

## Comment on

### *Traffic Construction of China Northeast Area Under the View of Northeast Asia*

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According to other areas or hypo-areas cooperating experience, on the basis of reflecting every sides' benefits and concerns, through unified programming and sequential construction, starting with land traffic basic establishment can efficiently and all-sided improve the area's basic establishment level, and remarkably improve efficiency of area economy circulating, and so can introduce more factor resources to centralize, and to achieve the aim of area developing, and so become an easy achieving breakthrough area taking the lead. So the stress of Northeast Asia area's economy cooperation is land traffic basic establishment construction. Prof. Shi Yulong's article *Traffic Construction of China Northeast Area Under the View of Northeast Asia* roundly reviews the developing courses of Northeast Asia area's land traffic nets' programming and construction. And on the basis of it, it analysis the series of working according to the determinate working emphasis especially after the Central government had made the strategic decision of strengthening Northeast China old industrial bases etc.

Northeast China is the cradle of new China's industry. During the first five years plan period, there are 58 stressing items in Northeast China among the 156 stressing items. On the initial stages of China's socialism industrialization, the Northeast China's three provinces contribute historically and fatefully to contribute independent and integrated economy system and to drive the process of industrialization and city making. At present, Northeast China centralizes a big part of industrial assets depositing and large or medium scale main enterprises, and has many enterprises connected very much with China economy vitals. In 2003 three provinces of Northeast China has 4187 enterprises owning by state or state controlling stock, covering the whole country's 10.2%, and also has enterprises capital owning by state or state controlling stock 1,324.1 billion yuan, covering 14.9% of whole China.

In the aspect of industry, Northeast China is the biggest basis of heavy industry, especially the mechanism industry. It has strong advantage of industry, scientific research and technical workers. After many years of construction and developing, Northeast China's old industrial basis has

formed an enormous industrial capital assets of 1,500 billion yuan. The main industry products has allimportant situation in China, for example the large-scale fire-electric equipment cover 33% of whole China, large-scale water-electric equipment cover 50% of whole China, large-scale water-electric equipment cover 50% of whole China, output of auto car covers 16%, axletree covers 15%, base oil covers 50%, ethene covers 25%, shipbuilding covers 33%, coal covers 12%, steel covers 16%.

In the aspect of agriculture and zoology recourses, Northeast China's output of food supplies covers 14% of whole China. The output of average people is 1.6 times of whole China's average number, and Northeast China has become the very important food supplies safety area. Changbai Mountain, Big Xing'an'iling and Small Xing'an'iling are the important natural guarantee of our country, and has huge values of economy and zoology.

In the aspect of scientific talents, Northeast China has obvious science and education advantage and a good many scientific talents. There are many universities and research institution, and this area has very obvious advantage of knowledge deposit, intelligence consistency and scientific industry. Every 10,000 people own state enterprises or 事业单位 professional technical people or college students is in front of the whole country's level. 154 common Colleges cover 11.3% of China. 78 undergraduate Colleges cover 12.4% of China. 2,100 thousand professional technical talents cover 10% of China.

To conduct the strengthening of Northeast China, we will fully make use of the intrinsic resources and industry basis, and exert the advantages we have, and 加快存量资产的盘活利用, and enhance the transferring from resource advantage to industry and economy advantage, and make the old industry basis to achieve the vitality again.

Since the reforming and opening, because heavy industry and state owning enterprises has high rate Northeast China, Northeast China quickly behind the times in the situation of light industry and not state owning economy develop at a very high speed. And what coming with that is lots of state enterprises fall into deep end, and many workers come off sentry duty. The industry of

Northeast three provinces, which was once in the front of whole country develop slowly. The economy ranking fall behind constantly. The engendering of *Northeast Phenomenon* are not only because of the dragging of possessing reformation, the stiffing of managing system, the enterprises' dated equipment and producing method, but also because of the historical burden and the transferring from resources type city etc. In such kind of situation, just depending on following the method of planning economy and depending the government's increasing devotion and decreasing taxes is very difficult to increase Northeast China's industry competition and to effectively boost the renaissance of this area.

In 1978 the average GDP of Liaoning, Heilongjiang and Jilin equals 179%,149% and 100.5% of the whole China's. But in 1992 Liaoning, Heilongjiang has separately decreased into 162% and 110%. Jilin didn't change in principle. In 2002, the average GDP of Liaoning, Heilongjiang and Jilin equals 163%,128% and 104% of the whole China. The ranking of three provinces' industry is moving backward constantly. Liaoning descended from rank 2 to rank 5. Heilongjiang descended from rank 7 to rank 14. Jilin descended from rank 15 to rank 18. Especially after joining the WTO, the footsteps of Northeast China can't keep with the whole country obviously. From 2002 to Apr. 2004, taking foreign trade as an example, except Liaoning all along rank at 9, other two provinces both behind rank 10, and the extend of increasing is far below the average level of China.

