

## Sun sets on Hackett record

Swimming star achieves new best time in Shanghai.

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## Struggling to provide food for the people

Countries try to combat scourge of global hunger amid rising populations.

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## Doing more to ensure a good name

Red Cross Society of China seeks greater transparency.

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# CHINADAILY

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## CHEERS

PHOTO BY XU JINGXING / CHINA DAILY

Defense Minister Liang Guanglie proposes a toast on Sunday during a grand banquet in Beijing celebrating the 84th anniversary on Monday of the founding of the People's Liberation Army. See story on page 4.

# Measures to boost domestic sales

New guidelines will make it easier to sell 'exports' in mainland market

By DING QINGFEN AND YU RAN  
CHINA DAILY

BEIJING — Measures are being drafted to promote domestic sales of goods originally produced for export, a trade official said.

The measures, due in September, coincide with a slowdown in export growth and an upturn in domestic consumption.

"They will include simplifying the approval process for domestic sales, establishing convenient financing, expanding sales channels and enhancing brand image," said Chen Linhui, vice-chief of the processing trade division at the Department of Foreign Trade and Economic Cooperation in Guangdong province.

Due to the rising cost of labor, yuan appreciation and shrinking overseas demand, China's

manufacturers are finding it harder than ever to sell overseas.

Year-on-year export growth declined monthly during the first half of 2011, dropping to 17.9 percent in June from 37.7 percent in January. Trade experts and government officials said the slowdown will continue in the coming months.

To hedge against the risk of falling international sales, "China is drawing up measures to boost the sale of export-oriented goods domestically", Chen said.

The measures will especially benefit companies in the processing trade. Companies in

this sector import some or all of the component parts and then assemble the product for export.

The processing trade has been a major factor in the rapid growth of China's exports over the past three decades.

In 2010, exports in this category accounted for 47 percent of the nation's total exports. There are more than 100,000 companies in the processing trade nationally.

But declining growth over the first six months of the year has hit China's processing trade exports as demand from major trade partners shrinks due to the slow global recovery.

Processing trade exports from January to June grew by 17.5 percent year-on-year, down from 32.9 percent during the same period last year. Growth for general trade exports, over the same period, was 30.4 percent.

"The measures will lessen risks from decreasing global demand by boosting domestic consumption," Zhou Shijian, senior trade expert from Tsinghua University, said.

"Rising domestic consumption will also help reduce the trade surplus."

SEE "EXPORTS" PAGE 2

# US debt deadline hopes rise

Leading Republican expresses optimism as talks continue

By RICHARD COWAN AND RACHELLE YOUNGLAI  
REUTERS

WASHINGTON — Hopes emerged that lawmakers were close to a last-minute deal on Sunday that could raise the US debt ceiling by \$2.4 trillion and assure financial markets that default can be avoided.

Prospects that a significant package was within grasp brightened after Republican and Democratic leaders reopened stalled talks with the White House, and Senate Minority Leader Mitch McConnell said he was confident and optimistic.

"I think we've got a chance of getting there," McConnell, a Republican, said.

ABC News reported that US debt negotiators had reached a tentative agreement on a package, but a White House official cautioned that a deal was "not there yet".

Senate Majority Leader Harry Reid, a Democrat, pushed back a key procedural vote on a debt limit plan by 12 hours on Sunday, buying additional time for both sides to hammer out details before Asian markets open.

"There are negotiations going on at the White House now on a solution that will avert a catastrophic default on the nation's debt," Reid said on the Senate floor late on Saturday.

"There is still a distance to go," he said.

Time is running out for the US government to raise its \$14.3 trillion borrowing limit before the Tuesday deadline when the Treasury says it will run out of money to pay its bills and could no longer service the national debt. But a cautious optimism had begun emerging on Capitol Hill.

"We're a long way from any kind of a negotiated agreement, but there is certainly a more positive feeling about reaching an agreement this evening than I've felt in a long time," Senator Richard Durbin, the second-highest Democrat in the Senate, told reporters late on Saturday.

If a credible bipartisan deal is tantalizingly close, the White House has said it would accept a very short-term extension of the debt limit to allow lawmakers time to nail down the compromise.

