

VIEWS

Jia Kang

Chinese economy expects faster recovery

China's economy is highly resilient and still has great potential thanks to its strong economic fundamentals. Hence, the Chinese economy is expected to grow in the long run. But in order to realize national modernization, China has to synchronize its economic development with civilizational development. This will help facilitate China's industrialization, urbanization, informatization as well as social development.

Despite China being the world's largest manufacturing power, some of its industries are not that competitive. As such China needs to upgrade its manufacturing sector — by elevating its goods and services from “Made in China” to “Created in China” — and pursue intelligent manufacturing.

Looking ahead, any further development related to China's manufacturing will be in accordance with the country's urbanization. Judging by international experience, a country enters the stage of modernization once its urbanization rate crosses 70 percent. In China's case, however, the permanent urban population across the country accounts for only about 45 percent of the total population. And if the rate of urbanization increases by 1 percentage point per year, China will need to ensure steady economic development for more than 15 years to basically achieve modernization.

In the long term, strong and diversified supply and demand chains will ensure China's sustainable development and help integrate industrialization and urbanization. As urban built-up areas in

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the country continue to expand, the increase in urban-rural fringe areas will necessitate the creation of many new districts. The infrastructure in the existing central business districts and the to-be-created new districts will require improved connectivity, for which skilled talents, industrial upgrading and integration would be needed.

Although the supply and demand chains face risks and uncertainties, they still reflect the high potential of China's economy. Yet China needs to deepen reform and widen opening-up, create a high-

quality, law-based business environment, and establish a national unified market in which all entities' rights are protected, and unfair competition and monopoly are eliminated. Efforts should also be made to integrate urban and rural development, as well as address the problems caused by the different administrative systems in rural and urban areas.

While foreign enterprises can benefit from the shortening of the Negative List, the local governments should work to strengthen and optimize their management to develop favorable conditions for enterprises, and promote high-quality business.

There is also a need to ensure direct financing in the multi-layered capital and financial market, so big companies as well as small and medium-sized enterprises can realize mutual benefit.

And now that China's real estate sector is past its golden age, the property market is likely to face more uncertainties and challenges — there is even a chance of the real estate market dipping further. True, the real estate market is

