

Economic Growth Must Be Genuine and Not Inflated

November 30, 2012

Since the beginning of this year, China has been confronted with a complex international economic situation, as well as the demanding tasks of reform, development and stability. By taking a scientific approach to development, we have focused on transforming our economic growth model. Following the general guideline of making steady progress, we have acted promptly to improve macro control and placed more emphasis on sustainable development. So far, we have seen positive results in many areas, including steady economic growth, adjustment of the economic structure, reform to a deeper level, and improvement of the people's well-being.

Although we have a generally positive analysis of China's economic and social development, we must not underestimate the risks and challenges facing us now and in the near future. We must be aware that the pace of world economic growth will continue to be slow, the problem between sluggish demand and over-production capacity continues to grow, and domestic companies are troubled by rising costs and weaknesses in their capacity to innovate. The conflicts between the environment, natural resources and economic growth are becoming more serious.

Every coin has two sides. We must see both the advantages and disadvantages in the international and domestic situations, make full preparations for adversity, and strive to get the best possible results.

Main points of the speech at a symposium with non-Party members held by the CPC Central Committee.

Next year will be the first full year to see the implementation of the decisions made by the Party's 18th National Congress. It is very important to do a good job of our social and economic development. We should focus on improving the quality and efficiency of economic growth, make steady progress, encourage innovation, lay a solid foundation for future development, press forward with reform and opening up, and realize sustainable and healthy economic development together with social stability and harmony.

First, we must maintain reasonable economic growth by continuing with our proactive fiscal and prudent monetary policies, and increase the natural vitality and motive force that drive economic growth. We must pursue real rather than inflated economic growth. In other words, we want efficient, high-quality and sustainable growth.

Second, we must consolidate the position of agriculture as the foundation of the economy, increase support for agriculture, improve our policies that benefit farmers and bring prosperity to them, accelerate modernized operation of agriculture, and ensure the supply of grain and other important agricultural products.

Third, we must make substantial progress in economic restructuring, expand domestic demand while stabilizing external demand, intensify our industrial restructuring and upgrading, and promote well-planned and healthy urbanization.

Fourth, we must carry out reform to improve the socialist market economy, have a good top-level design, carry out timely and targeted reform measures, combine steady progress in overall reform with breakthroughs in specific areas, experiment boldly, and pursue substantial results.

Fifth, we must improve the people's standard of living, with a particular focus on low-income groups, provide subsidies to poor students in colleges and universities, keep the employment market steady while doing all we can to expand it, and improve the urban and rural social security system. We will encourage the people to achieve prosperity through hard work, thereby combining the aim of the Party and the government's work with the goals that ordinary people strive for.