

G20 2016 CHINA
【 The Zhejiang Story 】

DEVELOPMENT *in*

■ ZHEJIANG ■

Edited by *Development in Zhejiang* Compilers





【 *The Zhejiang Story* 】

DEVELOPMENT *in*

■ ZHEJIANG ■

Edited by *Development in Zhejiang* Compilers



ZHEJIANG PUBLISHING UNITED GROUP



ZHEJIANG PEOPLE'S PUBLISHING HOUSE

图书在版编目(CIP)数据

浙江发展：英文 / 《浙江发展》编写组编. -- 杭州：浙江人民出版社，2016.8
(浙江故事)

ISBN 978-7-213-07538-4

I. ①浙… II. ①浙… III. ①区域经济发展—概况—浙江省—英文②社会发展—概况—浙江省—英文 IV. ①F127.55

中国版本图书馆CIP数据核字(2016)第168175号

浙江发展(英文版)

《浙江发展》编写组 编

出版发行 浙江人民出版社 (杭州市体育场路347号 邮编 310006)

市场部电话:(0571)85061682 85176516

集团网址 浙江出版联合集团 <http://www.zjcb.com>

责任编辑 王福群 朱康平

责任校对 叶 宇

封面设计 厉 琳

电脑制版 杭州林智广告有限公司

印 刷 杭州富春电子印务有限公司

开 本 710毫米×1000毫米 1/16

印 张 12

字 数 100千字

插 页 2

版 次 2016年8月第1版

印 次 2016年8月第1次印刷

书 号 ISBN 978-7-213-07538-4

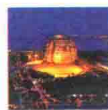
定 价 45.00元

如发现印装质量问题,影响阅读,请与市场部联系调换。

CONTENTS

Economic Development in Zhejiang

- I Zhejiang's Economic Development and Transition / 2
- II Exploration and Practice in the Concept of Economic Development in Zhejiang / 11
- III Experience and Inspiration from Zhejiang's Economic Development / 26



Political Development in Zhejiang

- I The Progress and Achievement of the Political Development in Zhejiang / 42
- II The Experience and the Implication from Zhejiang's Political Development / 65



Cultural Development in Zhejiang

- I Profound Cultural Foundation / 74
- II Active Construction of Socialist Core Value System / 81
- III Effective Construction of Public Cultural Service System / 87
- IV Accelerated Development of Modern Cultural Industry / 95



Social Development in Zhejiang

- I Social Development Process of Zhejiang / 113
- II Social Development Practice of Zhejiang / 117
- III Experience of Social Development of Zhejiang / 135



Green Development in Zhejiang

- I Strategies of Zhejiang's Green Development / 146
- II Major Measures of the Development of Green Zhejiang / 152
- III Remarkable Achievements of Green Development in Zhejiang / 163
- IV Basic Experience of Green Development in Zhejiang / 170
- V Experience and Enlightenment We Gain from Green Development in Zhejiang / 178



ECONOMIC DEVELOPMENT IN ZHEJIANG



Zhejiang's Economic Development and Transition

Exploration and Practice in the Concept of Economic Development in Zhejiang

Experience and Inspiration from Zhejiang's Economic Development

Economic Development in Zhejiang

After the beginning of reform and opening up, Zhejiang has registered sustained and rapid economic development. At the beginning of the new century, our province made a comprehensive and systematic summary of our eight advantages on the basis of lessons learned over the years, and put forward eight measures for the future development—"8-8 strategy". After that, Zhejiang has "a blueprint painted through to the end for a consistent development", and has since led the country in terms of indicators of economic and social development by following the main line of transforming the mode of economic development.

