

## First Edition 2015

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Translated by Li Zonghong
Cover Design by He Yuting
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ISBN 978-7-5104-4429-6

Published by
NEW WORLD PRESS
24 Baiwanzhuang Street, Beijing 100037, China

Distributed by NEW WORLD PRESS 24 Baiwanzhuang Street, Beijing 100037, China Tel: 86-10-68995968 Fax: 86-10-68998705

Website: www.newworld-press.com E-mail: 18511176663@163.com

Printed in the People's Republic of China

#### 图书在版编目(CIP)数据

浦东故事:这样的梦想更中国:英文/谢国平著; 李宗红译.--北京:新世界出版社,2015.4 ISBN 978-7-5104-4429-6

I. ①浦··· II. ①谢··· ②李··· III. ①社会主义建设成就 - 浦东新区 - 英文 IV. ① D619.513

中国版本图书馆 CIP 数据核字 (2015) 第 075960 号

#### THE STORY OF PUDONG

A DREAM COMETRUE 浦东故事:这样的梦想更中国

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英文审定: 黄友义

装帧设计: 贺玉婷

责任印制: 李一鸣 黄厚清

出版发行:新世界出版社有限责任公司

社 址: 北京西城区百万庄大街 24 号 (100037)

发行部: (010)6899 5968 (010)6899 8705 (传真)

总编室: (010)6899 5424 (010)6832 6679 (传真)

http://www.nwp.cn

http://www.newworld-press.com

版 权 部: +8610 6899 0121

版权部电子信箱: 18511176663@163.com

印刷:北京京华虎彩印刷有限公司

经 销:新华书店

开 本: 640×960 1/16

字 数: 200千字 印张: 20

版 次: 2015年8月第1版 2015年8月北京第1次印刷

书 号: ISBN 978-7-5104-4429-6

定 价: 76.00 元

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#### Foreword:

## From Rags to Riches

Where is Pudong? What has happened to Pudong? What has been the effect of Pudong on modern China? The saga of Pudong is a tale of modern China.

The story began in 1990 with a veteran Chinese who was taking a close look at Pudong, a district of Shanghai along the east bank of the Huangpu River. He was short in stature and a man of few words. Some Western people called him "the undefeatable short man," and the Chinese called him "the chief architect of reform and opening up." After his observation of Pudong, he said, about opening up of Pudong, with a tone of regret, "It is late for us to be developing Shanghai, so we have to work hard."

This old man was Deng Xiaoping, renowned at home and abroad for leading his country through far-reaching market economic reforms after the death of Mao Zedong. He had been selected as "Person of the Year" twice by Time magazine. Up to then, only four non-American people had had such an honor. Why did Deng pick Pudong as the site of China's first special economic zone? Pudong covers an area equivalent to New York City, and its economic and social development once moved as slow as a snail.

In the same year, Ruan Yanhua, general manager of the Shanghai Waigaoqiao Free Trade Zone Development Co. Ltd., went to Waigaoqiao, which lies in the northeast part of Pudong. The Shanghai government planned to set up a free trade zone there, on the verge of the estuary of the Yangtze River. But what Ruan saw were the forts left by the war, farmland, and desolate reed marshes; there were no people, only the bleak wind blowing over the river.

<sup>1</sup> Selected Works of Deng Xiaoping, Vol. 3, Foreign Languages Press, 1994, p. 353.

Municipal construction in Pudong was lagging, traffic was inconvenient, and cultural facilities were scarce. When Pudong was mentioned, people inPuxi, the historical center of Shanghai on the west bank of the Huangpu, would disdainfully say, "It is too backward out there!" At that time, Puxi suffered from a housing shortage because of its population density, but people in Shanghai still said, "I'd rather prefer to have a bed in Puxi than a house in Pudong."

However, since 1990, Pudong has taken a great leap forward and achieved an explosive growth in its economy. Its economic aggregate was 6 billion yuan (\$1.27 billion) in 1990, but in 2013, it had grown to 644.868 billion yuan (\$105.716 billion).

