool our strength, overcome all difficulties, firmly march on the path of socialism with Chinese characteristics, and strive to complete the building of a moderately prosperous society in all respects.

At this moment when I address you, we are convinced that thanks to over 90 years of hard struggle, our Party has rallied and led the people of all ethnic groups of the country in turning the poor and backward old China into an increasingly prosperous and powerful new China and opening up bright prospects for the great renewal of the Chinese nation. We are all the more proud of the historic achievements of the Party and the people, we are all the more firm in the ideal and conviction of the Party and the people, and we are all the more aware of the historic responsibility of the Party.

At present, as the global, national and our Party's conditions continue to undergo profound changes, we are faced with unprecedented opportunities for development as well as risks and challenges unknown before. The whole Party must keep in mind the trust the people have placed in us and the great expectation they have of us. We must aim higher and work harder and continue to pursue development in a scientific way, promote social harmony, and improve the people's lives so as to complete the glorious and arduous tasks bestowed on us by the times.

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I. Our Work in the Past Five Years and the Basic Experience We Have Gained in the Past Ten Years

Over the past five years since the Seventeenth Party Congress, we have marched boldly on the path of socialism with Chinese characteristics. During these five years, we have overcome numerous difficulties and risks and achieved new successes in building a moderately prosperous society in all respects.

The Seventeenth Party Congress adopted a comprehensive plan for promoting reform and opening up and socialist modernization and attaining the grand goal of building a moderately prosperous society in all respects. To implement this decision of the Seventeenth Party Congress, the Central Committee has held seven plenary sessions, at which decisions were made and implementing steps adopted on the following issues of underlying importance: deepening reform of the administrative system, promoting rural reform and development, improving and strengthening Party building in a new environment, formulating the Twelfth Five-Year Plan and promoting reform and development of the cultural sector. During the past five years, we have fulfilled the goals of the Eleventh Five-Year Plan and made good progress in implementing the Twelfth Five-Year Plan, and we have made new and major achievements in all fields of our work.

The economy has developed steadily and rapidly. China's overall national strength has grown considerably. The gross domestic product (GDP) reached 47.3 trillion yuan in 2011, and government revenue increased by a wide margin. The overall agricultural production capacity has increased and grain output has gone up year after year. Fresh progress has been made in adjusting the industrial structure, and the infrastructure has been extensively upgraded. Urbanization has been steadily advanced, and development between urban and rural areas and between regions has become better balanced. Notable progress has been made in making China an innovative country, and major breakthroughs have been made in manned spaceflights, the lunar exploration program, and in the development of a manned deep-sea submersible, supercomputers and high-speed railways. Solid steps have been taken to promote ecological progress, and comprehensive progress has been made in resource conservation and environmental protection.

Major progress has been registered in reform and opening up. China's overall rural reform, the reform in tenure of collective forests and the reform of state-owned enterprises have been deepened, and the non-public sector of the economy has registered sound growth. The country's modern market system and macro-regulatory system have been steadily improved, and its reform of finance and taxation, banking, prices, science and technology, education, social security, medicine and public health, and public institutions has progressed steadily. China's open economy has reached a new level, and its import and export volume now ranks second in the world.

Living standards have been significantly improved. Efforts to improve the people's wellbeing have been intensified; urban and rural employment has continued to increase; individual income has increased rapidly; household assets have grown steadily; people's need for daily necessities such as clothing, food, housing and transportation is better met; subsistence allowances for both urban and rural residents and the rural poverty line have been raised by a big margin; and basic pensions for enterprise retirees have increased continually.

New strides have been made in developing democracy and the legal system. Further progress has been made in reforming the political structure. Urban and rural deputies to people's congresses are now elected on the basis of the same population ratio. Community-level democracy has steadily developed. The socialist system of laws with Chinese characteristics has been established, and notable achievements have been made in building a socialist country based on the rule of law. The patriotic united front has been consolidated and expanded. The reform of the administrative system has deepened, and further progress has been made in the reform of the judicial system and the work mechanisms of the judiciary.

Development of the cultural sector has reached a new stage. Intensive efforts have been made to promote core socialist values; comprehensive progress has been made in the reform of the cultural system; important headway has been made in providing public cultural services; the cultural industry has grown rapidly; cultural creation and production is flourishing; and people enjoy richer intellectual pursuits and cultural entertainment. New progress has been made in public fitness programs and competitive sports.

Fresh progress has been made in social development. Basic public services have improved markedly, and access to them has become much more equitable. Education has developed rapidly, and free compulsory education is now available in all urban and rural areas. Marked progress has been made in developing the social security system; the basic old-age insurance system covering both the urban and rural population has been fully established, and a new type of social assistance system is taking shape. The whole population is now basically covered by medical insurance; the basic urban and rural healthcare systems are taking shape. Construction of low-income housing has been accelerated. We have strengthened and made innovations in social management and maintained social harmony and stability.

A new stage has been reached in efforts to strengthen national defense and the armed forces. Significant achievements have been made in the revolution in military affairs with Chinese characteristics. Coordinated and all-around progress has been made in efforts to ensure the revolutionary nature of the armed forces and that they are modern and follow standard procedures in all operations. Military preparedness has been enhanced. The armed forces have greatly enhanced their capability of carrying out their historic mission in this new stage in the new century, and they have accomplished a host of urgent, difficult, dangerous and arduous tasks.