I. Zhejiang's Economic Development and Transition

Since 2003, Zhejiang has achieved rapid economic growth through the implementation of "8-8 strategy" in overcoming the difficulties and problems in the development. In 2008, our GDP per capita exceeded \$6,000, and Zhejiang was the first among the provinces (regions) in China to enter the post-industrial stage. Facing sharply rising pressures on economic

elements, resource and the environment and enormous pressure of economic downturn caused by severe economic restructuring, Zhejiang timely responded to environmental change, deepening reform and expanding opening up; sped up economic restructuring and upgrading by consolidating the original foundation and developing new advantages; our economy has maintained a steady and efficient development, our people's living standards have markedly improved, our capacity of sustainable development increased significantly, and there is the first sign of "a better life in beautiful Zhejiang".

i. Our people's living standards continue to improve

From 2003 to 2015, the economic aggregate in Zhejiang increased from 970.5 billion yuan to 4.2886 trillion yuan, an increase of 4.42 times. Despite the constraints of SARS epidemic, the financial crisis, and pressures on economic elements, resource and the environment brought by the economic development stage, the sharp appreciation of the RMB, the international economic downturn, our average annual economic growth still exceeded 11%; our GDP per capita increased from 20,444 *yuan* to 77,644 *yuan*, or \$ 12,466 according to the average exchange rate for the year, 5.11 times more than \$ 2,440 of 2003, ranking fifth in China, close to the level of a developed economy.

From 2003 to 2015, the disposable income of urban residents, net income per capita of rural residents in Zhejiang increased to 43,714 *yuan* and 21,125 *yuan* from 13,180 *yuan* and 5431 *yuan* respectively, to achieve a harmonious development by narrowing the income gap between urban and rural residents to 2.07:1. Basic medical care, public health, culture and public convenience service system have almost full coverage of urban and rural areas, social assistance has improved steadily, and the housing security system continues to strengthen.



Night view of Qianjiang New City

ii. Our ability to innovate is significantly enhanced

Since 2003, Zhejiang has made new progress in innovation of science and technology, further establishing the dominant position of enterprises in innovation and further gathering resource elements in scientific and technological innovation, so that environment of entrepreneurship and innovation has improved significantly, and innovative atmosphere is increasingly intensive. We have accelerated the construction of new business service platforms like mass maker space, creating a favorable environment for innovation and entrepreneurship to guide the public in mass innovation and entrepreneurship, so our innovation capacity significantly increased. Comprehensive scientific and technological progress index, regional innovation and technological innovation capability of enterprises in Zhejiang rank No. 6, 5 and 3, respectively. Hangzhou Bay Rim Area is forming a district competitive advantage of high-tech industry, and our companies are transforming from extensive management of low-cost labor to intensive management of technological innovation. In 2015, Zhejiang's expenditure on scientific research and development exceeded 100 billion yuan for the first time, accounting for 2.33% of our GDP, 13.89 times more than the 7.2 billion yuan in 2003; our annual patent applications and those granted were respectively 307,000 and 235,000, 14.35 times and 16.32 times more than in 2003.

Hangzhou National Innovation Demonstration Zone was



successfully approved, accelerating the development of entrepreneurship and innovation support platform; by 2015, there are 184 provincial key enterprise R & D institutes, ten new provincial science and technology business incubators, with 36 new provincial key enterprise research institutes in the areas of robot, pure electric vehicles; there are 93 state-certified enterprise technology centers (or sub-centers); 1046 (a total of 7905) newly certified high-tech enterprises and 8536 (a total of 23,930) new technology SMEs; output value of new products of industrial enterprises above designated size is 21555 trillion *yuan* and the ratio of new product output value is 32.2%, increased 14.46 times compared with 2003 and improved by 21.58 percentage points.

