

Video: Saudi oil hit by drones: U.S. accuses Iran

Drone strikes set fire to a Saudi Aramco plant in Abqaiq. This is a rare attack inside Saudi Arabia's territory and it came on Saturday,

The drone attacks said to be by Yemen's Houthi rebels damaged facilities that process the vast majority of the country's crude output.

This raises the risk of a disruption in world oil supplies.

Iran has denied any role in the attack. It suggests the United States was seeking a pretext to retaliate against the Islamic republic.

Why Bibi cannot be stopped and Trump will let him do

Why Bibi cannot be stopped and Trump will let him do in his plans to annex part of West Bank if he is re-elected in the upcoming elections?

There is a reason why Facebook is a better regulator than the United States or the United Nations: It is a private company and it does what it has to do for its business.

In the internet age, regulations are important even though they are violated on a daily basis. But the big companies act swiftly at times.

Look at how Facebook suspended Benjamin Netanyahu's Facebook page over hate speech.

He blames staffer for the post about murderous Arabs.

Nevertheless, Facebook will not be able to regulate Netanyahu on his electoral promises. They will help him promote the annexation of Arab lands in West Bank.

Why? Because they will not suspend his Facebook page for promoting the populist idea of taking more Palestinian lands.

They are for the taking after all, are they not?

There is no country on earth that would come to the support of the Palestinians in the expropriation of their land.

No powerful organisation, nor an honest leader will rise to say let/s defend Palestine from further shrinking. Oh, they will talk in forums, they will organise events for that matter, but they will not act.

The Muslim world is unable to help Kashmiris or Rohingya Muslims. How can they help the Palestinians?

They are left practically alone in their fight for justice and recognition. Needless to mention any Muslim nations that can or will come to the real defence of Palestine.

The point is Israel will do what it wants to get what it can. In the meantime, the Palestinians will lose more homes and land.

The world will continue watching with some leaders and

politicians playing the hero. They will talk and nothing else will be done.

This is what Palestine is facing. The slow strangulation by the Jewish state that is occupying their territory.

Moon's failure to be the leader of the Korean peninsula

Ever since the former South Korean President Park Geun-hye was unexpectedly arrested and jailed, her successor Moon Jae-in has made considerable achievements.

Under the efforts of the new Korean government led

by Moon, South Korea-China relations gradually broke free from the THAAD issue, and the North Korea nuclear issue showed signs of substantial thawing as well.

In a sense, Moon was pulling South Korea back from the edge of regional conflicts. With this achievement, Moon has won considerable support within the Korean government, especially the military. However, such achievements are weakened with the recent trade dispute between Japan and South Korea.

Due to the relative disadvantages in the key industry chain, the Japanese government's recent export restrictions have caused South Korea to face huge economic downward pressure.

Under the dual effects of the global economic slowdown and the trade dispute between Japan and South Korea, South Korea's foreign trade volume has experienced a continuous decline for nine months, which has had a huge impact on South Korea, a country highly dependent on export trade.

On this basis, the government is facing tremendous

policy pressure, and the abolition of the General Security of Military Information Agreement (GSOMIA) with Japan actually signals its last move.

The logic behind it is that South Korea is using the survival of the regional alliance system as a bargaining chip to make Japan abandon its existing policies or force the United States to intervene. In its essence, this is nothing more than a political gamble.

So far, the effect of Moon's political gambles has been less than ideal. While there has been a growing call in the U.S. policy community for the U.S. government to intervene, there is no specific response from top policymakers including Trump, Pompeo or even Bolton (who got fired this week).

Some senior U.S. officials even bristle at South Korea's failure to take care of the overall situation. In contrast, although trade barriers would affect the economy of the Japanese in the long run, Abe's government is aware that Japan's ability to withstand the trade barriers far exceeds that of South Korea.

They are also aware of the fact that South Korea

will be almost impossible to abandon the U.S. alliance system due to the unsolved Korean nuclear issue. South Korea's move to withdrawing from the intelligence-sharing agreement is more of diplomatic blackmail than anything else. As a result, Tokyo has almost categorically rejected the South Korean Prime Minister's "trade for information" offer.

According to the logic of this event, the main motivation for Japan to restrict exports this time is the dissatisfaction with its declining influence in regional affairs and the hope of resolving the unresolved historical dispute of wartime labor between Japan and South Korea.

Besides, under the influence of identity recognition, Japanese people and companies have reached a rare consensus with Abe's government on measures to restrict exports.

Abe's dominance within the Liberal Democratic Party also means that the government is unlikely to change its policies because of partisan political factors. Therefore, the Japanese government has strong support from both international and domestic factors, hence it does not have the motivation to change the current policy.

On this basis, the likelihood of Moon political failure is growing by the day. While Moon has maintained high approval ratings among ordinary South Koreans under ideological factors such as nationalism, there are now divisions within the South Korean government.