SEE "DEBT" PAGE 2

## On chinadaily.com.cn

Bilingual news: 100-year-old war veteran wins Alabama beauty contest

Slides: The 14th FINA Shanghai Worlds

Video: Chinese equestrian rider excited about London

Forum: How many languages can you speak?

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## CRASH LANDING

PHOTO BY NEIL MARKS / REUTERS

A Caribbean Airlines jet broke in two after overshooting the runway at Cheddi Jagan International Airport outside Georgetown, Guyana, on Saturday. The jet, with 163 people aboard, burst through a perimeter fence and stopped just short of a deep ravine. The crash caused injuries but no deaths. See story on page 12.

# Micro blogs find their time is now

Instant delivery provides cutting edge for weibo, Yu Ran reports in Shanghai.

"Our train bumped into something. Our carriage has fallen onto its side. Children are screaming... Come to help us please! Come fast!"

The words tweeted by a passenger on high-speed train D301 on July 23 were clearly a cry for help. But they also initiated a wave of unprecedented "citizen journalism" on China's Twitter-like micro blogs.

A university sophomore writing under the name Yangjuan Quanyang posted

the message on Sina Weibo at 8:47 pm. The train she was on had just crashed into bullet train D3115 outside Wenzhou. Of her fellow passengers, 40 were killed and 190 injured. She survived.

In 10 hours, Yangjuan's plea was reposted 100,000 times. In the following week, there were 10 million messages about the crash on Sina Weibo and 20 million on QQ Weibo, the other major Chinese micro blog.

"Everyone could have been there on the train," bloggers said tens of thousands of times.

SEE "WEIBO" PAGE 6



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# FOOD CRISIS IN ASIA



**Editor's Note:** As the global population rises, farmers, particularly in developing countries, are coming under pressure to increase their crop yields to meet growing demand. DJ Clark looks at the problems facing farmers and consumers in different parts of Asia, and examines some of the possible solutions.

**N**aryana Reddy farms a 1.5 hectare plot of land just outside Kothapally, a village in central India. He is typical of the millions of small-scale farmers across Asia who have increased food production at a faster pace than the growth of their families. When Reddy inherited the land he had to support just four people. Now there are seven in his family, but by using better water management, fertilizers and insecticides he gets two harvests a year instead of one and has managed to double his crop.

Over the past 40 years the global population has grown by 80 percent, but food production has more than kept pace, leaving every man, woman and child, on average, with more food than they ever had before, according to the United Nations Food and Agriculture Organization (FAO).

The FAO predicts population growth is slowing down and by 2050 should have almost reached zero, but not before adding another 2.5 billion people to the global population, 60 percent of whom will live in Asia.

Much of the vast increases in food production came in the 1970s in what was known as the "green revolution".

"If you look back through the annals of history you will see that science has made a very important contribution to agriculture," said Clive James, director of the International Service for the Acquisition of Agri-biotech Applications.

"People forget that Norman Borlaug, the architect of the 'green revolution' received the Nobel Peace Prize for saving 1,000 million people from hunger by creating new seed variations and advocating the use of fertilizers and pesticides to increase yields."

The "green revolution" started well with crop yield increases far outstripping population rises, but at some point in the 1980s crop yield growth rates started to fall and in 1990 the food production growth rate dropped below the population growth rate.

There are other factors at play that are also reducing farmers' ability to produce food: Climate change is starting to have an impact on crop yields. The International Food Policy Research Institute ran a series of scenarios on climate change. All of them led to lower crop yields by 2050.

"With climate change comes the problem of

water scarcity and higher temperatures," said William Dar, director of the International Crops Research Institute for the Semi-Arid Tropics.

"Today models are already indicating decreases in crop yields and we need to find ways to bring that productivity back up in order to feed 9 billion people by 2050."

Growing demand for meat is also putting pressure on the world's water resources.

In the next 40 years the demand for meat will double, with every kilogram of meat using eight times the water that is needed to produce 1 kg of wheat.

As populations rise and farmland becomes increasingly scarce, more rural poor are moving to cities to find food and jobs.

In cities, where there are no shortages, the big problem confronting the poor is that food is too expensive.

Mohammed Mohasin lives in a slum on the outskirts of Dhaka, the capital of Bangladesh.