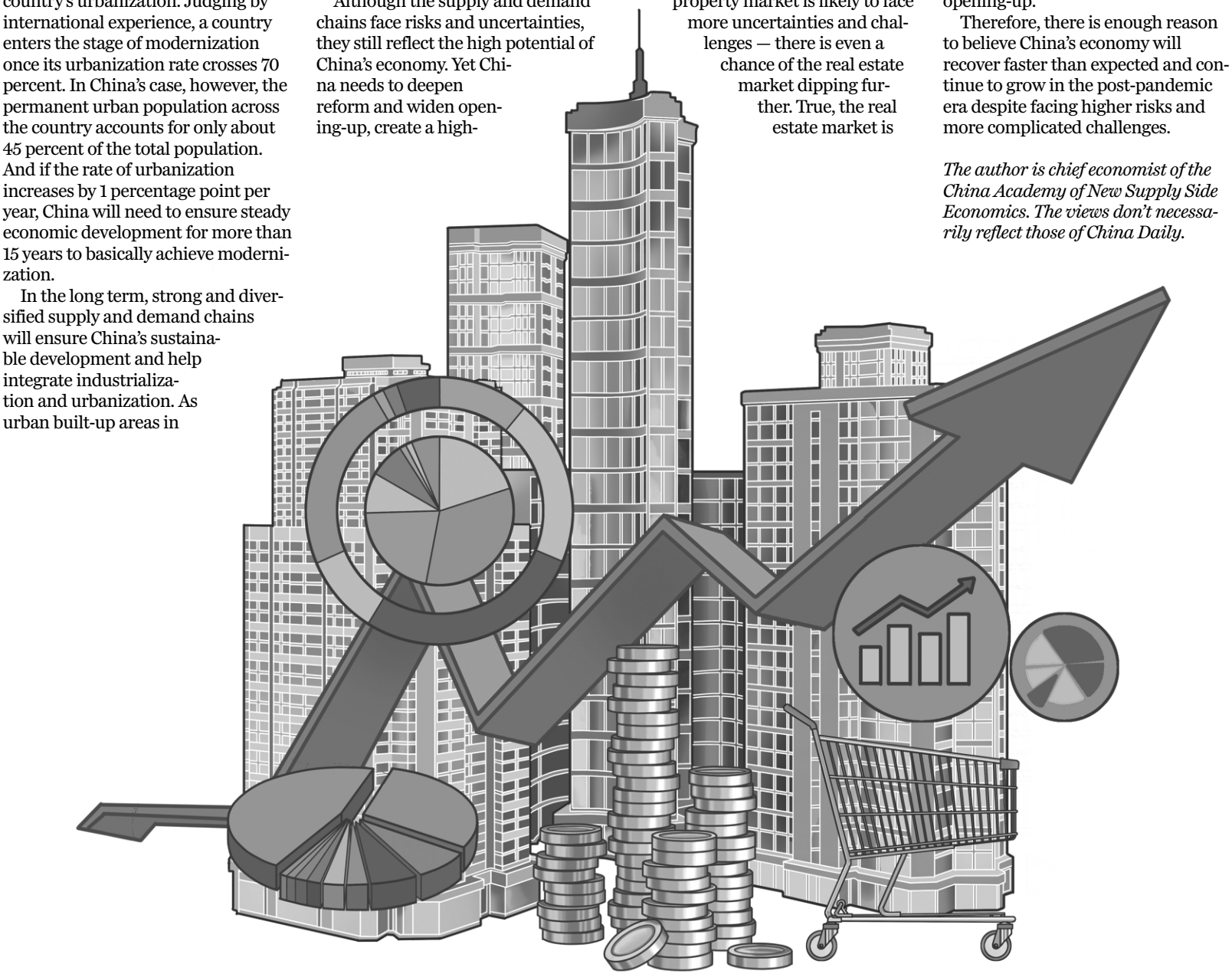
relatively stable, but the journey to recovery will take time.

Fiscal sustainability is another major concern for China. The separation of central and local governments' fiscal powers and expenditure responsibilities has benefited all sides in recent years. Also, the clear division of responsibilities between them has ensured that they properly exercise their fiscal powers. For example, the central and local authorities have been working together to provide public goods such as healthcare, transportation and compulsory education for the people in accordance with regulations.

There is no denying that some regions face financial constraints due to the impacts of the COVID-19 pandemic, but the country is confident of overcoming the challenges thanks to the valuable experience it has accumulated in the more than four decades since the launch of reform and opening-up.

Therefore, there is enough reason to believe China's economy will recover faster than expected and continue to grow in the post-pandemic era despite facing higher risks and more complicated challenges.

The author is chief economist of the China Academy of New Supply Side Economics. The views don't necessarily reflect those of China Daily.



JIN DING / CHINA DAILY

David Morris

China, Australia share common interests

A half century is a significant milestone. After 50 years, the relationship between China and Australia stands as a signature example of the potential, but also the pitfalls, for how two very different countries can pursue peace and economic interdependence, safeguard common interests and face common challenges.

In 1972, both Australia and China were very different countries. Australia was not yet the multicultural and internationalized nation that it is today. China had not yet embarked on reform and opening-up which has helped hundreds of millions to lead a more prosperous life. Yet leaders with foresight envisaged that the peoples of the two countries with vastly different historical experiences could, and indeed must, find ways to cooperate. Australia's prosperity and China's growth have been intertwined ever since.

It could have been very different. Asia in the 1970s was still gripped by geopolitical conflict. The Cold War featured a series of proxy wars in Asia between superpowers locked in a zero-sum confrontation. Since then, Asia has been able to maintain peace, despite, and indeed out of respect for, its great diversity.