An American guest recently took a plane from New York and landed at Pudong International Airport. When he walked past the spacious and bright aisle in the airport, he heard the gentle broadcasts in Chinese, English, Japanese and other languages and saw planes from different parts of the world taking off every minute. After leaving the airport, he found that people in Pudong had the fastest means of ground transportation in the world – the maglev train, with a maximum speed of 417 km/hr, which could reach downtown from the airport in seven minutes. He felt confused about what he heard and saw: Which was the third world country? China or the United States? LaGuardia Airport in New York City could not be compared with Pudong International Airport, let alone anything in America rivaling the maglev train!

Pudong has experienced exploding growth. Shen Ruqun started drawing a map of Pudong by himself in 1991, walking barefoot and using his steps as measurements. At first he did this to help people who visited Pudong find their way around; later, he drew an upgraded map almost every year. What he said was, "Pudong changes too fast. You will not find your way if you stay



Yangshan Port Container Terminal in China (Shanghai) Pilot Free Trade Zone By Xinhua News Agency

at home for only a few weeks." By 2007, he had drawn 15 editions of the map.

In 2011, a journalist of The Wall Street Journal in the United States went to Pudong and interviewed Yao Wei, a senior executive of a real estate company. This longtime citizen of Shanghai had believed the old saying "I'd rather prefer to have a bed in Puxi than a house in Pudong" for a long time.

The journalist told the story this way: When Yao Wei came to Pudong for the first time in 1994, she persuaded a client not to rent the top story of the to-be-completed Oriental Pearl TV Tower to operate a restaurant. Her opinion was: It was too early. Ten years later, she gave the same suggestion to another client.<sup>2</sup>

However, she now has a set of modern apartments beside the Huangpu River in Pudong. Looking out from the balcony, visitors feel enamored by the dizzying urban scenery of Shanghai. She said that when her guests get

<sup>2</sup> The Oriental Pearl TV Tower is a landmark in Shanghai with a height of 468 meters, and it is the fourth highest tower in Asia and the sixth highest in the world; it is the best location to overlook downtown Shanghai.

upstairs, they say: "Ah! This is Shanghai."

Pudong, with the literal meaning of the east side of the Huangpu River, is a pretty common name and a pretty common place. It is so common that no central government in the history of China had attached any importance to it until the founding of an integral administrative department in 1992.

It is quite interesting that Lu Shie, a doctor and novelist in Shanghai, wrote a novel entitled *New China* 100 years ago. In the novel, the protagonist had a dream that a world expo was held in Pudong



In 1910, 32-year-old Lu Shie wrote a fantasy fiction named *New China* that imagined the scenario of the World Exposition held in Pudong, Shanghai, 100 years later: the subway in the cities, the viaducts across the Huangpu River, Lujiazui as the financial center and row upon row of foreign-style houses, etc, all of which have materialized in modern-day Pudong.

because "There is no place to build the hall for the expo in downtown Shanghai, so Pudong is specially developed to build the hall." In order to help people in Shanghai to conveniently travel to and from the expo, a huge iron bridge was built across the Huangpu River, as well as a crossriver tunnel and a train tunnel from Puxi to Pudong. He wrote: "Pudong is as prosperous as the downtown of Shanghai. The China National Bank has also established a branch in Pudong."

<sup>3 &</sup>quot;Pudong: From Soulless to Sizzling," published on the Chinese version of *The Wall Street Journal* website (http://cn.wsi.com).

<sup>4</sup> Lu Shie: New China, China Friendship Publishing Company, 2009.



Four tablets of the organ that promoted Pudong's development

At that time, no one took Lu's dream seriously; all the people thought it was just a fantasy. However, the dream that the protagonist had in the novel became a reality 100 years later. The fact is so unbelievable that all the readers who have read *New China* have the same response, "It is remarkable, and the coincidence cannot be more amazing!"

Now, wandering around the area named Lujiazui in Pudong, all the readers of *New China* will have a much stronger feeling. On a sunny day in May 2010, the anchorman of Nippon Hoso Kyokai (NHK), Japan's national public broadcasting organization, and Zhao Qizheng, a former official in Pudong, had a conversation while they were walking along the west bank of the Huangpu River. The scenery was slowly turning into modern building clusters on the other side of the river and away from the exotic building clusters in the old Bund of Shanghai.