Finding it almost impossible to make ends meet in the countryside, Mohasin moved to the sprawling city of 7 million in search of a better life.

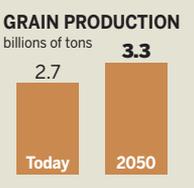
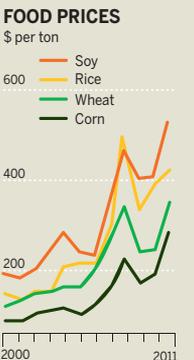
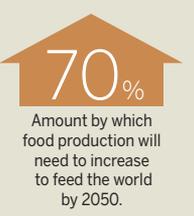
Compared to many Bangladeshis, this father of two has done relatively well, as he has a stable job. But in spite of this, his ability to feed himself and his family is out of his control.

Standing in the small gap between his tin-roofed home and an encroaching open sewer, he explains why he is skipping his lunch.

"When food prices go up I first have to reduce our expenditure, try to search for cheaper foods and reduce our eating from three to two meals a day."

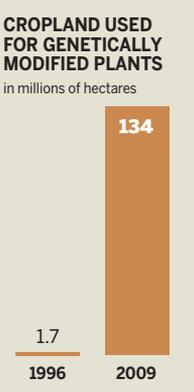
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## NUMBERS

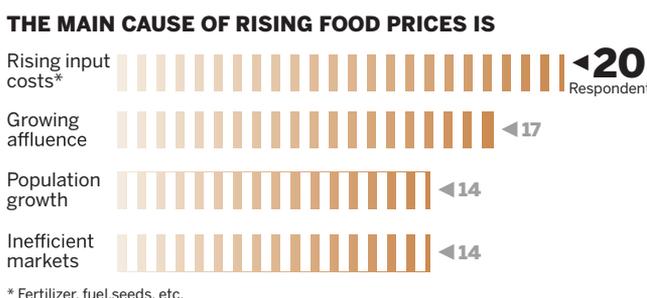
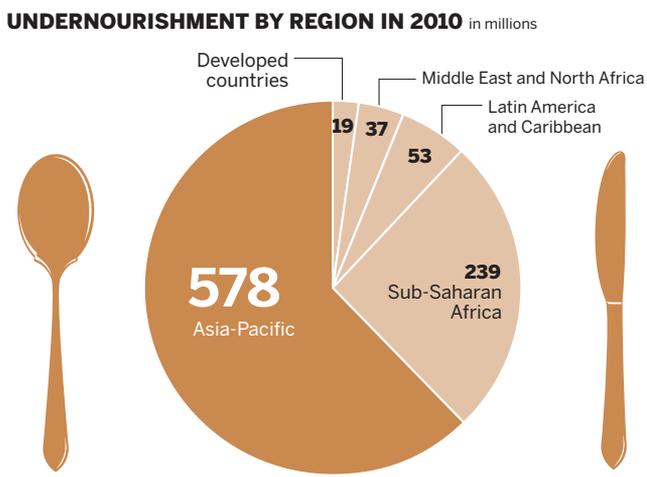
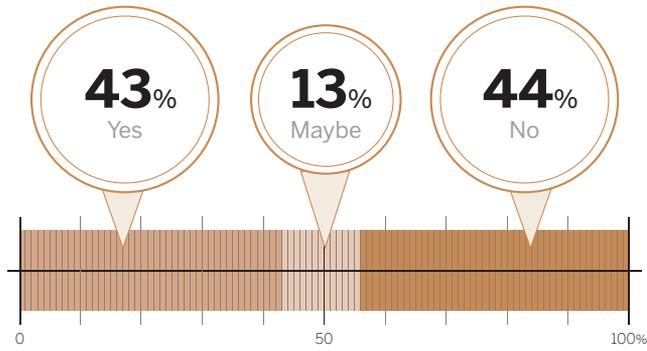


**850 million**  
Average number of undernourished people worldwide between 1990 and 2006.

**1.023 billion**  
High point in the number of hungry people, reached in 2008 food crisis.



## IS THE WORLD ON THE VERGE OF A MAJOR FOOD CRISIS?



## AS THE MIDDLE CLASS CONTINUES TO BALLOON IN THE COMING DECADE, WHAT THREE MAJOR CONSEQUENCES DO YOU FORESEE FOR THE GLOBAL FOOD MARKET?

