

COURTS

Billboards flash names of deadbeat debtors to shame them

By **REUTERS** in Shanghai

Above throngs of busy commuters at a Shanghai railway station, four large billboards — some sandwiched between the screens flashing train schedules — spotlighted the name of the head of a midsize industrial products maker.

But he was not promoting his company or its goods.

The Shanghai Railway Transportation Court put his name in lights earlier this month because his company failed to pay a 2.9 million yuan (\$433,000) debt. A separate court in Zhejiang province issued an order freezing his company's assets two years ago for money owed to China Construction Bank.

As growth slows, struggling borrowers are finding it harder to repay their loans, pushing the bad debt of China's banks to above \$299 billion by the end of May, although analysts say the actual level is much higher.

\$299 billion

Level of bad debt owed to China's banks through the end of May, though analysts believe the number is higher

To fight this rising tide, Chinese courts have ramped up their use of shame tactics, underlining the failure of other methods of making debtors pay.

Zhou Qiang, president of the Supreme People's Court, China's highest court, declared in March that debt avoidance was a major problem. He said the court would give those who tried to avoid judgments against them "nowhere to hide", according to a newspaper published by the court.

It would do so by collecting information on absconding debtors, holding news conferences to gain publicity, and restricting access to credit, among other methods, Zhou said.

For 10 days ending on Friday, the names, ID numbers, addresses, case numbers and amounts owed by 20 people, either individual debtors or the heads of companies, were flashed across screens at the two main Shanghai railway stations at 10 minute intervals. In some cases there were also photos of the miscreants.

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Lend me a hand

Residents of Taiyuan, Shanxi province, help each other on a flooded street after the city was hit by heavy rain on Tuesday. China's meteorological authority raised its storm alert to yellow, forecasting heavy rain across China through Wednesday. The center advised residents to take precautions against possible floods and landslides. > See story, p 5 DENG YINMING / FOR CHINA DAILY

PRISON

Confucianism keeps convicts on the straight and narrow

By **ZHANG YI**
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"If we incite people to do good by issuing decrees and meting out punishment, all we shall do is create those who fear the stick rather than those who revere doing right; but if we lead people on a just path with morality, we will breed a people imbued with

an awareness of shame and they will submit themselves to governance."

Although those words were uttered by the Chinese sage Confucius about 2,500 years ago, they still have great resonance today, especially for the inmates of Yunhe prison in Shandong province.

In the past 24 years, more

than 3,200 prisoners have "graduated" from the Yunhe Confucius Distance Learning College, which offers courses that expound on the sage's philosophy and are designed to rehabilitate offenders and prepare them for life outside prison. So far, about 1,000 of the graduates have found work in the low-end technology sector.

The college has distilled the basic concepts of the philosophy into 14 classes, one for each of the known works of Confucius, and it takes about two years to complete the entire course of study. The emphasis is placed firmly on restoring the inmates' sense of right and wrong.

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ACCIDENT

Taiwan bus fire kills 24 from mainland

By **WU YONG** in Shenyang and **ZHANG XIAOMIN** in Dalian

Twenty-four tourists from the Chinese mainland were among 26 people killed in a bus fire in Taiwan on Tuesday afternoon. There were no survivors.

The driver and a tour guide, both from Taiwan, were also killed in the fire. The tourists were on their way to the airport to return home after an eight-day visit when the accident happened.

The fire occurred about 1 pm on a highway near Taiwan Taoyuan International Airport.

The cause of the fire was under investigation.

According to the Taiwan

Tourism Bureau, 10 males and 16 females were killed. The youngest victim was 12 years old, and the oldest was 73. Most of the tourists were from Liaoning province in Northeast China.

A highway police spokesman said, "From what we have seen from our surveillance cameras, the front part of the bus apparently caught fire before the bus slammed into the road barriers and burst into flames."

According to local police, nine bodies were found close to each other at the rear of the bus, where the victims apparently had attempted to escape through an emergency exit.

A firefighter from a local unit said the driver might



A tour bus carrying visitors from the Chinese mainland burst into flames on a highway near Taipei on Tuesday, killing all 26 people on board. PROVIDED BY CHINA TIMES

have died before he could open the two bus doors.

The group had departed from Dalian, Liaoning province. Liaoning Overseas International Travel Service Co organized the tour.

"We will do all we can to assist the families of the victims," said Taiwan authority spokesman Tung Chen-yuan.

The State Council Taiwan

Affairs Office said a team will be sent to Taiwan to help.

Dalian resident Lin Junmin lost his sister, sister-in-law and niece in the fire.

Social workers and staff members from agencies have visited his home since the accident, Lin said.