Seventeen years ago, NHK had sent a camera crew to Pudong to follow and shoot a documentary about Zhao Qizheng, deputy mayor of Shanghai and director-general of the Pudong New Area Management Committee at that time. The title of the documentary was *One Day of Zhao Qizheng*. Pudong then, for the majority of foreigners, was a strange geographical name. Revisiting the old haunt in 2010, they felt everything had changed too much. The anchorman asked, "Shanghai 'opened up' to foreigners 160 years ago, and now it has opened up again. What is the difference between them?" Zhao replied, "Shanghai was forced to open up in 1843 when the government was incapable, and 'foreign settlements' were permitted to be established; today, it is the independent opening up under complete sovereignty, and all foreigners have to follow China's laws and regulations." The anchorman nodded, "Now I understand!"

They crossed the Huangpu River and went to Lujiazui, the first subway stop in Pudong, where various Chinese and foreign financial institutions had gathered. Among the towering skyscrapers there unexpectedly was a particularly conspicuous antique bungalow with carved beams and painted rafters, red walls and black tiles. It was built by a merchant named Chen Guichun 100 years ago. Across from the bungalow was the 632-meter Shanghai Tower, the tallest building in Shanghai, the 88-story Jin Mao Tower and the 495-meter Shanghai World Financial Center. Together they became new landmarks of Shanghai. The striking contrast provided a strong visual impact.

Inspired, Zhao asked the cameraman to shoot the Chinese style cornices of the antique bungalow and the two skyscrapers together. The lens was raised and presented a long close-up. Zhao blurted out, "The changes of 100 years are concentrated in a height of 500 meters!" What Zhao said about this scene was so moving that the anchorman responded, "How impressive it is!" One hundred years of history in Pudong unfolds over that

<sup>5</sup> Zhao Qizheng: "Read the World Expo and Pursue after the Times," People's Daily (Overseas Edition), May 17, 2010.

height of 500 meters. In 1910 Lu Shie wrote the novel *New China*, and in 1914 Chen Guichun built his big house; the two works incidentally became witnesses to the changes in Pudong, and the legend of Pudong resides in that coincidence.

On December 10, 2008, *Time* published an article reviewing the 30 years of reform and opening-up of China. According to what the author said at the end of the article, this is a great story of our times; it is not only the story of China but also the story of all of us. Similarly, the story of a dream coming true in a place named Pudong in China should not only belong to Pudong but should be shared with all people.

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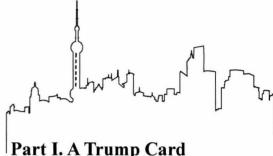
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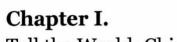
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Soon after the political turmoil in Beijing in June 1989 calmed down, Deng Xiaoping was eager to play a political trump card by telling the Western world that China would be more open. Zhu Rongji, mayor of Shanghai, hoped to build a new Shanghai. The resultant force of history came together on that piece of land lying to the east of the Huangpu River. The dream of those giants in history of the century was gradually realized after the spring of 1990.



Tell the World: China Will Continue to Open Up

# 1. The Trump Card of Deng Xiaoping

"Pour the chamber pots!" With this shout, the dustman pulled the nightsoil cart through the narrow lanes of old Shanghai. Bleary-eyed residents, one after another, started washing their wooden chamber pots after emptying out the excrement. The lanes were filled with choking smoke from the coal-burning stoves, because people started cooking and then would rush to work.

When the New Year of 1990 came, the life of people in Shanghai remained the same; such a scene had repeated itself day in and day out for many years. The sporadic sounds of firecrackers could be heard. According to Chinese tradition, the most important festival – the Spring Festival – always comes soon after the New Year's Day. On the Spring Festival of this year, a heavy snow, which was rare in southern China, fell on Shanghai, and this snow, drifting profusely and disorderly, brought a trace of surprise to the citizens. But people in Shanghai did not change their customs: They visited relatives and friends, enjoyed family reunions, and chatted while eating melon seeds as usual.

In a hotel covered by green shade in the city's western suburb, Deng Xiaoping was spending his third Spring Festival in Shanghai. The sound of firecrackers could be heard from his window from time to time, and some fireworks flashed in the sky; the entire city was filled with a warm and peaceful atmosphere. However, 86-year-old Deng did not take a rest, he was thinking hard. While smoking cigarettes one after another, he seemed to appear calm; but he had the general trend of the world in his heart. A significant strategic decision was coming into being.