

Vice Minister Guangyao Zhu

Vice Minister Guangyao Zhu of the PRC's Ministry of Finance briefly discussed the global economic performance, citing that while there may be slight improvement over 2012's growth of 2.3%, 2013's recovery is constrained by several uncertainties. The uncertainties are attributed to the challenges confronting the United States economy and Europe's sovereign debt crisis. Another factor for the global uncertainty is the Federal Reserve's announcement of a gradual withdrawal from the quantitative easing program last May. After the announcement, some emerging countries or economies, i.e., India, Indonesia, Turkey, South Africa and Brazil, have witnessed capital outflows which also caused the depreciation of their local currencies. Within a short period of time, these economies or countries were hit by both external and internal pressures, like restructuring. He emphasized that there should be a more stable environment for such emerging economies to grow, which undoubtedly need strong support from developed countries, particularly the US as the main country that produces the reserve currency. He expressed hope that the US can create a very stable environment for the other economies to grow.

In the same vein, the PRC faced daunting challenges in 2013. The Chinese government's continued targeted macroeconomic policies, including proactive fiscal policy and prudential monetary policy, deregulating its capital investments approval system, resulted in 7.6% growth for the first half of 2013 and 7.7% growth in the 3rd quarter. The PRC is confident that the goal of 7.5% economic growth for 2013 will be attained and that inflation will be controlled at less than 3.5%.

While having this stable economic environment, the top priority for the PRC in 2013 and beyond would be pushing forward reform comprehensively. Currently, the PRC's development has entered a new phase toward strengthening and deepening reforms. While adhering firmly to the system of socialism with Chinese characteristics and expanding openness, the PRC must pursue reforms in the areas of economic, political, cultural, social, and ecological civilization structures.

Consistent with the increasing globalization, all countries must join hands to push forward the recovery of the global economy. The establishment of the Shanghai Free Trade Zone, pilot-testing of the negative list, and pre-entry national treatment indicate the deepening of the PRC's reforms and further opening up of its economy. Vice Minister Zhu emphasized that these efforts will not only create more development benefits for the PRC, but will also help drive global economic recovery and growth.