The decades of peace have allowed Asia's people to concentrate on development and prosperity. There are lessons we can draw from this about focusing on building peace and investing in stability, rather than being drawn into imagined “great games”.

Working together and only by working together, the two countries can help achieve a much-needed green deal for the Asia-Pacific region, so as to ensure a safe and sustainable future.

The phenomenal success of Asia's development model since the 1970s illustrates the all-round benefits of economic interdependence. Both Australia and China have invested in building this more prosperous and peaceful Asia. It is no accident that the world's biggest free trade area, the Regional Comprehensive Economic Partnership, includes China and Australia. Both countries have benefited from openness to trade, investment, tourism, education and research links. It is in the interests of both sides therefore to deepen and broaden the rules-based cooperation in order to help the region to achieve greater prosperity.

Yet the past few years have demonstrated how geopolitics can put economic interdependence (and peace) at risk. If we irrationally imagine we are “destined for war”, then we risk turning false assumptions into reality, by choosing confrontation over cooperation. The stakes were raised when the United States declared it was in strategic competition with

China amid other security, health and economic crises around the world. Australia, as a security partner of the US and economic partner of China, was imagined by some to be on an inevitable path to choose one over the other, even though that made no sense for a country whose security and prosperity must be found by sustaining good relations on both sides of the Pacific.

Both Australia and China have learned from history that wise leaders will choose to pursue interests over ideology in international relations. When the dust settles on disputes or disagreements, which will inevitably happen, we must return to finding common interests. That is how good neighbors settle problems.

Indeed, Australia and China demonstrate how two very different countries can benefit from cooperation. It is manifestly in the interests of both countries to maintain peace, stability and economic interdependence. Common interests can, if we choose, provide the basis for another 50 years of cooperation.

We also have some common challenges. First among them is climate change. Failure to address global warming would be catastrophic for Australia, China and all of the other countries in the region.

Small island nations of the Pacific are already seeing the tragic results of more frequent natural disasters. Food security will be a major risk in a changing climate. As a major regional supplier of food, energy and

resources, Australia has an important role to play in the transition to sustainability. And as a major innovator in new technologies and investor in regional infrastructure, China has a critical role to play in implementing sustainable solutions. Working together and only by working together, the two countries can help achieve a much-needed green deal for the Asia-Pacific region, so as to ensure a safe and sustainable future. They must also facilitate sustainable development in the Pacific.

The 50th anniversary of the establishment of Sino-Australian diplomatic ties is an apt time to take stock of what has worked and what has not at a state-to-state level. Fortunately, we have another rich source of future collaboration, the millions of Australians and Chinese whose lives link the two countries, relationships that go back many more generations than simply 50 years and will sustain our shared future.

Former Australian prime minister Gough Whitlam, whose government initiated diplomatic relations with China in 1972, once said that “true national independence depends upon international interdependence”. That is a principle that holds true today for both of our great nations.

The author, a former Australian and multilateral diplomat, is vice-chair of the UN ESCAP Sustainable Business Network, an international consultant. The views don't necessarily reflect those of China Daily.

Liu Yuanli and Ma Jing

Anti-pandemic measures need strong follow-up

The Chinese government has optimized its anti-pandemic policy focus from strict prevention and control of COVID-19 infections to treatment of severe cases in order to strike a balance between anti-pandemic measures and socioeconomic development.

The decision is informed by scientific studies of the mutations of the novel coronavirus: as the vaccination rate and number of infections continue to increase around the world, the dominant mutant strains of the virus, that is, the subtypes of Omicron, are becoming super contagious with a shorter generation interval — although most cases are asymptomatic and mild. As such, strictly controlling the overall infection rate is not only costly but also ineffective and unnecessary.

The priority now therefore should be to vaccinate key groups of people (especially the elderly), guarantee proper medical treatment to patients, and change the main infection detection methodology.