The reason is that when diplomacy has run its course, many South Korean interest groups have come to believe, although not entirely, that Moon's ouster could provide a new opportunity for the current deadlock. Even opposition leaders accused Moon of withdrawing from the intelligence-sharing agreement to divert public attention from his scandal-plagued aides.

This internal pressure will continue to increase as long as South Korea's economy sinks, eventually making Moon a victim of national interests.

However, Moon certainly does not want to end his political career at this point of time, especially given that his ouster does not guarantee a settlement of Japan-ROK trade disputes. Given the precedent of South Korea's trial of its former Presidents, he will definitely go to great lengths to protect his political career.

He now has two possible options: First, to preserve his political career by maintaining his stance, using nationalism to shore up his popularity, and expecting Japan to buckle under tensions and be the first to compromise in the prolonged confrontation.

Second, by taking the initiative to change the situation in northeast Asia. This means to show Japan and the United States the importance of South Korea in maintaining regional stability, thereby influencing their current policies. For Moon, the most likely breakthrough would be cooperation between the two Koreas.

In fact, Moon has previously proposed a plan to reunify the two Koreas around 2045. However, North Korea has not responded enthusiastically to this. In addition, this status quo could change as the current U.S.-North Korea talks come to a standstill.

At present, the Korean nuclear issue is in a stalemate. The Trump administration has abandoned its previous policy of applying extreme pressures, but it still cannot tolerate North Korea as a de facto nuclear weapon state.

At the same time, domestic criticism of its move is increasing. North Korea, on the other hand, despite having a current international environment that is far better than the situation in 2017 when war was on the verge of breaking out, still hopes that the United States will lift the sanctions that was imposed on it, so as to achieve its economic liberalization and development.

At the same time, for its own security and regime legitimacy, North Korea is unlikely to accept the U.S. conditions for a “full nuclear disarmament” unless there is a complete withdrawal of U.S. troops from the Korean peninsula.

Therefore, the United States and North Korea are stuck in a stalemate over the North Korean nuclear issue, with neither side able to make more concessions.

As a direct participant in the North Korean nuclear issue, South Korea is undoubtedly one of the core countries on the issue. This means that both the U.S. and North Korea have a certain degree of dependence on South Korea, which creates an objective possibility for Moon to once again dominate the North Korean nuclear issue.

Shenzhen as a pioneering demonstration of socialism

On August 18, the official Chinese media published the full text of the guidelines issued by the Chinese Communist Party's central committee and the State Council turning Shenzhen city into a pioneering area of socialism.

The guidelines will enhance the city's Chinese characteristics. As early as July 24, at the ninth meeting of Central Comprehensively Deepening Reforms Commission, it was clear that China would "support Shenzhen to build a pioneering demonstration area for socialism with Chinese characteristics."

The announcement of the full text of the guidelines officially ushers a new era of development for Shenzhen.

Overtaking Hong Kong

As the most successful special economic zone in China, Shenzhen has always been the benchmark for the country's reform and openness. In 2018, the GDP of Shenzhen City was RMB 242.218 billion. In RMB-based comparison, this was much higher than Hong Kong's RMB 22.1 billion in the same period.

The new orientation given by the central government to the "first demonstration area of socialism with Chinese characteristics" clearly implies the development intention of the government at the strategic level.

ANBOUND's chief researcher Chen Gong believes this is a strategic re-definition of the Shenzhen Special Economic Zone after entering a new era in history. He says this represents a major transformation of Shenzhen.

Chen Gong believes that the change of Shenzhen from a "special zone" to "socialist pioneering zone" is not merely a change of name, but a major transformation with substantial content, strategic depth, good background timing and regional characteristics.

As is common in China, the interpretation of general policies will closely follow policy texts

and explore its details like strategic positioning, development goals, innovation space, preferential policies, major projects, and others.

The next step would be turning these into local development actions and seeking available fiscal, financial and policy resources to implement them. These specific elements will also stimulate the domestic capital market, and related parties will prepare a variety of investment growth narratives in order to create different investment hotspots.

In the guidelines, the Central Committee has given Shenzhen a series of development goals at varying levels. Some of the macro development goals include promoting reform and opening-up at a higher starting point with higher goals at a correlatively higher level.

This is also aimed to better implement the strategy of the Guangdong, Hong Kong and Macao Greater Bay Area (henceforth Greater Bay), enriching the new practice of “one country, two systems” and creating urban examples of socialist power and modernization.

The goals encompass strategic positionings of Shenzhen’s future development direction, such as

making Shenzhen a high ground of high-quality development, a model of urban rule of law, an example of urban civilization, a benchmark of people's livelihood and a pioneer of sustainable development.