Work related to Hong Kong, Macao and Taiwan affairs has been further strengthened. Hong Kong and Macao have remained prosperous and stable, and their exchanges and cooperation with the mainland have reached a new stage. We have achieved a major transition in the relations between the two sides of the Taiwan Straits, with direct and two-way links of mail service, transport and trade fully established, and the Economic Cooperation Framework Agreement between them has been signed for implementation. All this has promoted extensive mutual contacts and ushered in a new stage of peaceful growth of cross-Straits relations.

New progress has been made in China's diplomacy. We have staunchly protected China's interests and the legitimate rights and interests of Chinese nationals and legal persons overseas. We have increased exchanges and cooperation with other countries. We have promoted reform in global governance, enhanced world peace and development, secured more representation and a greater say for China in international affairs, and created favorable international conditions for China's reform and development.

All-around progress has been made in Party building. Further progress has been registered in strengthening the Party's governance capacity and its advanced nature. Notable results have been achieved in strengthening the Party theoretically. Significant achievements have been made in studying and applying the Scientific Outlook on Development. Major progress has been made in conducting reform and innovation in Party building. Intra-Party democracy has been further expanded. Major progress has also been made in strengthening the ranks of Party officials; and new progress has been registered in managing qualified professionals. We have intensified activities to encourage Party members and organizations to excel in their work and to build learning Party organizations. Community-level Party organizations have been strengthened. New progress has been made in improving Party conduct, promoting integrity and combating corruption.

Our work in the past five years is an important part of our endeavor to build a moderately prosperous society in all respects in the past ten years since the Sixteenth National Congress of the Party.

During these ten years, we have seized and made the most of the important period of strategic opportunities for China's development, successfully met major challenges and brought socialism with Chinese characteristics to a new stage of development. Facing a volatile global environment and fierce competition in overall national strength unseen before in this new stage in the new century, we have deepened reform and opening up and accelerated development. We took China's accession to the World Trade Organization as an opportunity to turn pressure into motivation and turn challenges into opportunities, and we have forged ahead in building a moderately prosperous society in all respects. While we were on the way, we overcame the unexpected outbreak of the severe acute respiratory syndrome (SARS). On the basis of reviewing China's development practices, we gained a good understanding of the essential features of its development in the current stage, set forth in a timely way major strategic thinking including the Scientific Outlook on Development, and have fully applied it, and thus greatly expanded the space for economic and social development. After 2008, the global financial crisis caused acute difficulties to China's development. By making resolute decisions and taking major countermeasures on the basis of sizing up the overall development in a scientific way, we made China's economy the first in the world to make a turnaround, and we have gained important experience in effectively defusing external economic risks and maintaining steady and robust growth. We successfully hosted the Games of the XXIX Olympiad and the XIII Paralympic Games in Beijing and the World Expo in Shanghai. We won great victories in responding to the massive Wenchuan earthquake in Sichuan Province and other natural disasters and in post-disaster recovery and reconstruction and settled major emergencies. Bracing ourselves against complex domestic and international developments, our Party and people have stood severe tests, consolidated and developed the cause of reform and opening up and socialist modernization, and raised China's international standing. All this shows the superiority and vitality of socialism with Chinese characteristics and has enhanced the pride and cohesiveness of the Chinese people and nation.

Over the past ten years, we have achieved new historic successes and laid a solid foundation for completing the building of a moderately prosperous society in all respects. China's economy has risen from the sixth to the second place in the world. The country has undergone new historic changes: Its productive forces and economic, scientific and technological strength have increased considerably, the people's living standards, individual income and social security have improved significantly, and its overall national strength and international competitiveness and influence have been enhanced substantially. During this period, China has seen continuous economic development, steady improvement in democracy, and increasing cultural prosperity and social stability, and we have worked hard to ensure and improve the people's wellbeing and brought them more benefits than ever before. And all this is widely recognized. These historic successes are attributable to the correct guidance of the Party's basic theory, line, program and experience; they have been achieved on the firm foundation laid since the founding of New China in 1949 and particularly since the adoption of the policy of reform and opening up in 1978; and they are the fruits of the united efforts of the whole Party and the people of all ethnic groups in China.

Here, on behalf of the Central Committee of the Communist Party of China, I wish to express our heartfelt thanks to the people of all ethnic groups in China, to the democratic parties, people's organizations and patriots from all walks of life, to our compatriots in the Hong Kong Special Administrative Region, the Macao Special Administrative Region and Taiwan as well as overseas Chinese, and to our foreign friends who view favorably and support China's modernization drive.

The most important achievement in our endeavors in the past ten years is that we have formed the Scientific Outlook on Development and put it into practice by following the guidance of Marxism-Leninism, Mao Zedong Thought, Deng Xiaoping Theory and the important thought of Three Represents and by making courageous theoretical innovations on the basis of practices and developing closely interconnected new ideas and viewpoints on upholding and building socialism with Chinese characteristics. The Scientific Outlook on Development was created by integrating Marxism with the reality of contemporary China and with the underlying features of our times, and it fully embodies the Marxist worldview on and methodology for development. This theory provides new scientific answers to the major questions of what kind of development China should achieve in a new environment and how the country should achieve it. It represents a new level of our understanding of the laws of socialism with Chinese characteristics and reaches a new realm in the development of Marxism in contemporary China. The Scientific Outlook on Development is the latest achievement in developing the system of theories of socialism with Chinese characteristics, and it is the crystallization of the collective wisdom of the Communist Party of China and a powerful theoretical weapon for guiding all the work of the Party and country. Together with Marxism-Leninism, Mao Zedong Thought, Deng Xiaoping Theory and the important thought of Three Represents, the Scientific Outlook on Development is the theoretical guidance the Party must adhere to for a long time.