iii. Our industrial structure keeps upgrading

There have been significant changes in the structures of our primary, secondary and tertiary industries. In 2003–2015, the growth rate of the service sector in Zhejiang was faster than GDP growth rate, with its proportion of GDP rose to 49.8%; the industrial structure being adjusted from 7.8:52.5:39.7 to 4.3: 45.9: 49.8. The proportion of light and heavy industry is becoming more rational, and the ratio of value added was adjusted from 49:51 in 2003 to 43:57 in 2015, with the proportion of heavy industry greatly raised. High-tech industries, strategic emerging industries and equipment manufacturing have developed rapidly, with value added of high-tech industry reaching 491 billion *yuan* in Zhejiang in 2015, as its proportion accounting for above-scale industries rose to 37.2%, contributing 55.7% of above-scale industrial growth rate. The support and leading role of core industries like information economy and modern service is further demonstrated. In 2015, the value added of core industry of information

economy in Zhejiang was 331 billion *yuan*, accounting for 7.7% of GDP. The ratio of banking and finance, intermediary services like audit, accounting, consulting, education, science and technology, warehousing and transportation has much increased. Information economy has become a new highlight of Zhejiang's economy, with traditional business and professional market formats rapidly changing, and e-commerce rapidly developing, so that the accelerated integration of online and offline transactions promote the upgrading of industrial structure.

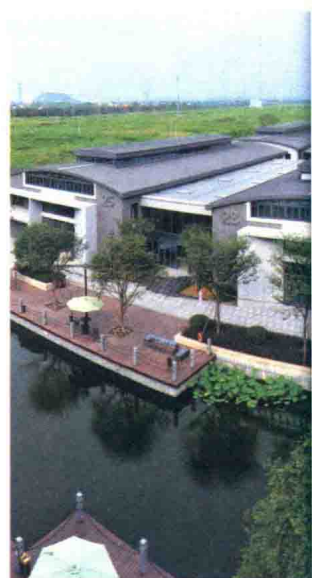
iv. Industrial organization continues to optimize

It is a major feature of Zhejiang economy that a large number of SMEs gather in the same industry or industrial chain to generate massive economy. But the resulting excessive competition, over-imitation, lack of innovation have become a bottleneck constraining Zhejiang economy. Since 2003, Zhejiang enterprises have continued to compete and integrate, SME clusters have evolved from traditional massive economy dominated horizontal competition to shaft-spoke industrial clusters centered around large and medium enterprises with specialized division of labor and cooperation between central enterprises and periphery SMEs –a center-satellite system has initially formed. Central enterprises strengthen to become core businesses engaged in R & D and brand marketing in a cluster, with a large number of mid-process outsourcing to small and medium enterprises, so that cooperation through division of labor between enterprises significantly strengthened. Relying on e-commerce and innovative logistics, we strengthen the functions of product display, technology and market information of the professional market service industrial clusters and, strengthen the role of professional associations and

chambers of commerce in enhancing the exchange of information, technical cooperation and market coordination among their members.

v. Construction of characteristic towns and industrial clusters accelerated

In order to accelerate the supply-side structural reforms and economic transformation and upgrading under the new normal, Zhejiang has proposed in 2015 “to build a number of characteristic towns focused on seven major industries, including classic historical industries like silk and rice wine, featuring a unique cultural content and tourism function by the principle of corporate body, resource integration, project portfolio and industry convergence, to promote industrial clustering, industrial innovation and industrial upgrading with new ideas, new mechanisms and new carriers”. Through the construction of the characteristic towns, based on resource endowments, we achieved a new pattern of economic and social development of the “Trinity” of industry, culture and tourism, the “integration” of production, life and ecology, “driving” of industrialization, informatization and urbanization, “tripartite implementation” of projects, capital and talent. Characteristic towns represented by Dream Town, Yunqi Town, Funds Town, Celadon Town have seen rapid development to become an important carrier in Zhejiang for creating new advantages of development; the





effect of industrial clustering is remarkable, as a new growth point of Zhejiang's economy and investment.

vi. Level of opening to the outside world and inland China enhanced

Our foreign trade leaped to a new level, with balanced development of import and export, the rapid growth of trade in services, and improved quality of foreign investment utilization. Zhejiang's import and export volume rose from \$ 61.4 billion in 2003 to \$ 347.4 billion in 2015, an increase of 5.66 times; exports increased from \$ 41.6 billion to \$ 276.7 billion US dollars, an increase of 6.64 times; trade in services skyrocketed at a rate of nearly 30% annually, and private enterprises have become the main players of foreign trade, whose

exports accounted for 73% in Zhejiang's export trade.