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In the news



ALEX WONG / GETTY IMAGES VIA AFP

WORLD

Similarities

Presumptive Republican presidential nominee Donald Trump's wife, Melania (at right in photo), delivered a speech on the first day of the Republican National Convention on Monday that stirred controversy because two passages matched nearly word-for-word a speech that first lady Michelle Obama gave in 2008. >p12

BUSINESS

Giant step

Alibaba says Australia is a "huge part" of its long-term globalization strategy to raise its 423 million customers to 2 billion by 2036. >p13

COMMUNICATION

Telecoms extend 4G service to Nansha Islands

By **MASI** and **OUYANG SHIJIA**

China's top mobile telecom carriers have launched 4G service on the Nansha Islands, in an effort to safeguard the country's legal claim in the South China Sea and to improve communication services for local people.

China Telecommunications Corp, the country's third-largest telecom carrier by subscribers, has expanded its 4G signal to seven reefs of the Nansha Islands, giving islanders faster internet speed and enabling them to make video calls and conduct online commerce.

The move came shortly after

the country dismissed the ruling by the Arbitral Tribunal in The Hague that China has no "historic title" over the South China Sea.

China Telecom's larger competitor China Mobile Communications Corp also offers similar services around the region.

"The achievement highlights China's determination to serve local people and passing ships. It also mirrors homegrown telecom companies' cutting-edge technology," said Xiang Ligang, a telecom veteran and CEO of the industry website cctime.com.

The Nansha Islands are in strategic shipping lanes, but

they are far away from land, which makes it time-consuming and costly to build telecom infrastructure.

Su Xun, a China Mobile employee in charge of maintaining telecom equipment, said it takes 60 hours by ship to get to the Nansha Islands from Hainan province.

Additionally, telecom equipment is highly vulnerable to seawater corrosion, and it is difficult to ensure a stable supply of electricity to power 4G stations and to transmit signals.

However, Su said, "All of the problems have been properly handled and our efforts finally paid off."

China Mobile has expanded its 4G signal to cover Yongshu Reef and Zhubi Reef of the Nansha Islands, after successfully launching service in the nearby Xisha Islands.

China Telecom has devoted more than 70 million yuan (\$10.5 million) to telecom infrastructure construction in the South China Sea in the past four years. The State-owned company has spent nine months setting up eight base stations around the Nansha Islands.

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GROWTH

Li says private investment needs boost

As momentum slows, premier calls for innovation to attract more social funding

By **ZHAO HUANXIN** and **ZHANG YUE**

Private and semi-public businesses are being encouraged to invest in the key projects to be launched during China's 13th Five-Year Plan period (2016-20), and the interests and legitimate rights of investors should be protected, Premier Li Keqiang has said.

"Conditions permitting, we should innovate methods to attract 'social investment' to these projects," Li told a meeting on Monday in Beijing attended by senior officials of some provinces and State Council departments.

The premier's remarks reflected his solutions to the knotty issue of the slowing growth momentum of investment by private enterprises. Officials have blamed the slowdown on the sluggish world economy, downward domestic pressure and overcapacity in some industries.

Private fixed-asset investment, which accounts for more than 60 percent of the country's total investment, slowed to a record low in the first half of the year, with growth sliding to 2.8 percent from double digits last year.

Li cautioned that a continued slump in private investment growth could spoil the country's efforts to maintain economic growth within the targeted range — 6.5 to 7 percent for the year — and to optimize the economic structure in coming years.

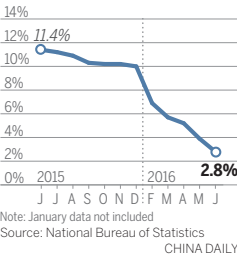
He called for innovation in investment modes and a ramping up of price reforms.

In particular, he said the Public-Private-Partnership financing mode should be promoted to divert more social funds to education, medical care, elderly care and other service sectors, as well as to infrastructure.

"While making use of the government funds, which are limited in amount, we must enhance the guidance of the flow of social funds," he said, adding that efforts must be made to prevent such funds from going

Declining private investment

Cumulative year-on-year private fixed-asset investment growth



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to sectors that are beleaguered by overcapacity and are polluting the environment.

Boosting effective investment will have a wide range of influences, including promoting consumption and creating jobs, the premier said.

Li Jinbin, governor of Anhui province in East China, said at the meeting that many private enterprises had intended to invest in strategic new industries and public services that promise stable or high returns. However, Li said, investor access to these sectors remained difficult.

In response, the premier said market entrance barriers of all forms must be removed, discrimination eliminated, and costs cut for private and semi-public companies to invest. He also asked governments to repay their debts to companies.

In addition, stronger financial support should be given to small and micro enterprises.

The premier also said there is enough space for investment in China, given the enormous domestic demands.

Overall fixed-asset investment, a gauge of infrastructure spending, slowed further in the first half to 9 percent, the lowest growth rate in years.

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