

# A Glimpse at Recent News

## 2008 Paralympic Games in Beijing

September 6-September 17

If the Olympic Games made the world understand China better, the Paralympics made the Chinese understand the fighting quality of the physically challenged better.

Under the Paralympics motto of Transcendence, Integration, Equality, Beijing held the biggest ever party of the disabled. The 12-day celebration of the human spirit threw up many spectacular and touching moments – moments of unalloyed joy and the will to keep the fight up.

The Paralympic Games are elite sport events for athletes from different disability groups. The first official Paralympic Games were held in Rome in 1960, when 400 athletes participated. In the 2008, over 4,200 athletes from 148 countries participated in the Beijing Paralympics.

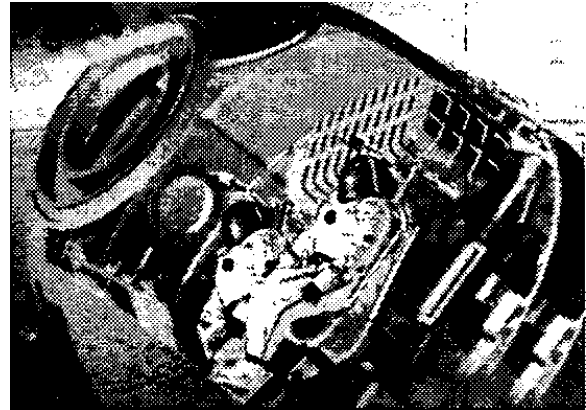
The Paralympics are an official event tied to the Olympic Games. Only since 1988 have the games been held in the same city, using the same venue as the Olympics.

In 2001, the International Olympic Committee and the International Paralympic Committee signed an agreement that guaranteed host cities would be contracted to manage both Olympic and Paralympic games.

Meanwhile, China continues to make improvements to help disabled people. In June 2008, Beijing ratified the United Nations Convention on the Rights of Persons with Disabilities.

One month later, a Chinese law on protecting disabled people went into effect. It calls for an ambitious plan to allow all

handicapped Chinese citizens to have access to rehabilitation services by 2015.



## ShenzhouVII

The Shenzhou spacecraft carrying the three crewmembers was launched September 25, 2008 by a Long March 2F rocket which lifted off from the Jiuquan Satellite Launch Center at 21:10 CST. The Long March rocket launched the Shenzhou VII into an initial elliptical orbit of 200 x 330 kilometres on September 25. About seven hours later the spacecraft raised its orbit to a more circular orbit of 330 x 336 km. On September 27, Zhai Zhigang, wearing a Chinese-developed Feitian space suit, conducted a 20-minute space walk, the first ever for a Chinese astronaut.

The mission lasted three days, after which the craft landed safely in Siziwang Banner in central Inner Mongolia on September 28, 2008 at 17:37 CST. The extra-vehicular activity (EVA) carried out during the flight makes China the third country to have conducted an EVA, after Russia and the United States.

China has been congratulated by a number of foreign leaders for the successful completion of the mission, which marked a number of developments for China's space program, including several first-time

achievements. Shenzhou VII was the first Chinese space mission to carry a three person crew for several days and conduct a full operation.

## Tainted Milk

A scandal involving the chemical melamine broke in early September when the Chinese authorities discovered an infant formula produced by Sanlu causes kidney stones in babies and young children. Since then more than 50 governments around the world have either banned or recalled Chinese-made products containing milk. Chinese authorities admitted earlier this month that tons of melamine-contaminated milk powder entered Taiwan alone and that over 54,000 children have become ill in China after consuming milk products contaminated with melamine, and that to date, four have died.

Melamine, an organic base chemical usually found in the form of nitrogen-rich white crystals, has recently crept into dozens of Chinese-made products. A partial list contains 52 different products from 27 separate companies. The official Xinhua news agency in China claims that police investigating in northern China have arrested 27 people in connection with the milk scandal.

The chemical, which is used in plastics, adhesives, countertops, dishware, and whiteboards, is believed by authorities to have been added to watered-down milk in order to deceive quality tests, giving the impression that this low-quality milk is higher in protein than it actually is.