"Development of Zhejiang by Bouncing out of Zhejiang" proceeds steadily, with two-way interaction "going out" and "bringing in" developing soundly. In 2015, there were 1778 newly approved foreign direct investment projects in Zhejiang, and contracted foreign investment and actual use of foreign investment was \$ 27.8 billion and \$ 17 billion, 2.02 times and 2.6 times the figures in 2003.

Zhejiang businessmen become China's most active group of entrepreneurs, in an area with the most amount of direct investment in other regions (provinces / municipalities / autonomous) and foreign countries. Over 6 million Zhejiang entrepreneurs have invested across China, and more than 1.5 million Zhejiang businessmen have started business overseas.

Zhejiang introduced policies to improve the investment environment to encourage the return of Zhejiang businessmen for innovation and entrepreneurship, and 306.6 billion yuan in returned capital came to Zhejiang in 2015, introduced 149 comprehensive, functional and regional headquarters from outside the province, effectively boosting the upgrade of our industrial structure.

vii. Harmonious development of urban and rural regional economy

Through the promotion of urban-rural integration, the construction of a new socialist countryside and special actions like "urban financing rural areas", "industry nurturing agriculture", we have sustained rural economic development in Zhejiang, with wage income, property income and transfer income rapidly growing, the living standards of rural residents significantly improving so that the level of income of rural residents in Zhejiang Province

always ranks the first in China. Meanwhile, with the construction of county economy and characteristic towns, we promote “collaboration with the coast or mountains” and “support the development of underdeveloped areas” to ensure the harmonious development of the urban and rural areas, and of the region, effectively narrowing the gap between urban and rural areas.

viii. Rapid new urbanization

With the development of township enterprises and the rise of urban economy, Zhejiang Province began to promote urbanization from the late 1990s by building towns. In 2006, we proposed to “unswervingly push the new urbanization” in six ways: resource-saving, environment-friendly, cost-effective, socially harmonious, coordinated development of big, medium and small cities and small towns, urban and rural areas mutually promoting hand in hand. After years of efforts, the level of Zhejiang’s new urbanization has been significantly improved, people-centered, focused on people’s livelihood with intensiveness, harmony, co-ordination, innovative development as the goal. In 2015, Zhejiang’s urbanization rate reached 65.8%, increased by 14.9 percentage points compared with 2003. We have formed a big, medium and small cities (towns) system at high level, with reasonable layout, in scientific structure, with urban economy, county economy and rural economy complementing each other.

II. Exploration and Practice in the Concept of Economic Development in Zhejiang

At the beginning of this century, in line with the “8-8 strategy” in the changed economic environment for development in Zhejiang, we have

implemented and deepened the concepts of “two hands”, “two birds”, “harmonious development” and “open-up development”, effectively promoting the transformation and upgrading of Zhejiang’s economy, to achieve sustainable development on the basis of harmony in economic, social and ecological development.

i. Development and practice of reform ideas of “two hands”

Governments at all levels in Zhejiang are willing to be “night watchmen” for market economy to create space and opportunities for the development of private economy, leading to the rise of Zhejiang economy; but with sharpening market competition and the tremendous changes in environment of resource elements, the defects and “low, small, scattered” problems of family-owned private enterprises became an obstacle to upgrade of Zhejiang economy. How to deepen the reform, to deal with the relationship between government and market, to further take advantage of private economy: these have become an important issue for sustainable stable development of economy in Zhejiang.

Zhejiang Province proposed in 2003 an innovative concept of “two hands” in exploration of deepening the reform: in the process of deepening the reform, we can neither be satisfied with one hand only, the government, like under the planned economy, nor only highlight the basic role of market in resource allocation as in the beginning of reform; but we should strive to change the functions of this hand of government, effectively converting it to the “economic regulation, market supervision, social management and public service”, and strive to build a service-oriented government, a government by the rule of law, a limited government. We should make the best of, standardize and coordinate