In addition, there is also the three steps goal. The first step is that by 2025, Shenzhen's economic strength and quality of development will rank among the top cities in the world. It will be recognized a modern, international and innovative city. The second step is that by 2035, Shenzhen will become a creative and entrepreneurial capital with global influence, being an urban example of China as a modernized socialist power.

The third step is that by the middle of this century, Shenzhen will become a global benchmark city with competitiveness, innovation and influence. These are the macro goals of Shenzhen's future development and what Shenzhen should aim to be.

Transformational targets

At a specific level, the macro goal of Shenzhen's

transformation has been broken down into many sub-targets, which include the following categories:

- **Innovation and development:** Shenzhen will be developed into a comprehensive national science centre. In light of this, the Chinese authorities will support Shenzhen in 5G, artificial intelligence, internet science and technology, life information and biomedical laboratory, as well as other major innovation carriers to explore the establishment of an international science and technology information centre and an academy of medical sciences with a new system. Basic and applied research will also be strengthened. Shenzhen will become a centre for intellectual property, as well as scientific and technological achievements. Its various units, institutions and enterprises will be supported to set up scientific research institutions abroad. All these will make Shenzhen a free trade pilot area of high standard and quality.
- **Financial development:** Shenzhen's second-board market listing, as well as its system for restructuring refinancing as well as mergers and acquisitions, will be improved. The reform of its registration system will also be promoted. Innovative applications such as digital currency research and mobile payment in Shenzhen will be supported. In addition, interoperability with Hong Kong and

Macao's financial markets, as well as mutual recognition of financial fund products will be promoted. Shenzhen will play a role in the promotion of RMB internationalization and explore innovative cross-border financial supervision. Furthermore, Shenzhen will carry out a comprehensive reform of regional state-owned assets and state-owned enterprises, being a pilot in the deepening reform of foreign exchange management.

- Talent and mechanism reform. Shenzhen will be supported to implement a more open and convenient overseas talent introduction, and entry-exit management system. This will allow international talents who have obtained permanent residence qualifications to establish science and technology enterprises in Shenzhen and act as legal representatives of scientific research institutions.
- Development of Greater Bay Area. The deepening of reform and opening-up of the Qianhai Shenzhen-Hong Kong Modern Service Industry Cooperation Zone will accelerate the construction of the Shenzhen-Hong Kong Science and Technology Innovation Cooperation Zone and explore a collaborative development model. This will promote the co-development of Shenzhen-Dongguan-Huizhou, thereby encouraging the integration and interaction between the east and the west banks of the Pearl River Estuary, in addition to promoting innovation and the improvement of the cooperation zone's management system and

mechanism. Shenzhen will also be supported to build a large data centre in the Greater Bay Area, as well as constructing an international cruise port.

- Rule of law. Under the leadership of the party, the people's orderly political participation will be expanded to make full use of the legislative power of Shenzhen and under the premise of observing the basic principles of the Constitution, laws, and administrative regulations, Shenzhen will be allowed to make reforms and innovations in practice. Shenzhen will also be able to make changes to laws, administrative regulations, and local regulations in accordance with the proper authorization. This will improve the system of major administrative decision-making procedures.
- People's livelihood. Shenzhen will be supported in leading the way in reforming the education system, and popularize quality high school education. The autonomy of higher education institutions will be implemented. In addition, a modern vocational education system will be established. Social forces will be encouraged to develop high-level medical institutions and facilitate the development of Hong Kong and Australian-funded medical institutions. There will also be a relaxation of restrictions on overseas doctors practising in the Mainland, gradually realizing the equalization of basic public services for the resident population. Hong

Kong and Macao residents working and living in Shenzhen will also be able to enjoy "citizen treatment".

- Green development. This is to ensure the party and government have the same responsibility, with one post and two responsibilities in the ecological and environmental protection. A green development-oriented evaluation and assessment system will be established for ecological civilization. Improvement of ecological and environmental protection policies such as environmental credit evaluation, mandatory disclosure of information, and the environmental public interest litigation system will be conducted. Following that, the authorities will also carry out trials to control the total discharge of pollutants into key sea areas. They will continue to implement the dual control actions on total energy consumption and energy intensity. The multiple development goals given by the central government will become specific tasks that Shenzhen will implement in the future. Frankly speaking, to achieve the above development goals, Shenzhen faces great challenges, and there is great demand in supporting resources as well as for breakthroughs in reform. Even if all the conditions are met, it does not guarantee that Shenzhen will achieve all its goals and fully satisfy the central government.

New era

From the national perspective, we believe that it is more important to grasp the core intent of the central policy and the key concepts behind the policy. According to the observation and analysis of ANBOUND's consulting research team, the "new era" is a key concept in the central government's "guidelines" that are supporting Shenzhen's transformational development – in fact it appears as many as nine times in the "guidelines".

