Economic Policy in the Aftermath of the 19th Party Congress

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Before the 19th Party Congress, economic policy was highly focused on ensuring a favorable environment for the Congress. Now that Xi Jinping has consolidated his power, economic policy-making is more relaxed, and a number of interesting new initiatives have sprung up. However, we still do not know the ultimate line-up of key economic policy jobs, and the new policy diversity is far from being a systematic turn to market-oriented reforms.

An event such as the Nineteenth Party Congress is obviously critical in determining China's policy trajectory. The party congress determines the overall distribution of leadership jobs, most immediately in the composition of the Standing Committee of the Politburo. After the congress, the distribution of power is there for everyone to see. However, for economic policy the outcome is somewhat more ambiguous. In large part, this is due to the accident that governmental positions cannot be revealed until the National People's Congress (NPC) in March. Even though Xi has to a significant degree dragged economic decision-making back into the party orbit, economic policy outcomes are still significantly influenced by the way in which specific job slots are filled and day-to-day responsibility allocated. In this respect, there are still many things we don't know.

The Lead-up to the Nineteenth Party Congress

Before the 19th Party Congress, policy-makers, along with everybody else in China, understood that Xi Jinping wanted the economy to look good for the congress. Disruptions would be deferred, and any steps possible to maintain the growth rate would be taken. Moreover, government stimulus policies would provide resources that could be used to reward Xi supporters. It was not surprising, therefore, that all policy instruments were brought to bear to deliver the economy precisely to where Xi Jinping wanted it to be on October 18, 2017, when the congress opened. However, it was astonishing how effectively policy-makers were able to deliver on this objective.

China's GDP growth stabilized: after slowing gradually but inexorably to 6.7 percent in mid-2016, growth inched up a bit in the first two quarters of 2017 to 6.9 percent.[1] Even more surprising was how effectively policy-makers were able to deploy multiple strands of policy that contributed to the favorable outcome. Profitability of state-owned enterprises recovered, particularly in the hard-hit coal and steel sectors. To a significant extent, this was due to the Supply-Side Structural Reform (SSSR) initiative, which was essentially a program to close down excess capacity by organizing producer cartels. The SSSR delivered on this, its primary initial objective. At the same time, stocks of unsold and unoccupied housing declined substantially from their early 2015 peak exceeding 500 million square meters to under 400 million on the eve of the congress.[2] This was achieved largely through conversion of unsold housing to rental units owned by local governments, another key objective of SSSR. The banking system released significant new lending into the economy. Rapid growth of mortgage lending contributed to the stabilization of conditions in the housing market. Local governments were provided credit to make sure they could pursue investment projects. In the first half, infrastructure investment primarily carried out by local governments was up between 14.7 percent (transport) and 25.2 percent (local infrastructure facilities, mainly urban roads, water and sewage, bridges, parks, etc.), much more rapid than the overall fixed investment growth of percent.

At the same time, though, policy-makers achieved some success with their financial crackdown. Several rapidly expanding conglomerates were subjected to close scrutiny and forced to withdraw expansion plans. Overall growth of non-bank shadow credit—after a surge in late 2016 and early 2017—was controlled at a moderate rate just below the growth of regular RMB bank credit. While monetary policy was not exactly "tight," total credit growth of 13 percent was only a single percentage point above nominal GDP growth of 12 percent during the first three quarters. Enterprise debt as a share of GDP stabilized and even inched down a tiny bit during the second and third quarters. To make all this work, financial authorities slapped renewed controls on capital outflows, plugging channels of "hot money" outflows and subjecting outgoing direct investment to much stricter vetting. These measures worked, in the sense that they achieved the objectives had for them.

This was a remarkable performance. True, policy-makers were lucky: a recovering global economy boosted demand for Chinese exports by around mid-year. The more fundamental objection is that the measures taken were far from costless. Many of the measures taken involve government interventions in the economy that distort markets and will take months or years to unwind, if they are ever unwound at all.. Moreover, the fact that every available policy instrument was targeted at a good short-term outcome means that there were no instruments available for other important tasks, such as seriously tackling long-term debt problems. But economic policy-makers achieved what they set out to achieve. And they certainly must have pleased Xi Jinping, who arrived at the 19th Party Congress in exactly the economic position he would have wanted to be in.

The Party Congress: Personnel Decisions

The party congress was closely watched for signs of leadership shifts and particularly the degree to which Xi Jinping's power was consolidated. There is little doubt that Xi dominated the leadership selection process and is now clearly the strongest Chinese leader since (at least) Deng Xiaoping. However, the congress provides less evidence about economic policy than we would like. Key economic jobs are not distributed until the NPC meets in March, and expected assignments have not leaked this year as they sometimes do.

Two leaders with economic policy credentials were elevated to the Politburo Standing Committee. Han Zheng, the Shanghai party secretary, is considered capable but also politically unthreatening and slavishly obedient to directives from the top leaders. Wang Yang has done a good job with every task he's been given—most recently handling the US-China economic and strategic dialogue—and is considered to have an independent mind and a pro-reform inclination. We do not know what the distribution of jobs will be between these two, but since the 19th Party Congress, Wang Yang has been rather visible in the economic policy realm. He attended the November 20 meeting of the Leadership Small Group for Comprehensively Deepening Reform (CDRLSG) (while Han Zheng did not), and he has been active with the difficult and high-priority poverty alleviation portfolio. Wang Yang may yet play an important role in economic policy.