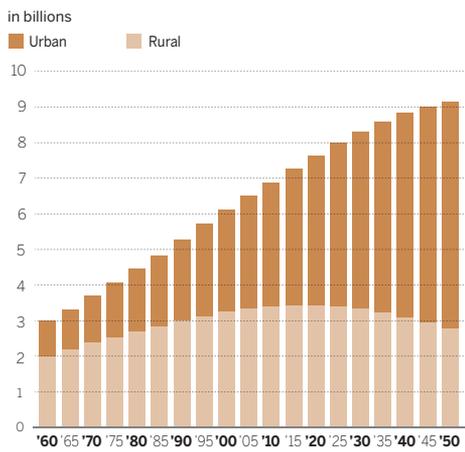


## THE ECOLOGICAL FOOTPRINT OF FOOD

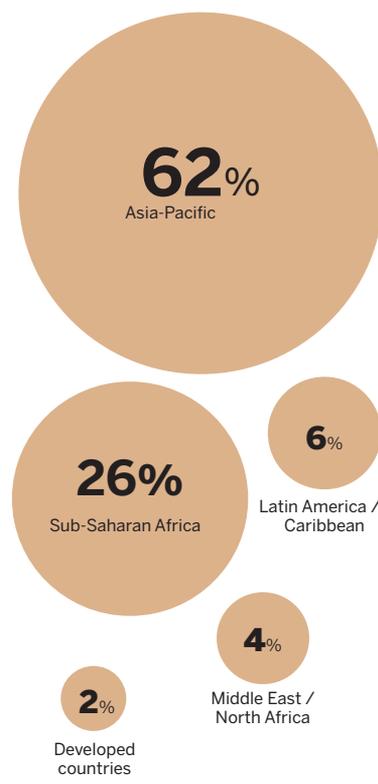
1 kg	Water footprint <sup>1</sup>	Emissions (kg CO <sub>2</sub> e) <sup>2</sup>	Land use (m <sup>2</sup> ) <sup>3</sup>	Grain for feed (kg)	Calories (kcal)
<b>BEEF</b>	15,500	16	7.9	6	2,470
<b>CHICKEN</b>	3,900	4.6	6.4	1.8	1,650
<b>EGGS</b>	3,333	5.5	6.7		1,430
<b>MILK</b>	1,000	10.6	9.8		610
<b>WHEAT</b>	1,300	0.8	1.5		3,400
<b>RICE</b>	3,400				1,300

<sup>1</sup> Assumes an average egg weighing 60g, and the density of milk is 1kg/liter.  
<sup>2</sup> Based on production in England and Wales.  
<sup>3</sup> Based on production in England and Wales, assumes all production is on land of an equal grade.

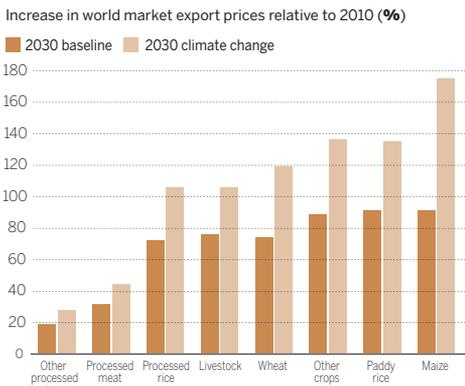
## WORLD POPULATION FROM 1960 TO 2050



## REGIONAL DISTRIBUTION OF THE WORLD'S HUNGRY



## REAL FOOD PRICE CHANGES PREDICTED OVER THE NEXT 20 YEARS



Sources: "The Future of Food and Farming" (2011), Government Office for Science, London; UN Food and Agriculture Organization; "Growing a better future": Food justice in a resource-constrained world; FAO/STAT, 2008

## Food: Urban farmland holds key to feeding city dwellers

FROM PAGE 10

Like many of the urban poor across Asia, Mohasin spends almost 90 percent of his income on food and rent, leaving him little flexibility if food prices soar as they did in 2008.

The World Bank estimated that an extra 100 million people went hungry around the world in that year due to food price increases.

Most analysts predict that food prices will more than double again over the next two decades.