Since the 19th CPC National Congress, socialism with Chinese characteristics has entered into a new era, and thereby all developments should also follow suit and enter a new era. Otherwise, the Shenzhen Special Economic Zone would be the same as it was for the past 40 years. But in doing so, however, the new concept loses its foundation. Therefore, the "new era" has, in essence, created the foundation for the "new concept". It is because of the "new era" that the necessity of developing a "socialist pilot demonstration zone" exists.

In fact, the central government's specific requirements and directions for the first demonstration zone are not entirely innovative content, and this is seen in the requirements for

economic, legal, social, culture, education, health care, high technology, talent, environment, etc. These elements are the most basic content for a city's construction and development in the future.

The requirements are also to ensure the continuation of the Shenzhen Special Economic Zone's development model in the past. The essence of the central government's new policy is "new era". Therefore, the key to grasp the policy is to understand that special zones in the new era are socialist pilot demonstration zones. It should not be a major problem for the construction of the city to continue practices that were effective in the past. In a word, in the new socialist era, the concept of "pilot demonstration zone" will reassure the market and many others.

In the new era of socialism with Chinese characteristics, Shenzhen's mission is to become an example of China's construction of a powerful modern socialist city, and at the same time provide a successful practice different from the Hong Kong model in the development of the Greater Bay Area.

[Mugabe: The last African revolutionary?](#)

Mugabe: My trip to Zimbabwe

Robert Mugabe. Robert Mugabe. This is an account of my trip to Zimbabwe some 30 plus years ago and what did the people say and why Mugabe will remain a historical figure.

Unlike Idi Amin Dada, Mugabe will haunt Zimbabwe for decades to come. His great beginnings in the revolutionary circles did not foresee the dismal end of his political career.

Nevertheless, Mugabe will be remembered in Zimbabwe for who he was and what became of the country.

Whatever it is, Zimbabwe today is what Mugabe made of it. Only a strong and passionate government that will work for the people will be able to get rid of his blueprint.

By the time I reached the hotel in Harare where a computer show is scheduled, I heard a lot about Mugabe.

It was somewhere in 1987 or 1988. I lost count of the years after I misplaced my reporter's notebook some 25 years ago.

Don't blame me for that. I never really kept detailed notes of my doings. I always thought the writings will be on the wall. But they are not. That is why I am penning down this piece.

The Revolutionary

The capitalist world is telling us a grim story. That of the failure of Mugabe to address all the problems he faced in Zimbabwe.

Without Mugabe, perhaps, Rhodesia would still exist and South Africa's apartheid regime would still thrive.

The future of apartheid in South Africa depended largely on the political conflict in Zimbabwe.

The country gained official **independence** as **Zimbabwe** on April 18, 1980. Apartheid collapsed in South Africa in 1994.

It was 14 years of hell for the White South Africa regime with Mugabe in power in Zimbabwe.

No African country will forget a hero of liberation against white minority rule. This is what Mugabe is in the first place. Ignoring his contribution to the destruction of Rhodesia will be futile and will be a mistake.

His biggest missteps are not the land reform that caused the

West to impose sanctions on him and on Zimbabwe. The land reform became a forced take-over of land owned by White farmers in Zimbabwe. It is still a problem.

Perhaps his biggest mistake is not following the footsteps of Idi Amin after all. The latter forced the removal of all non-African people from his country, Uganda.

He paid a heavy price for this, losing power and running to Saudi Arabia in exile where he died in anonymity.

These are all the stories I was told by White folks and Zimbabweans while I was in Harare.

But do not let the imagery of a failed dictatorship bog down your thinking. Under Mugabe, the country had foreign companies flying in to expose their computers.

They also exposed their computer chipsets, the computer parts and they participated in talks shows and conferences on the future of the computer industry in Zimbabwe.

By all means, Zimbabwe was heading into a bright future. It got disrupted by the sanctions and the hatred the west had for Mugabe.

But now that he is gone, the question is whether Zimbabwe will get a fresh start?

Aids epidemic

When I visited a graphic designer's studio in Harare, I saw how Zimbabwe women were coping with a great infliction. They all had 'aids' and were working on odd days because they could not work full time.

There were fear in the eyes of the locals when one asks about Mugabe and his entourage.

"Do not talk about him. He is beloved and feared," I was told.

I guess that was also the case in Malaysia when I set foot in the country in the early 1990s.

The Malays were in deeply in love with Dr Mahathir. They were so deeply in love that they would never criticise him. For fear of betraying their love for him.

I would love to think it was the same kind of fear that was in the eyes of the Zimbabweans I met.

Dr Mahathir and Robert Mugabe were pals, I am told. I am sure everyone knows of the story of [sawn timber](#) sent to Mugabe by Mahathir.

The curtain is drawn on Mugabe who leaves his legacy behind and the western media is having a fun day calling a spade, a

golden spoon.

[Grace Kelly and Hermes' sac a depeches!](#)

**Killer Robots on the loose?
War made easier for rich
countries!**

You watched movies with robots fighting mankind and surely the Terminator movies come to mind.