Northeast area's contribution rate to the country's economy is decreasing annually. The contribution rate of Northeast China to the whole country's GDP doubling is 12.5%. From 1987 to 1995, Northeast China's contribution rate to the three times GDP is 9.8%. From 1995 to 2002 the contribution to the whole country's economy increasing descended into 9.4%. In 1980 the production value of Liaoning's industry covers 8.8% of the country, and is two times of Guangdong. But in 2001, the production value of Liaoning, Heilongjiang and Jilin is just Guangdong's 62%.

The difficulty Northeast China encounters in developing has deep historical reasons. The first point is the single structure of procession. State economy's scale is much higher and 民营经济 develops slowly. Especially the competitive civil enterprises are few. In 2002. there are just 30

enterprises whose turnover exceed 500 billion in the three provinces. But there are more than 160 in Zhejiang province. State economy covers 53% on the average in the configuration of economy. But Liaoning is 65.5%, Jilin is 78%, and Heilongjiang is 88%.

The second point is the slow adjustment of industry structure and the equipment and technology aging. Now technology equipment of the Northeast area's state and state controlling stock enterprises are as the 20<sup>th</sup> 90's are only 15%. Most are as 50's or 60's level. The three provinces' high and new technology enterprises' incensement is less than 6%, which is lower than the country's average level by 2.2%. And it's very difficult to effect on the alteration.

The third point is the enterprises' burden of the society is very heavy. The pressure of social insurance and employment is huge. According to the 2003 statistics, the debt rate of Northeast area's state or state controlling stock enterprises is about 80%. Every year the expend of these enterprises to burden the society is about 3,500 billion. Now there are 1,424 enterprises taking on the social function. The functional units include the elementary schools, high schools, hospitals, kindergartens, and even the police, the judge office and the court. All together are 11,166. There are 1,358 billion people. And that's a very heavy burden.

The fourth point is resource dominant industry decay, and the instead industry is desiderate to develop. The resource dominant cities are concentrated in the Northeast three provinces. Heilongjiang has 7 cities are resource drying up cities in the 13 regional cities. Liaoning has 5 big cities and 4 small cities, which are all rising because of resource. For example Fushun, Fuxin rase with charcoal, and Benxi, Anshan rase with steel. Because the long-term exploitation of resource some places' recourses have completely dried up. Long term scarcity of fathering devotion result in the sinking of excavating coal area floor, sanding of the ground and deterioration of natural environment etc.

The fifth point is marketing level is still low and the level of opening is not high. Statistics show that 2001 the three provinces indeed make use of foreign direct invest \$3,195 billion, covers 6.43% of the whole China. And that amount is just 1/7 of east China, and less than 1/4 of

Guangdong province. In 2002 the whole total amount of three provinces' importing and exporting separately covers 3.5%, 0.6% and 0.7% of whole country. This is a strong contrast of Northeast's abundant resources and huge market potential.

In this kind of situation, it's very in time to conduct the tragic decision of strengthening Northeast area's old industry bases. And it must have deep affection on the Northeast China's area economy developing. Since the central government raise the tragic assuming, and this can be indicated that this decision has aroused certain reply in surrounding countries. Looking from the content of today's speech, the author has risen the cut-in point of actualizing area strengthening stratagem under the background of fully considering economy globalization and area incorporation. The intention is to make our domestic action and developing of international society especially the surrounding area into composition of forces, and furthest exert the positivity of every aspect, and effectively conform the strength coming from every aspect to form the resultant forces. The author deeply analyses the localization of existing planning assuming, and put forward that we should has a more open and wide view, and from the long term historical developing scale to expect the foreground of Northeast area's economy cooperation, encircling and cooperating the common cognition which international society has already achieved, to construct domestic economy. Meanwhile the author put forward that at present on the research and planning lay of Northeast Asia's area economy cooperation, there exists the phenomenon of attaching importance on the newly built projects yet lacking deep research of how to exert the function of existing projects. These all have very much insight. And still will have oriented meaning on how to further deepening research. And this deserves our deep thinking. And we wish this we can catch the attention of many social aspects through this forum.

The shortage of the speech is that the author didn't put forward an integrate blue print. <sup>1</sup>Of course maybe it's because of lacking of time, and maybe because the deepness of existing research can't make us to put forward a blue print. And we expect that we will hear more of his research result on next forum.