Whereas the rural poor have opportunities to collect food from other sources such as open ground, forests and rivers, those that live in cities are dependent on global market fluctuations.

Professor Cai Jianming from the Chinese Academy of Sciences is a world leader in developing urban farmland, ensuring that Chinese cities have the means to meet all of their vegetable needs within their municipal boundaries.

"In southern China we can use rooftop spaces, but in the north it is easier to create spaces around built-up areas where the distance food has to travel to markets is relatively short. Vertical gardens, using domestic balconies to grow edible food, are also gaining popularity in Beijing," Cai said.

Historians often point to the fact that most famines are not caused by a lack of food but bad governance.

In 1996 the FAO estimated that the world was producing enough food to provide everyone with 2,700 calories a day, 500 more than is needed by the average human.

But out of the world's estimated 7 billion people, 1 billion are clinically obese while 1 billion remain malnourished.

Professor Paul Teng from the Center for Non-Traditional Security at Nanyang Technical University in Singapore has been studying losses in the food production, distribution and consumption systems and estimates that 50 percent is lost before it reaches our mouths.

"In other words, if we could just recover the losses we would have more than enough food," he said.

In looking at how to address the potential food deficit, a recent report from British NGO Oxfam posed a simple question: Is the answer to our future food needs to produce more food, or is it to try and fix our broken food system?

Bas Bouman, head of crop and environmental sciences at the International Rice Research Institute (IRRI) in the Philippines believes doubling rice yields in Asia over the next 40 years is not an impossible task.

"If you look at current rice varieties that have been produced since the 'green revolution' era, their yield potential is 8-10 tons per hectare, but the average yield here in the Philippines is 3.7 tons. In Thailand, a major rice exporter, the average yield is just 3.5 tons per hectare. In these countries there are tremendous opportunities to increase yields with better management without taking into account new seed variations."

A combination of better water management and engineered crops was the answer given by many scientists, though biotech farming is not without its critics.

At the University of Philippines Los Banos, Professor of Crop Science Ted Mendoza demonstrated how combining drip feed irrigation, water harvesting, intercropping and organic manures can have equally impressive results without the need to spray insecticides or genetically modify the seeds.

The Oxfam report suggests returning to traditional agricultural practices is "dangerously romantic" in the light of the looming crisis, but Mendoza refuses to accept the crisis exists.

He believes the scare is manufactured by the agribusiness industry, which he claims is the main beneficiary of commercial fertilizers, insecticides and seed variations that farmers are encouraged to buy to increase yields.

# Global effort urged on grain yields

By QIN ZHONGWEI AND FU JING  
CHINA DAILY

BEIJING/BRUSSELS — Senior United Nations officials said all countries should make special efforts to greatly boost grain yields to feed the growing global population and combat price volatility, while warning that global food prices are expected to stay high for the coming decade.

To increase output, the officials urged governments across the world to massively boost agricultural research.

"The international community and governments worldwide have no other option but to continuously enhance agricultural investment to boost yields, which can efficiently boost stocks," Li Zhengdong, China representative to Food and Agriculture Organization (FAO) of the United Nations, told China Daily.

Li said the chronic fluctuation of food prices results from population growth and a decrease in arable land, water and genetic resources.

Meanwhile, frequent occurrences of extreme weather and natural disasters globally have also reduced agricultural yields.

"So we must enhance investment

in agricultural sectors to increase grain yields, which is the essential solution to the current situation," Li said.

Kanayo Nwanze, president of the International Fund for Agricultural Development (IFAD), said advancing food security and poverty reduction lies in the hands of smallholder farmers, particularly female ones.

"In China, Africa and other parts of the developing world, smallholders produce 80 percent of the food that is consumed by 80 percent of the (world) population," Nwanze told China Daily in an exclusive interview in Beijing last week.

According to Li Zhengdong, the FAO Food Price Index averaged 234 points in June 2011, 1 percent higher than in May and 39 percent higher than in June 2010. The index hit an all-time high of 238 points in February.

Li added that a strong rise in international sugar prices was behind much of the increase in the June value of the index. International dairy prices rose slightly in June, while meat prices were stable. Of all the major cereals, wheat prices fell most and rice increased, and among oils and fats, soybean oil prices were

steady but palm oil weakened.