But the reality of an army of robots invading a country and destroying its military and infrastructure is not farfetched.

Technology is making it possible for armed forces

to get their own 'Terminators' to fight their wars.

Recently, Russia sent an armed robot into space. It will replace humans in doing some tricky and dangerous jobs up there.

This is only the beginning.



Death staring at you in a war zone where robots replaces the enemy soldiers

At this very moment, the U.S. is testing a revolutionary weapons technology.

The U.S. is testing boats using high-tech gear to sense their surroundings, communicate with one another.

They can automatically position themselves to, in

theory, aim .50-caliber machine guns to fire a steady stream of bullets to protect troops landing on a beach.

This, we are told, is the beginning of a new era of warfare technology only the rich nations can have.

These nations are the U.S., Europe, China and Russia.

This is part of a Marine Corps program called Sea Mob. Its intent is to show that vessels could soon undertake lethal assaults without a direct human hand at the helm.

AI is the answer

The development of [AI-infused systems](#) allows the military to field machines capable of going on the offensive. They can pick targets and take lethal action without direct human input.

The Atlantic says researchers at *Nanyang Technological University in Singapore* got a computer network to identify 1.2 million images.

The computer then tried to identify all the pictured objects in just 90 seconds, or 0.000075 seconds an image. Which is much faster than a human brain.

Lucky for us humans, the system identified objects correctly only 58 percent of the time. For the

military, this is a rate that would be catastrophic on a battlefield.

The army has a challenge: create an image recognition and data processing system for a faster, more precise, less human kind of warfare.

SKYBORG

The U.S. army is building tanks that can smartly pick targets and point a gun at them.

It is also developing a missile system, called the Joint Air-to-Ground Missile (JAGM).

The army ordered 1,051 of those. It has the ability to pick out vehicles to attack without humans ordering it or programming it to do so.

The U.S. Air Force is working on a pilotless version of its F-16 fighter jet. This is part of the "SkyBorg" program.



The army is working on plans to develop an AI skydrone

Under the Skyborg program, F-35 and F-15EX jets could control drone sidekicks.

It is called a 'drone wingmen' which has built-in Artificial Intelligence.

The drone would train and learn alongside pilots, or possibly be incorporated into a manned fighter cockpit. It may also act as an assistant to the pilot like R2-D2 in the "Star Wars" films.

Israelis are ahead

In the 1990s Israel built an AI-infused drone called the HARPY.

It happily hovers over an area and independently attacks radar systems; the country has since sold it to China and others.

Meanwhile, the Arab and Muslim world is still in the stone age of military tech.

They are after all they are peaceful nations and would not want to develop such techs.

It is inhuman, to the least, to get robots to kill humans on a battlefield.

Cowardice would say the ISIS, which is waiting for man-to-man fights with U.S. and European soldiers.

Ex-wife challenges Kelantan Sultan's lawyer to tell the truth

Rihana Petra or Oksana Voevodina the ex-wife of the Kelantan Sultan Muhammad V is in a fighting mood.

She posted an [Instagram](#) story in which she seems to challenge the lawyer of the Sultan, Koh Tien Hua.

The story has a picture of the lawyer having a meal and is written in English.

In the post, she says, "Koh Tien Hua is going to bring public apologies for being not professional lawyer and insulting and slandering and giving lie comments to the media about paternity of our son!"

In July, the Singapore based lawyer told The Sunday Times Sultan Muhammad V had divorced her last month by three talaqs.

4:20

4G



[rihanapetra](#) 23h



Send Message



A screenshot of the Instagram story

This was done in the presence of two competent Muslim witnesses.

But the 'queen' rejected the assertions they were divorced, saying she was not in Singapore at that time and could not have been divorced.

Provocation

She insisted there were no divorce proceedings, calling the lawyers statement 'an act of provocation.'

Paternity

Rihanna's post is about the paternity of Leon Ismail, the child born after she married the Sultan.

The lawyer made a statement indicating doubts from the Sultan on the paternity of the child.

Koh had said: "There is no objective evidence as yet as to the

biological father of the child. On behalf of His Royal Highness, we request his privacy be respected.”

The former Miss Moscow is slowly telling her side of the story, talking about the Sultan’s confessions to her on Instagram.

She said he told her that “women always used him for money” and that having children “was the biggest dream of his life”.

She also told her followers how for the first time in her life she saw a man lay down a Muslim prayer mat to perform the prayers in front of her.

Hermes’ sac a depeches!

The four stages in the

formulation of Chinese policies

The formation mechanism of Chinese policies appears to be mysterious, and its impact is enormous. In today's world, China is integrated into the world market. Therefore, how Chinese policies are formulated is an issue of concern not only for China but for other parts of the world as well. How then, are China's policies formed?

