

Vice premier pledges modern, open market system

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The significance of economic reforms was reaffirmed Sunday by Chinese Vice Premier Zhang Gaoli, who told the annual China Development Forum in Beijing that the country's deepening reform will foster a new growth impetus for the economy and provide more opportunities for the world as well.

China will "introduce a modern and competitive market system with fair and open market rules," Zhang made the pledge while speaking at the forum that opened Saturday and will run till Monday.

Market-based reform plans were laid out at the Third Plenary Session of the 18th Communist Party of China Central Committee in November 2013, which plot a course to sustainable, high quality growth.

"These reforms are ambitious. They will require hard decisions and tradeoffs, but I am confident that China will rise to the challenge - as it has always done," Christine Lagarde, IMF's managing director, told the forum on Saturday.

China is about to embark on the next phase of a remarkable economic journey, she said.

The Chinese government's efforts to streamline administrative approvals and delegate power to lower levels as part of the all-round reform pledges have activated the vitality of market forces, China's Finance Minister Lou Jiwei said in a speech at the forum.

It has been proven that the implementation of such efforts rather than an employment of massive fiscal stimulus has helped propped up the slowing economy, Lou said, vowing further streamlining efforts.

While some glitches may heighten concerns about short-term risks faced by the economy, the country's carrying out of reforms should be kept steadfast, Xu Hongcai, director of the Department of Information under the China Center for International Economic Exchanges (CCIEE), a government think tank, told the Global Times Sunday.

A raft of weak data for the first two months of the year raised fears that the economy is losing steam and the first default in the country's domestic bond market early in March added to worries about the country's financial health.

Media reports of home price cuts in a few cities including Hangzhou in East China's Zhejiang Province and Nanjing in East China's Jiangsu Province have made more nerves rattle.

Problems suffered by the economy for the time being are still well within the government's control, Xu said, while emphasizing policymakers have to be on the alert against any rash moves.

There is a level of flexibility for China's GDP growth target, which was set at around 7.5 percent for the year, Chinese Premier Li Keqiang told a press conference following the conclusion of the annual legislative session on March 13.

However, the premier underscored the importance of proper growth to ensure a stable job market.

More efforts would be needed in the country's push for reforms, Xu said. He stressed that a truly market-based approach to reforming the economy requires government at all levels to veer toward being service-oriented and efficient.

A market economy system that is effectively working is a prerequisite for raising the economic efficiency, a key concern for the economy, and therefore reform efforts to enhance the efficacy of the market economy system should be prioritized, Wu Jinglian, a prominent Chinese economist, noted during the forum.

(Agencies contributed to this story)