

Korean Air connects China with 13 cities in North America



Middle path

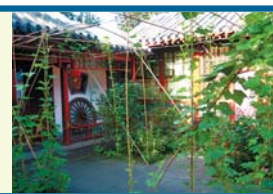
Economic slowdown has forced Chinese middle-class families to tighten their belts

China Business Weekly

Local flavor

Many expatriates choose to live with Chinese neighbors to have a local experience

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Flexibility signaled on trade talks

Minister urges give-and-take for successful conclusion of Doha Round

By Wang Xu

The nation will be flexible on some "sensitive issues" in global trade talks to stem the rising wave of protectionism, Commerce Minister Chen Deming said yesterday.

"China will show flexibility on issues like the Agricultural Special Safeguard Mechanism to facilitate the completion of the multilateral world trade system," he said at the China Development Forum 2009 held in Beijing.

The on-again, off-again Doha Round of talks started in 2001 to lower trade barriers and increase international commerce, but agreement could not be reached last year due to differences between India and the United States on safeguards to protect farmers from a flood of imports.

"The ball is in the United States' court, rather than in developing countries, to push forward the Doha Round," Chen said. "Developed nations, including the US and those in the European Union, need to further slash 70 percent to 80 percent of the distorted agricultural subsidies."

Chen urged the US government to build on agreements reached at previous rounds of talks.

"There are only a few contro-

versial issues remaining," said Chen. "If we restart the (whole round of) talks, it may take another seven years or even longer to complete it."

The failure of the talks smashed the hopes for a much-needed boost to world trade, which could add vitality to the weakening world economy. The World Bank has forecast that global trade would drop this year, the first time since 1982.

Meanwhile, recent signs of rising protectionism are threatening to make matters worse. A recent World Bank report showed 17 of the Group of 20 (G20) countries have implemented 47 trade-restricting measures since November, when their leaders pledged to avoid raising trade barriers at the G20 summit in Washington.

Pascal Lamy, director-general of the World Trade Organization said in Canberra earlier this month that a meeting to finalize the Doha Round of negotiations could be held early in the summer, once the new US administration had established its trade policies and India holds general elections.

Chen also said the nation is prepared to further open up its service sectors, but only after the completion of the Doha Round.

G20 leaders are expected to pledge support for the Doha Round at the summit to be held in London on April 2.



Hong Kong action star Jackie Chan poses with mainland actresses Xu Jinglei (left) and Fan Bingbing as they attend the premiere of their movie Shinjuku Incident at the opening of the 33rd Hong Kong International Film Festival yesterday.

Chan brings fighting spirit to HK film fest

HONG KONG: Jackie Chan returned to his hometown yesterday to help kick off Hong Kong's annual international film festival, lending his star power to an event that's facing stiff competition in Asia.

Wearing a light blue Mandarin-collared top embroidered with floral patterns, the 54-year-old veteran action star attended the world premiere of his new Chinese-language gangster thriller, Shinjuku Incident.

Chan said he wanted to

highlight "Hong Kong's fighting spirit and local-style movies" through the \$25 million production that features him, playing a mainland tractor repairman who smuggles himself to Tokyo to search for his girlfriend, only to become a hit man for Japanese mobsters.

The role, which sees the *Rush Hour* star kill and pay for sex, marks a sharp departure from his typical good-guy roles in the action comedies he is best known for.

"I hope to try different types

of roles," Chan said on the sidelines of the premiere.

Organizers of the 33rd Hong Kong International Film Festival chose *Shinjuku Incident* and another Hong Kong production, the family drama *Night and Fog*, as opening movies to showcase a local industry that's become overshadowed by blockbusters from the mainland.

Hong Kong filmmakers and actors are also gravitating toward mainland productions, leading to a sharp decrease in movies set in the city known for

its mix of Chinese and Western cultures.

Night and Fog director Ann Hui said it has become increasingly difficult to tell local stories because the Hong Kong market is too small.

"Just the Hong Kong market itself isn't enough to recoup the investment," Hui said.

The Hong Kong film festival, whose current edition runs until April 13, has also struggled amid fresh competition, especially the Pusan International Film

Festival in South Korea, which is now regarded by some as Asia's top event.

This year's Hong Kong event will feature 19 world premieres and a total of 279 movies. By contrast, the Pusan event last year had 85 world premieres and 315 films in total.

Chan said it was unfair to compare the Hong Kong event with other festivals because the city was too small to host a large one.

Coke bid ruling 'not protectionist'

Commerce Minister Chen Deming said yesterday the government's rejection of Coca-Cola's \$2.4 billion bid to acquire China Huiyuan Juice Group is not protectionist.

Chen said both are foreign companies - although Huiyuan operates mostly in China, it is registered in the Carmen Islands and listed in Hong Kong. Coca-Cola, the US beverage giant, made a bid to acquire the largest fruit juice maker in China, but its attempt was blocked by the ministry on anti-trust grounds.

The ruling fanned speculation that China will use the

anti-monopoly law to fend off foreign attempts to buy domestic firms.