The reality is not always in accordance with logic. China is a huge socialist market economy country that has been transformed from a planned economy. Since the government controls almost all policy resources, as well as major economic resources, China's national governance and economic development are closely related to its policies. It is not common that things cannot be done if there is no policy to raise resources, let alone achieving major plans. Maintaining constructive and applicable policy work, therefore, will be crucial to China's actual economic operation.

Broadly speaking, the planning of various strategies, the research and preparation of master plans, as well as the formulation, implementation, and evaluation of various special policies like industrial and financial policies, actually form a complex system around the policy activities. To a certain extent, the operational process of government work is the

process of formation, formulation, announcement, implementation, and evaluation of policy ideas. Xu Lin, former head of the fiscal and financial department at the National Development and Reform Commission (NDRC), has recently published an article about the experience and thoughts of his participation in national planning and policy works during his 29-year policy career, showing the characteristics of China's policy works.

Planning works, especially the five-year plans, are vital for China's policy works, as they reflect the country's strategic goals and blueprint for future development. In the actual planning works, political will, internal and external environment, goal setting, development orientation and constraints, and development arrangements are considered. The preparation of the planning works has certain openness, though it is still done within the government system that is generally closed. However, in the new international and domestic environment, planning and development work in China are now facing various challenges.

Xu Lin believes that the challenges are mainly reflected in some of the following aspects.

First, under the market economic system, the role of planning has its limitations. As the integration of the Chinese domestic market with the international market deepens, if the economic and social development plan is too rigid in its function as guide and constraint, it may be misleading for the increasingly liberalized economic system and market players.

Second, in a complex and volatile environment, the limitations in the planning officials' understanding will have many

impacts on the rational and operability of planning.

Third, the functions and means of planning are increasingly subject to international rules. As the Chinese economy has been deeply integrated into the global economy, the impact of various development plans will not just affect China. Therefore, changes in the relevant international rules need to be considered in the innovation and design of the Chinese systems and policies.

This is to reduce incompatibility with international rules. Fourthly, the build-up of the national planning system needs to be improved and concise. In particular, there is a high number of planning in the competitive fields and this means that the functions between the plans could be incompatible with each other. Hence, such plans need to be more concise and integrated.

Industrial policy transformed

For industrial policies with Chinese characteristics and have a greater impact on the market, Xu Lin believes that there is room for improvement, and China needs to formulate smarter industrial policies. First of all, there is a need to transform the selective industrial policies into functional industrial policies, focusing on creating an environment of fair competition for different industries.

This is also to reduce the distortion lost due to misallocation of subsidies, overcapacity, and resource waste. Then, there is also the need to support weakest industrial

technology links, focusing on strengthening basic core technology research and development support. In addition, in the international trade negotiations, China will need to insist developed countries to cancel the export restrictions on high-tech products against China, otherwise, China should insist on import substitution policy rights in these areas.

There is also the need to reduce the size and quantity of industrial funds led by the governments of all levels, allowing market-oriented equity investment funds and venture capital funds to play a role.

Finally, China should continue opening-up its domestic markets including manufacturing, services, information, research and development, and actively participate in the construction of global industrial and R&D chains, as well as in formulating related international rules to build predictable internationalized institutional guarantee.

Xu Lin also believes that government officials who study policy development are different from scholars in the academic and research institutions. But whether it is planning or policy formulating the result must first be able to withstand professional scrutiny and testing. Only after that political balance between political correctness and stakeholders should be reached. If attention is only given to political correctness but the plans and policies cannot withstand professional examination, they will not be effective in

guiding the development of the country.

Room for reforms?

Looking from the complicated whole, Xu Lin's thoughts on China's policy planning mainly focus on the scope of industrial policies. The scope of actual Chinese policies is certainly greater than this. In the policies pertaining to diplomacy, geography, conflict, reform and opening-up, as well as the macroeconomics, things are much more complex and variable, and the impact is greater too.

As an independent Chinese think tank that has long been engaging in public policy research, 'ANBOUND' has a good understanding of China's policy formulation process. Policy officials often view policy formulation from the perspective of government system or from their own experience. In reality, the complete policy formulation process includes more steps.

The formulation of public policy in the modern sense is a policy science with complexity and systematicness. According to our research experience and policy research practice, to ensure the scientific nature of the complex policy formulation system, it is necessary to have a scientific division of the policy process. From the historical point of view, the whole process of China's policy formulation can be roughly divided into the following four stages:

The first is the stage of policy formulation. This is the stage in which the policy framework is formed. To form a policy framework, a clear policy idea is required to clarify

the meaning and value of policies. The formulation of China's policies has been relatively closed in the past, thus the policy formulation was mainly depended on the high-level cadre group's vision and their understanding level.

Nowadays, the formulation of policy has made great progress compared to the past. In addition, think tanks, scholars and all sectors of society have the opportunity to participate in the process as well. That being said, the efficiency and quality of the policy idea formation still need to be improved.