In the coming decade, Li said average global grain prices will rise at a faster pace but the grain yield will achieve slower growth than the previous decade.

"The new situation will put more pressure on global food security and harm developing countries, especially those facing food shortages," said Li.

To address the challenges, Li called for more market regulation of agricultural products and improved transaction transparency.

"We need to take the strictest measures to keep an eye on global capital flows and financial tools, and prevent massive speculation," said Li.

Meanwhile, Li warned that every country should be cautious about introducing the measures to limit exports and subsidize imports.

"We need to strengthen global policy coordination and avoid introducing improper trade policies," said Li.

Nwanze said it is logical that the productivity of small farmers should be increased.

"But the mistake that we've made is that we have marginalized them, because we thought they were not important, we thought they might

just need some handouts, but actually it goes beyond that," he said.

"Women in the developing world carry out most of the agricultural activities. In Africa, for example, 60 to 80 percent of the activities from planting to marketing are done by women. Studies have shown that women are better managers. When the women are empowered, the communities are empowered."

As one of the world's major three Rome-based UN agricultural agencies, IFAD was established in 1977 to help finance agricultural development projects primarily for food production in developing countries.

The organization started to work with China in 1981 and since then it has financed the operation of 23 projects, with a total investment of \$560 million, mostly in remote and mountainous areas of northwestern China, such as Gansu and Shaanxi provinces.

Although poor and having less access to education, smallholders and family producers in these areas, with a strong personal incentive to get the most from their land, have an important role in feeding the country and that's why IFAD devotes "100 percent" to investing in them, said

Nwanze, who recently visited a project in Gansu.

With 20 percent of the world's population but only 9 percent of the farming land, China has made "tremendous progress" in terms of poverty reduction, which also sets a model for South-South cooperation, Nwanze said.

Besides sending experts to and sharing technology with other countries, one thing that impressed Nwanze is that China is also trying to learn from them through mutually beneficial exchanges, rather than simply teaching them what they should do.

Many of China's agricultural policies and technologies, including promoting agricultural investment and developing value chains, can be of value to small farmers elsewhere in Asia and in Africa, he said.

"China has surpassed Millennium Development Goal (MDG) One, and through China, we would like to achieve the global target for MDG One," Nwanze said.

Beyond food security, developing agriculture boosts employment, offers better health and nutrition and creates a better future for children and gender equality, he added.

## A family's quest to find enough to eat

By D J CLARK  
CHINA DAILY

DOLPA, Nepal — In Nepal's Himalayan communities, above the deep river valleys that bring life to those who live along the banks, populations are rising and the land is getting drier.

Families that farm there are only able to produce enough food to sustain themselves for three to six months of the year.

The lean season has just begun in Dolpa district, and in the hillside village of Jhuphal, Dantakumari Dangi is worried about how she will be able to feed her three children.

"I don't know why it doesn't rain. It's all about the sky," she told China Daily.

"Maybe there isn't enough water in the sky. They say they had a lot of rain in the past. But the people are cutting down trees now as the population is growing. Maybe that's the reason we have so little rainfall."

Dangi lives at an altitude of 2,987 meters on the edge of the Tibetan plateau, four days' walk from the Chinese border. The area is ranked one of the worst in the world for food security by the UN World Food Program (WFP), due to its inaccessibility and harsh terrain.

Government figures say the food deficit has tripled in recent years, with most of the increase since a 2009 drought.

"What we grow lasts us less than six months," said Dangi as her 12-year-old son plowed the field behind her to plant millet.

"We buy rice from the Food Corporation and work for the World Food Program as laborers in exchange for rice."

The WFP pays each family 4 kg of rice for each day of labor, for digging roads or irrigation canals. But these projects don't run all year round and are now under threat of closure



Women pound millet in Jhuphal village, Dolpa, Nepal.

D J CLARK / CHINA DAILY

due to funding cuts. "Maybe we can only reach a quarter of our beneficiaries next year," WFP Nepal Country Representative Nicole Menage told China Daily.

"Yes, we feel there is a risk that some will go hungry," she said.

The organization is still \$21 million short of the budget needed to work in the 22 districts of Nepal that do not have enough food this year. Food has been scarce as long as Dangi can remember, but it has been getting worse recently as snow is falling until

later in the year, and the rains during the growing season are less abundant.