"This is a big misunderstanding... One should be able to distinguish between foreign investment and market protectionism," Chen said in his first reaction to the blocked deal.

He repeated the government's objection that a tie-up would have been bad for competition and hurt consumer choice.

"We still hope that both Coke and Huiyuan can develop healthily in China."

China Daily - Reuters

Wen calls for innovation to tide over difficult times

Premier Wen Jiabao has urged businesses to focus on upgrading and innovation to help ride through the global financial crisis.

"Companies should focus on refining product structure, improving quality and upgrading technologies in the face of economic woes," Wen said during a visit to Liaoning province, a heavy-industry center, over the weekend.

Efforts should be stepped up to develop new products and foster intellectual property rights (IPRs), and the government will back companies to

innovate, he said, adding that "IPRs are at the heart of economic competition".

He also stressed that the 4-trillion-yuan (\$586 billion) stimulus package, announced in November to boost domestic consumption in the wake of a drop in exports, should be effectively implemented.

"Any delay would cost the country its relatively advantageous position (in fighting the international financial crisis)," Wen said.

The government has set an 8 percent economic growth target for 2009 and has taken

specific measures to revive 10 major industries.

The State Council, or the Cabinet, released stimulus plans for automobile and iron and steel industries - the last of the 10 - over the weekend.

The details of the auto stimulus package are:

■ Goal is to produce more than 10 million vehicles this year and notch up an average annual growth of 10 percent in the three years to 2011. The country produced 9.345 million cars last year.

■ Form, through mergers and acquisitions, two or three

auto groups with annual production and sales of 2 million units each, and four or five with 1 million units each.

■ Tax on purchases of low-emission passenger cars will be reduced this year.

■ The central government will allocate 5 billion yuan to subsidize farmers for buying small cars and trucks.

■ The central government will channel 10 billion yuan to support research and development.

In the iron and steel sector: ■ Goal is to produce 460 million tons of crude steel this year,

or 8 percent less than last year, and 500 million tons annually by 2011.

■ Strive to eliminate obsolete iron melting and steel making capacities.

■ The top five iron and steel groups should contribute to more than 45 percent of the country's capacity by 2011.

Wen called on the iron and steel sector to restructure by eliminating outdated technologies and focus on high value-added products while lowering costs.

China Daily

6 held, 89 surrender after Qinghai riot

XINING: Police have arrested six and 89 others surrendered after a riot in Qinghai province on Saturday, the authorities said yesterday. Several hundred people, including nearly 100 monks from the Ragya Monastery, attacked the police station in Ragya Township of the Tibetan Autonomous Prefecture of Golog

on Saturday afternoon. Most of the people dispersed by 5 pm on Saturday and some 30 others were persuaded to leave in the early hours of yesterday. As of 9 am yesterday, police arrested six participants in the attack and 89 surrendered.

Xinhua

Cheapest car hits market today

Tata Motors said it will launch its ultra-cheap Nano car in Mumbai today - a vehicle meant to herald a revolution by making it possible for the world's poor to purchase their first car. The Nano, which is priced starting at about 100,000 rupees (\$2,050), is a stripped-down car for stripped-down times: It is 3.1 m long, has one windshield



wiper, a 623cc rear engine, and a diminutive trunk, according to the company's website. Page 12

Reuters

Reality TV star loses cancer battle

Jade Goody, a one-time dental assistant, died of cervical cancer yesterday. The 27-year-old mother of two, who married her boyfriend in a televised ceremony only last month, died in her sleep at her home in Essex, southeast England. Page 12

Obama won't let Geithner quit

US President Barack Obama on Saturday stepped up his week-long defense of much-criticized Treasury Secretary Timothy Geithner, saying he would not accept his resignation even if it were tendered.

Reuters

Marx set to make a mark on stage

By Chen Jie

Karl Marx is making a singing and dancing comeback on the Shanghai stage taking "socialism with Chinese characteristics" to a glitzy new level.

Producers of *Das Kapital* say the famous German philosopher's work is as relevant in today's turbulent time as it was in the 1860s.

"We will bring his economic theories to life in a trendy, interesting and educational play, which will be fun to watch," said director He Nian.

Yang Shaolin, general manager of the Shanghai Dramatic Arts Center, which is producing the show, said *Das Kapital* still has answers for today's economic and social woes.



The production will premiere next year and include singing, dancing, a live band, animation, and new media.

The story will revolve around a group of office workers who discover their boss is exploiting them and each group reacts differently.

The director said he planned to borrow the structure from the famous Japanese film

Rashomon to show workers' different viewpoints.

He said some are willing to be exploited by the company, and the tighter they are squeezed the more "worth" they feel.

Others rise in mutiny, but ruin the company and their livelihoods.

And the smart ones band together for using their collective wisdom to deal with the boss.

He, who is famous for his martial-arts spoofs *My Own Swordsman* and *Crazy Crazy*, said his money-driven city was a relevant backdrop to expand on Marx's theories of capitalism.

"What happens on Wall Street impacts Shanghai at the same time," He said.

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