Earlier, nucleic acid testing was widely used for clinical diagnosis (single tube) and large-scale group screening (10 people mixed in one tube). The large-scale centralized nucleic acid sampling method adopted by local governments this year not only greatly increased the workload of the sampling staff, but also required strict sample processing, safe transportation, and contamination-free laboratories, and costly PCR (polymerase chain reaction) testing equipment and technical operations. That imposed a huge financial burden on many local governments, which was unsustainable.

Now since the national COVID-19 prevention and control priorities and subsequent measures have been optimized, free nucleic acid testing for all residents will not be conducted across administrative regions. Except for key groups and key places, a nucleic acid test will be conducted only on people who ask for, or require, it. For those who might be infected because of the on-set of fever and other symptoms, they can self-administer antigen detection tests at home. And if the result is positive but symptoms are mild, they will require only to treat the symptoms and rest at home, instead of getting admitted to a hospital or checking into a quarantine center.

Focusing on the key task of preventing severe illness, antigen detection tests should be conducted only when obvious symptoms are evident.

Although an antigen detection test is not as sensitive as a nucleic acid test, generally an antigen test result could become positive in two-five days after a person has a fever. In fact, antigen detection is most effective when symptoms are present.

Since antigen tests are convenient and cheap, most countries are distributing antigen detection kits for free to residents so they can distinguish between COVID-19 and other upper respiratory infections.

Besides, if a person tests positive, the family can contact a doctor to prescribe medicines, which would not only be convenient for the patient but also can prevent the run-off of medical resources and cross-infection in the hospital.

As the cough caused by COVID-19 can last for several weeks, sometimes the test result could return positive even after a week of infection or last several weeks without any symptoms. Therefore, in general, a re-test is not recommended; as long as symptoms are not evident, people can wear a mask and rejoin work two-three days later.

On Dec 8, the National Health Commission said China should be equipped with sufficient antigen detection kits for 15-20 percent of the total population, among which grassroots clinics should complete stockpiling before Tuesday (Dec 20). This means China needs to stock about 210 million antigen detection kits.

But can China stock those many antigen detection kits in a short time? In March, when the State Food and Drug Administration first approved antigen detection products for self-inspection, there were only five types of such kits. By Dec 12, at least 42 different types of rapid antigen detection kits had been approved for sale in China, which shows China likely has a huge stockpile of antigen detection kits.

Although it is difficult to find antigen detection re-agents in many places including Beijing today, if the kit-makers raise their production to full capacity (one company usually produces 5-10 million kits a day), it could soon lead to oversupply, which in turn would lead to price cuts. And the rapid price cuts could prompt the manufacturers to compromise product quality. Hence, the authorities need to tighten supervision of testing companies and punish the violators accordingly.

But despite the quality of antigen detection re-agents being guaranteed, if the authorities allocate medical resources based only on the results of antigen detection tests, they will not be able to prevent unnecessary shortages of medical resources.

Focusing on the key task of preventing severe illness, antigen detection tests should be conducted only when obvious symptoms are evident. While differential diagnosis can be used to distinguish between seasonal influenza and COVID-19 infection, fair and efficient allocation of medical resources could be made according to factors such as the age and underlying diseases of the infected.

It's worth mentioning here that the optimized epidemic prevention and control strategy is still aimed at reducing and prolonging the peak infection rate as much as possible, so as to prevent severe cases and medical resource run-offs.

It is necessary to strengthen the facilities and capacity building of clinics and isolation wards in hospitals at all levels, while people should be encouraged to always wear a mask in public places, frequently wash their hands and noses, avoid crowded places and celebrate Spring Festival where they are if possible.

It is more important than ever to promote and popularize knowledge about medical treatment of COVID-19 patients, especially those with common symptoms. The new measures which prescribe home isolation and observation of patients with mild symptoms are no doubt more humane. Yet their effectiveness will also depend on people's health literacy and self-management.

Liu Yuanli is a professor at the Chinese Academy of Medical Sciences and Peking Union Medical College; Ma Jing is a professor at the Institute for Hospital Management of Tsinghua University. The views don't necessarily represent those of China Daily.