"Rainfall and snowfall patterns in the areas have been changing over the years, worsening the food production scenario," District Agriculture Extension Officer Hemraj Adhikari told China Daily.

The rains that do arrive with the June monsoons are a mixed blessing. They water the region's meager crops during the growing season, but make access more difficult for delivery of food while the people

wait for harvest time.

Access is only by air, or by a four-day walk to the nearest usable road. The rains reduce the footpaths to mud, unusable by people or the mules they use to deliver goods. And the downpours often prevent aircraft from landing at the area's small airstrips.

The poverty in the region also means low literacy. Children walk hours to fetch drinking water, instead of going to school. Life expectancy is just 44 years. Almost half of all chil-

dren under the age of five are malnourished, and around 75 percent never grow to their full size, according to the WFP.

Dangi appears to understand little of weather patterns or program budgets. But her ambitions for future generations are clear: "our wish is that our children could have food and education — a dream of all Dolpals," she said.

Pratibha Tuladhar contributed to this story.

### REPORTER'S NOTEBOOK | D J CLARK

## An intense journey full of thousands of questions

Pratibha, my Nepalese friend, was visibly shaking as we flew in an eight-seat single propeller plane above the Himalayan foothills.

A veteran reporter from these parts, she had covered far too many airplane accidents to know the journey was anything but safe.

Landing on a stretch of gravel perched atop a mountain, I gripped the chair in front of me as the plane slid to a halt, then stepped out to begin the food crisis assignment.

The Nepalese mountains are both stunningly beautiful and frighteningly poor. My days wandering the mountain paths of Dolpa talking to farmers left me with equally mixed feelings.

The children that gathered round my camera after each picture to laugh at their images and poke fun

at my newsgathering contraptions still make me smile, while the stories I heard of basic survival in the harsh reality of decreasing rains and more children to feed haunt me still.

Dolpa is remote, exotic and in need, I would urge anyone with an adventurous spirit to visit.

**Online**  
D J Clark is publishing a six-part video series on the Looming Food Crisis in Asia [www.chinadaily.com.cn/video/2011-07/27/content\\_12989814.htm](http://www.chinadaily.com.cn/video/2011-07/27/content_12989814.htm)

I took a taxi through the dense city to a small guesthouse on the edge of the Dhanmondi Lake.

It was a simple room with lizards running up the walls but a wel-

come oasis from my frequent trips into the city slums to work on the story. Slum dwellings are rarely as you would imagine. Simple yes, smelly quite frequently, but always full of surprises. One of these was the peanut seller who took me under his wing as he toured a neighborhood at night, scared that my camera might attract unwanted attention. Another was the toothless old man who insisted I sit in his house and drink tea while I waited to interview a rickshaw driver.

It's rare these days to find such a welcoming crowd as you do in Dhaka's streets.

Manila was wet, so wet in fact that my camera refused to demist throughout my first full interview, in spite of my many attempts to defog it.

I enjoyed every moment of my trips out to the rice farms where

I would escape my interview trail every so often to look over the rice fields and just enjoy the peaceful scenery.

In Los Banos I found myself in hostile territory as even the mention of biotech crops brought a barrage of animated rebukes from a group of professors, but I found their sweet organic coffee and a jar of the best banana chips I have ever tasted more persuasive and have since rethought my eating habits.

My last stop in Hyderabad was rushed but fruitful. As is often the case when covering such complex issues, by the time you near the end there are a thousand questions you want to ask but rarely get the chance.

At a conference partly dedicated to biotech agriculture I felt I acted like an over-enthused student as I

stalked experts for exclusive interviews and tea-break discussions.

In the evenings I escaped on the back of a friend's motorbike as we toured the city to photograph the markets and landmarks.

It's a vibrant and colorful city with a fascinating history, and it is all the more intense in the evening when the air cools and people come out to shop and socialize.

It's been an intense six weeks but with few disappointments. It seems food is a subject everyone wants to talk about even if they have different views on how it should be cultivated and distributed.

I don't feel I have found an answer as to how to feed rising populations in Asia over the next 40 years, but I am happy to have raised the question. I am planning to continue this assignment in the future.