

China Politics Weekly

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Dear friends and colleagues,

Travel and a generally hectic week means minimal commentary once again. Sadly, this looks like it might be the case for the next few weeks.

Another reminder that I will be in Beijing off and on from March 23 to April 17. Any readers interested in meeting up or attending one of four CPW dinners (on economy, foreign policy, business environment and environmental protection) should get in touch.

Your comments and feedback are always welcome. Old issues are always available at www.chinapoliticsweekly.com. Sign up or unsubscribe by sending an email to info@chinapoliticsweekly.com.

What Li said

At his annual press conference on Sunday, Li once again reiterated the government's overall approach to economic policy: Reduce government interference in the market to spur entrepreneurship and increase economic efficiency. I'll let the Premier's words speak for themselves:

"As the government sheds its own powers, vested interests will be upset. This is not nail-clipping, but taking knife to one's own flesh. But however painful it may be, we are determined to keep going until our job is done..."

"New steps will be taken this year and our focus is on the following three areas. First, all non-governmental review items will be canceled. We must ensure that government power will not be exercised when it is not stipulated by the law. There are currently over 1,200 review items at the local governments' level, mandated by the central governmental departments. Our goal is to cut this number by over 200 this year. The government must not secretly hold on to powers that should be delegated, just like releasing the hand brake but still keeping the foot brake on. Second, all provincial-level governments will be required to release their list of powers and list of responsibilities this year. And this task will be assigned to governments in cities and city-level counties next year. We must keep our people well-informed of what powers their governments hold and put government power under public oversight to prevent the abuse of office. And third, we will explore new models for strengthening ongoing and ex-post regulation. We will expand the trials for integrated law-enforcement and we will establish effective models for exercising regulation over such acts as cheating and swindling of marketplace,

violating intellectual property rights, making and selling fake and substandard goods, and cases involving food safety.”

Though the trend is towards less involvement in the economy, this is not to say that the government will not step in to support growth. Li made it clear that if employment starts to fall, measures will be taken to put a bottom under any downturn:

“And if the growth speed comes close to the lower limit of the proper range and affects employment and increase of people's income, we will step up targeted macro economic regulation to boost the current market confidence while maintaining the continuity of our macro economic policies to anchor long-term market expectations. The good news is that in the past couple of years, we did not resort to massive stimulus measures for economic growth, and that has given us ample room to exercise macro economic regulation and we still have a host of policy instruments at our disposal.”

On the whole a pretty positive message for business. Liberalizing reforms will continue, but growth will be maintained...

PBSC Week in Review

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| Xi Jinping | Mar 16 | Xi met with President of the European Parliament Martin Schulz. |
| | | Xi met with Harvard University President Drew Gilpin Faust. |
| | Mar 15 | Attended closing session of the NPC's annual meeting. |
| | | Xi exchanged messages with South African president Jacob Zuma on the occasion of the “Year of China” in South Africa. |
| | Mar 13 | Attended closing session of the CPPCC's annual meeting. |
| | Mar 12 | Xi attended the third full session of the NPC. |
| | | Xi met with NPC delegates from the PLA. |
| | Mar 9 | Xi met with NPC delegates from Jilin. |
| Li Keqiang | Mar 16 | Li sent a video greeting to the CeBIT technology expo in Hanover, Germany. |
| | Mar 15 | Attended closing session of the NPC's annual meeting. |

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| | | Li held the premier's annual press conference. |
| | Mar 13 | Attended closing session of the CPPCC's annual meeting. |
| | Mar 12 | Attended the third full session of the NPC. |
| | Mar 9 | Li met with NPC delegates from Heilongjiang. |
| Zhang Dejiang | Mar 16 | Zhang held talks with President of the European Parliament Martin Schulz. |
| | Mar 15 | Zhang presided over the closing session of the NPC's annual meeting. |
| | Mar 14 | Zhang chaired two meetings of the NPC presidium's executive chairpersons. Zhang chaired two NPC presidium meetings. |
| | Mar 13 | Attended closing session of the CPPCC's annual meeting. Zhang met with journalists covering the NPC's annual meeting. |
| | Mar 12 | Attended the third full session of the NPC. Zhang chaired a meeting of the NPC presidium. |
| | Mar 11 | Zhang chaired a meeting of the NPC presidium's executive chairpersons. |
| | Mar 10 | Zhang met with NPC delegates from Gansu. |
| | Mar 9 | Zhang met with NPC delegates from Chongqing. |
| | Yu Zhengsheng | Mar 15 |
| Mar 13 | | Yu presided over the closing session of the CPPCC's annual meeting. <i>Full text of Yu's speech at the session is here.</i> Yu met with reporters covering the CPPCC's annual meeting. Yu chaired a CPPCC Standing Committee meeting. |
| Mar 12 | | Attended the third full session of the NPC. |
| Mar 11 | | Yu attended the fourth full session of the NPC. |
| Mar 10 | | Yu attended the third full session of the CPPCC. Yu met with NPC delegates from Ningxia. |

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| | Mar 9 | Yu attended the second full session of the CPPCC. |
| Liu Yunshan | Mar 15 | Attended closing session of the NPC's annual meeting. |
| | Mar 13 | Attended closing session of the CPPCC's annual meeting. |
| | Mar 12 | Attended the third full session of the NPC. Liu met with NPC delegates from Shaanxi. |
| | Mar 9 | Liu met with NPC delegates from Hunan. |
| Wang Qishan | Mar 15 | Attended closing session of the NPC's annual meeting. |
| | Mar 13 | Attended closing session of the CPPCC's annual meeting. |
| | Mar 12 | Attended the third full session of the NPC. Wang met with NPC delegates from Tibet. |
| | Mar 10 | Wang met with NPC delegates from Shanxi. |
| Zhang Gaoli | Mar 15 | Attended closing session of the NPC's annual meeting. |
| | Mar 13 | Attended closing session of the CPPCC's annual meeting. |
| | Mar 12 | Attended the third full session of the NPC. Zhang met with NPC delegates from Yunnan. |
| | Mar 10 | Zhang met with NPC delegates from Guangdong. |

About CPW

China Politics Weekly aims to keep business leaders, investors, diplomats, scholars and other China hands up to date on important trends in China. It is produced by Trey McArver, a London-based consultant providing advice and intelligence to firms and investors engaged in China and the region. You can find out more about Trey and CPW in [this interview](#).

Want to help? Please tell us how we can make this newsletter more useful to you. Feedback on both form and content are always welcome, as are suggestions for topics to be covered. Please contact us at info@chinapoliticsweekly.com. We look forward to hearing from you.

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