

China speeds up development in central region to cope with financial crisis

Special Report: [Global Financial Crisis](#)

HEFEI, April 25 (Xinhua) -- To some extent, the spreading global financial crisis brings opportunities to China's less-mentioned central region.

"To speed up development of the central region ... is significant to a new round of economic growth," Ding Xuedong, vice head of the Finance Ministry, told the Central China Forum held Thursday in Hefei, capital of Anhui Province.

China's central region, which encompasses the provinces of Shanxi, Henan, Hunan, Hubei, Jiangxi and Anhui, makes up 10 percent of the country's size and is home to 28 percent of its total population.

Amid the financial crisis, the central region, which focuses more on internal-oriented economy, hasn't suffered as much as the industrial east. In 2008, the combined gross domestic product (GDP) was about 6,318.8 billion yuan (about 929 billion U.S. dollars), up 12.2 percent from 2007. It accounted for 19.3 percent of China's total GDP for the same year. In 2006, the combined GDP in the six provinces accounted for 18.7 percent of the national total.

However, some experts pointed out that the financial crisis is spreading in China from the east to the west.

"The central region is next to the east coastal zone, featuring resource-based industries like mining and labor force export," said Fan Hengshan, head of the economy department of the National Development and Reform Commission.

Chinese ministries are enacting policies to help the central region brace for more severe challenges as the crisis spreads.

According to Lu Dongfu, vice head of the Ministry of Railways, new railways with a total length of 16,000 kilometers are to be built before 2020 to extend the railway network to 34,000 kilometers.

"By then, the length of railways in every 10,000 square kilometers of area will grow from 175 kilometers to 331 kilometers, twice of China's average," he said.

The six provinces together have 25 airports, 15.6 percent of the total number in China.

"By 2010, airports in the capital cities of the six provinces are all to be upgraded," said Yang Guoqing, vice head of the Civil Aviation Administration of China.

More money will be earmarked by the central government to the region.

Since last September, the central government allocated 43.1 billion yuan (about 6.3 billion U.S. dollars) to the six provinces, twice as much as the total investment in 2007, said Ding Xuedong with the Finance Ministry.

"We will put more money to the central and western regions," he vowed.

Officials from the six provinces also voiced their hope for cooperation during the financial crisis.

Wang Jun, governor of Shanxi, hoped that they could enhance cooperation in agricultural production.

The central region is the "grain warehouse" of China, turning out some 151 kilograms in 2008, or 30 percent of China's total.

"But only 40 percent of the grain was manufactured," he said, noting that in some developed countries, the rate was 80 percent.

Luo Qingquan, Party Chief of Hubei, said that they could make some tourism lines jointly focusing on ancient cities, heritages of the revolution, Buddhism sites and the Yangtze River.

Hunan's governor Zhou Qiang encouraged enterprises in the central region to "huddle together for warmth," so as to facilitate the exchange of capital and talents.

He also stressed creating more job opportunities. The central region is a big origin of migrant workers.

"Due to the financial crisis, we feel increasing employment pressure," he said.

He suggested that six provinces coordinate in improving the labor market and establishing a platform for labor and information exchange.

"Opportunities sometimes lie in calamities," he said. "Through cooperation, we are confident to tide over the difficulty and achieve economic revival."