The second stage is the stage of policy preparation. This stage is a process of preparing and integrating policy documents. At this stage, the policy ideas have been defined and the policy tasks have been determined, but the policy documents have yet to be formed. More works need to be done to turn policy ideas, policy materials, and preliminary research into policy documents for further discussion.

This stage is usually carried out by the corresponding government departments, including the policy research offices of party committees and governments at all levels that often play a very important role in policy document preparation. Selected experts and scholars from other institutions within the system will also participate in this process in an individual manner.

Next, the third stage is about policy resolution. This stage consists of the discussion and consultation of the policy. In China's policy process, opinions on the policy documents and decisions that have been formed still need to be heard in a broader field.

The importance of this stage lies in the formulation of policy concepts, which are very important because they help to provide a basis for promulgation. Usually, this process needs to be determined in the meeting, and the opinions discussed from all parties are collected and summarized. After that, the work of policy formulation actually goes back to the top-level and thereby the revised policy would be concluded.

The final stage is policy implementation. This stage not only consists of the implementation of the policy, but also its promulgation. The policy should be widely publicized to form a tide and momentum in the community, and this is known as "policy mobilization".

This is an open stage with high public participation. In addition to public opinions and suggestions, there will be plenty of news reports and comments on the policy. Of course, there will also be various criticisms and even objections to the policy. Therefore, the stage of policy implementation is accompanied by various policy interpretations and understandings. This stage, however, will do little to modify policy in practice.

Modern public policy formulation is a complex and systematic science. China's policy process is divided into four stages, including policy formulation, policy preparation, policy resolution, and policy implementation. This is a basic process for China to implement its policies and an important process for making China's policy more scientific, constructive and effective.

Why you should try the Hermes expensive savattes?

Why you should try the Hermes expensive savattes?

Why should you buy the Hermes slippers? That should be the headline you may think. But is it not the whole point that is why buy Hermes slippers?

It's a flip-flop says some, but it may also be an act of rebellion or revenge, for others.

Though, we all know the people who would actually buy such an art piece are probably the crazy ones.

But we wanted to tell you this story to keep you wondering why would anyone want to buy a pair of slippers at a whopping £335?

Not many people, you would reckon. And Hermes is going through hell with a barrage of criticism over the flop.

The designer label calls it up-market flippers. Critics say it is an [up-market flip-flop](#).

On its website, the French fashion house claims the designer sandals come with “technical straps.”

Critics are not impressed and the terms are now part of the amusement for social media users.

They say it looks like a pair of cheap sandals. But we believe that is the whole point of Hermes strategy.

But do you need a strategy to push a cheap-looking-sandal?

[READ: Grace Kelly and Hermes' sac a depeches!](#)

We think for Hermes it is just a normal thing to do. They got the name, the fame and the bucks. People who got the money will definitely buy the product.

Les Savattes

This means they got the market and the demand for it.

Why buy real 'savattes' for £2 when you can afford the Hermes?



Hermes £335 designer offering

If you found it interesting to read this piece, why not try the sandal next time?

See if it has real 'technical straps' and what difference does it make to your prized toes?

For those who have no clue what is 'savattes', please do write to us.

Where does China's personal wealth come from?

In the past few years, the Chinese appeared to be wealthy, and its image as a nouveau riche country catches global attention.

With more and more Chinese travelling and investing globally, their spending habits are notably eye-catching.

China's urbanization process is changing day by day; its transportation infrastructures such as high-speed rail and highway have been rapidly developed.

In the meantime, there is also an increase in their foreign investment. China's overall wealth growth is astonishing to many, whether it is the wealth of residents, enterprises or the government.

One might wonder if the Chinese are really that rich, and where does their wealth actually come from.

The rapid development of China's economy has caused the country to accumulate quite a huge sum of wealth, and the total amount of wealth in Chinese society is indeed stunning.

Many institutions and scholars have studied the total amount of China's wealth, but no consensus has ever been reached. A more comprehensive statement would be the report of China National Balance Sheet for the year 2018 issued by the National Finance and Development Laboratory of the Chinese Academy of Social Sciences.

According to the report, China's total social assets were RMB 1210 trillion and social net wealth was RMB 437 trillion at the end of 2016. From 2000 to 2016, the non-financial assets have increased from RMB 37.5 trillion to RMB 424.5 trillion, an increase of 103.3 times.

Financial assets have also increased from RMB 53.2 trillion to RMB 782.6 trillion, an increase of 13.8 times. At the end of 2016, China's social net wealth was RMB 437 trillion, which includes the domestic non-financial assets worth RMB 424 trillion and external net assets worth up to RMB 13 trillion. 73% of China's social net worth was owned by its residents, and the remaining was held by the government.