New companies making products containing melamine are being found every day, one of the most recent being British candy maker Cadbury. Cadbury said it is recalling 11 types of chocolate candies made in China that have been found to contain melamine.

Due to tainted milk, China's product-safety reputation is plumbing to new depths.

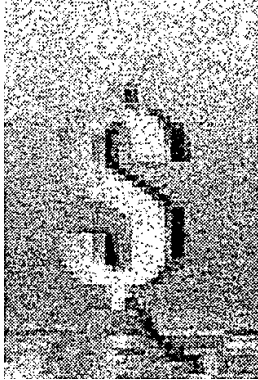
In a commentary published, on September 30 2008, in The New York Times, Bee Wilson, author of a book on "the history of food frauds," cites a scandal eerily similar to the China milk story. In the mid-1800s, Wilson writes, thousands of babies in New York were taken ill and died after taking what was then called "swill milk," that is, milk from cows housed in filthy dairies and fed on mash, the waste product of adjacent whiskey distilleries. The "filthy bluish substance" from diseased cows was disguised by the addition of plaster of paris (to get rid of the bluish tint), eggs and flour and even molasses. It was estimated that up to 8,000 children in New York died each year as a result of being "nourished" on this substance.

It took more than 50 years before the government finally clamped down on the sale of "swill milk," with stronger food laws, greater policing, the advent of pasteurization and the creation of the Food and Drug Act in 1906.

Writes Wilson: "The similarities between China today and New York 150 years ago shouldn't come as a great surprise. Adulteration on such a scandalous scale occurs in societies with a toxic combination of characteristics: a fast growing capitalist economy coupled with a government unable or unwilling to regulate the food supply. In such get-rich-quick societies, there is a huge temptation to tamper with food, particularly when margins are low. The rewards are instant, and it's not always easy for consumers to detect the difference between the pure and the doctored—particularly with a substance like milk, which we have been taught to trust implicitly.

"Such scandals are not bad luck. They are symptomatic of a deep failure of politics. Even as China tries to cope with the competing interests of profit-hungry companies and consumers concerned about their safety, there is something that the private sector, especially foreign firms that have located to and invested in China, can do to isolate themselves from the contagion of

distrust. And that is to be above-board and transparent... China's present is America's past."



## Global Financial Credit Market Crisis

On Monday October 6, the Federal Reserve and European governments stepped up relief efforts, above and beyond the \$700 billion rescue package approved by the Congress last week. But markets around the world responded with a massive vote of no confidence. European stocks saw their biggest drop in at least 20 years, and the Dow Jones Industrial Average dropped below the 10000 mark, a stark sign that the crisis may be outpacing policy makers' ability to contain it.

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The financial crisis may push the U.S. into a recession, the International Monetary Fund said recently, after predicting a moderate contraction in July. First-time jobless claims in the US. surged to a seven-year high in the week ended Sept. 27 while factory bookings fell the most in two years in August, according to government data.

With global growth slowing sharply, the problems could spread to larger emerging markets, even China, which has a hefty current account surplus and immense foreign reserves.

The global nature of the crisis and its growing collateral damage ought to galvanize countries to work together to fashion a concerted response. There is a chance to do that this week, with dozens of finance ministers and central bankers converging on Washington for the annual meetings of the I.M.F. and the World Bank. The trouble is, these institutions no longer have the resources or authority to lead such an effort.

The Group of 7, which once functioned as a sort of command center for the global economy, is similarly depleted, according to critics. It no longer represents the world's economic drivers, they said, and badly needs to be expanded to include rising powers like China and India.

"The globalization of the crisis means we need a globalization of responses," said C. Fred Bergsten, the director of the Peterson Institute for International Economics.

With Europe and the United States deep in crisis, economists said, the rest of the world could not help but suffer. Robert B. Zoellick, the president of the World Bank, warned that the crisis could be a "tipping point" for the developing world.

Mr. Zoellick, in his speech, said flatly that the Group of 7 "is not working." He advocates expanding the group — which includes the United States, Canada, Britain, Italy, France, Germany and Japan — to include emerging economies like Brazil, China, India and Saudi Arabia.