

J. E. M. P. 8 April 1984

14 more SEZs in China

Peking, Apr 7.

China is opening up 14 more cities to overseas investment as part of its plans to woo foreign capital and technology.

The New China News Agency (NCNA) described the move as a major step forward in implementing China's policy of improving ties with the outside world.

It said that the 14 coastal cities would adopt the flexible economic policies already being implemented in four southern Special Economic Zones, which offer foreign companies business incentives to set up there.

China's leader, Mr Deng Xiaoping, toured one of the zones in January. Afterwards, he voiced his support for the policy of giving special incentives to attract foreign capital and said that the door should be opened further.

The Communist Party General Secretary, Mr Hu Yaobang, said last month that foreign investors would be allowed to go in for joint ventures or be sole owners of enterprises in selected cities.

Chinese officials and economists have given elaborate explanations to justify establishing the zones in a communist state.

Several of the cities named in the NCNA report were old treaty ports which imperial China was forced to open to foreign trade under treaties with Britain, France, Germany and the United States last century. China denounced the treaties at the time as being unequal.

The cities are Dalian, Qinhuangdao, Tianjin, Yantai, Qingdao, Lianyungang, Nantong, Shanghai, Ningbo, Wenzhou, Fuzhou, Canton, Zhanjiang and Beihai.

The agency said that the cities — together with the four economic zones at Shumchun, Zhuhai and Shantou in the south, and Xiamen in Fujian province — would be centres of foreign economic activity along the coast.

—Reuter