Material Wealth

China's actual material net wealth is growing rapidly, and the material wealth of China residents was approximately RMB 319 trillion at the end of 2016. The report has also divided the net wealth growth into two parts, including investment growth that accounted for 68% and value revaluation that accounted

for 32%.

Foreign institutions have also made some estimations to the size of wealth among Chinese residents. Based on Credit Suisse's research, the average wealth of Chinese adults has quadrupled from US\$ 5670 to US\$ 22864 between the years 2000 to 2016. The total wealth of China households has increased from US\$ 6.3 trillion to US\$ 23 trillion.

The United States took around 33 years to achieve the same increment. The latest New World Wealth's Global Wealth Migration Assessment Report states that global private wealth has reached US\$ 204 trillion in 2018, which shows 26% of increment if compared to the number 10 years ago.

Among them, China's personal wealth was US\$ 23.6 trillion in 2018, showing a remarkable growth of 130% in just a decade. China is expected to maintain this trend and it has been predicted that its private wealth growth will reach 120% in the next decade.

Chinese-funded institutions such as Haitong's macro team also made some estimations to the composition and total amount of resident's wealth, including financial and non-financial assets. Although there is a huge gap in the estimation with foreign institutions, the evaluation is quite similar to the one by the Academy of Social Sciences.

Haitong's report stated that as of the end of 2018, the total assets of Chinese residents have reached RMB 465 trillion, of which the real estate scale accounted for 70% of the residents' total assets, and the financial assets accounted for about 30%. As of the end of 2018, the deposit size among the financial assets of Chinese residents was about RMB 72.4 trillion, accounting for 52% of the residents' financial assets and 15.6% of the residents' total assets.

GNP Of US\$13.2 Trillion

Although the estimations vary widely among institutions, they all have concluded that China is the leading country in accumulating wealth. This is the reason why China appears to be wealthier by day.

Besides that, the ability of the Chinese in earning money has also contributed to the rapid growth of their wealth. Statistics have shown that China's GNP has risen 2.2 times, from US\$ 4.1 trillion in 2008 to US\$ 13.2 trillion in 2018. Based on this estimation, the increment will bring an accumulation of around RMB 200 trillion of wealth, which indicates the contribution of China's economic development to the increase in wealth.

Furthermore, the expansion of currency and credit has undeniably attributed to the inflate of asset value in China.

There was an increase of 380% in China's currency supply, which was from 47.5 trillion in 2008 to 182 trillion in 2018. Currency issuance has brought up credit expansion and asset bubbles.

In particular, the rapid increase in China's real estate prices have also magnified the bubble of Chinese's wealth. The price of real estate in China is based on one-time 70 years of land transfer fee. Since the land transfer fee is levied for 70 years, this is equivalent to reforming through fiscal transfer.

Therefore, their current focus is to accumulate wealth on these 70 years, which corresponds to 70 times of wealth expansion. This implementation is conducive for real estate assets expansion as well as wealth accumulation. According to Haitong's estimation, if Chinese residents have 325 trillion real estate wealth, half of them should be from the inflate of real estate bubble.

The capital market in China is also an amplifier of wealth. Compares to China's stock market value of only RMB 3 trillion to RMB 4 trillion in 2000, the total market capitalization in China has gone up to RMB 50 trillion, with more than 3000 A-share listed companies at the end of 2018. In addition, the New Third Board has more than 10000 companies, of which 95% of them are private enterprises.

There are still plenty of Chinese companies being listed overseas, including Tencent and Alibaba, with more than RMB 1.5 trillion worth of market value. The capital market has greatly expanded the wealth of entrepreneurs, corporate executives and the investors.

The large population base in China, including huge number of middle class, has also reflected the wealth of its residents. Many Chinese and foreign scholars observe there is certain divergence with the income and consumption of Chinese residents. According to the statistics of the disposable income, Chinese should not be able to afford such a large amount of luxury goods, estates and overseas travel.

It is unquestionably true that the increase in Chinese spending power is real, but it is all related to a huge population base in China. In the population base of nearly 1.4 billion, there are more than 270 million people in the high-income group, and that is 20% of the whole population. Meanwhile, China's middle class has around 109 million people and this is the world's largest in terms of absolute value according to Credit Suisse's report.

CONCLUSION

In 2018, China's outbound travel has also exceeded 100 million. Although the ratio of first class and middle class population to the total population base is not high, the scale of the population is enough to give an impression that all Chinese residents are rich.

China's incomes and consumption power are growing rapidly at all levels in terms of comprehensive income growth and asset expansion. With the huge population base of middle class in China, it gives an overall impression that all Chinese are affluent. The revaluation effect of asset value in the capital era has further promoted the illusion that "Chinese are rich".

Who pays for China's new tariffs on \$75 billion in US goods?

Main Picture Credit: Shanghai tower in night time – Photo by Adi Constantin on Unsplash