More broadly, the successes of 2017 seem to have strengthened a handful of economic policy-makers who were instrumental in implementing policy. We can't see into Xi Jinping's mind, but it would be reasonable to suppose that his economic advisers may have won back some of the credit they might have lost during the 2015 fiascos with the stock market and exchange rate. Most obviously, Liu He, Xi's closest economic adviser, has been the key driver of the supply-side reform initiative from the beginning. SSSR has now been elevated (and expanded) to be the headline label for a far broader set of policy initiatives than it initially covered. Liu He himself was elevated to membership on the Politburo. Liu He should be expected to play a continued important role in economic policy in 2018, though he is rumored to have been dogged by health problems. Liu He combines skill and understanding of the economy, a strong pro-market reform inclination, and the trust of Xi Jinping. His role and influence will be critical going forward.

The personnel question is most immediate with respect to financial policy, including, crucially, who will replace Zhou Xiaochuan as head of the People's Bank of China (PBC). The positive economic outcome in 2017 has inevitably strengthened the case for Guo Shuqing, the new head of the China Banking Regulatory Commission (CBRC) and a known market reformer. The other potential head is Jiang Chaoliang, current party secretary of Hubei, considered the more establishment, bureaucratic candidate.

Guo has done well in the past year, driving aggressive regulatory initiatives, and his regulatory efforts in 2011-2012 during his brief stint as securities regulator have been retrospectively validated. However, we still don't know who will prevail. Moreover, there is a new body "overseeing" the PBC—the State Council Financial Regulatory and Development Commission. This body met on November 8, 2017 for the first time, and a list of four priorities was publicized.[3] However, the head of the commission was given as Vice-Premier Ma Kai, an experienced bureaucrat (and princeling) who is now 71 years old, and thus obviously a place-holder. Thus, a crucial unanswered question is who will take over the twin slots of PBC and Financial Regulatory and Development Commission.

The Party Congress: The Congress Report

The 18th Central Committee work report delivered to the party congress by Xi Jinping does not provide very much direct insight into the orientation of economic policy. New content is scarce, but much time is devoted to arranging existing policies and objectives into a new framework. That framework of course includes "Xi Jinping thought on socialism with Chinese characteristics for a new era," which is given some concrete content in 14 policy points (in Section 3). Nevertheless, it is hard to find much that is new in this.[4] Indisputably, three themes run through every part of the congress work report: strengthening Communist Party control; China (guided by the party) taking a more assertive role in the world; and improving every aspect of people's living standards. While the emphasis on living standards is welcome—and incorporated in the new "principal contradiction" of the current period—it sits rather uneasily with the other two recurrent themes.

The planning framework into which future goals are shoehorned seems almost like a numerological exercise. This long-term framework (Section 4) is closely interwoven with the so-called "two centenary goals." The centenary of the founding of the Communist Party of China is in 2021, so China should have achieved "moderate prosperity" (全面建成小康社会) by 2020. This objective has already been given a specific quantitative definition in the 13th Five Year Plan: a doubling of 2010 GDP *and* a doubling of 2010 urban and rural per capita income. The other centenary goal—the centenary of the PRC in 2049—does not have a specific or quantitative benchmark. In the congress work report, it is broken down into two steps: by 2035, China will basically achieve socialist modernization; and by "mid-century" China will become a socialist modernized great power. These vague "struggle targets" clearly mean a great deal to Xi Jinping. They are echoed in the military section, with fully modernized forces in 2035, and a "world-class" military by mid-century. However, for economic policy, the 2020 objective is more relevant.

For anything to double in ten years, it needs to grow at an annual rate of 7%. Although China's growth is slowing, both GDP and household income have grown above this rate since 2010. Growth of both GDP and household income (rural and urban) could drop to 6.3 percent and 6 percent per year respectively from 2018 to 2020 and China would still reach the symbolic milestone of doubling by 2020.[5] Thus, the imperative to push for maximum growth—clearly important to Xi ever since the beginning of his leadership—has become less compelling. Moreover, labor force growth has dropped to zero (actually slightly negative) so employment pressure is also insignificant. These changes are significant because in the second paragraph in Section 4, in which he discusses the period through 2020, Xi says "we must take tough steps to forestall and defuse major [financial] risks, carry out targeted poverty alleviation, and prevent and control pollution, so that the people will acknowledge [the reality of] 'moderate prosperity' and it will stand the test of time." This implies that for the next three years, emphasis will be placed on three issues that have important trade-offs with growth. Reducing financial risks, fighting poverty, and improving the environment would each produce "higher quality" growth, but presumably at the cost of slower speed. This is the only economics in the congress report that has much immediate policy relevance.

By contrast, Section 5, on the economy, contains six topics with medium-term importance. The first topic is supply-side structural reform (SSSR), which is being expanded into a cloak to be thrown over the entire range of industrial policy initiatives. Besides reducing excess capacity in old industries—its original meaning—SSSR now includes big data and artificial intelligence, the internet and modern supply chains, green industries and modern infrastructure. It gets top billing, but it's not in any sense about market-oriented reform. The other topics are innovation, rural development, regional policy, improving the socialist market economy, and opening up. The last two, in fact, contain some significant expressions of intent to push market reforms, including fiscal and state asset management reforms. Overall, though, the drive for greater government control in SSSR and regional policy more than offsets the push for market reforms in later sections.

A Sequence of Important Economic Policy Meetings

Following the party congress, a series of leadership meetings were held to shape and amplify the policy message. Tellingly, the first such meeting was of the CDRLSG, on November 20. After that, the Politburo met, on December 8, to pass on the economic guidelines. Finally, the annual Central Economic Work Conference was convened from December 18 through 20. These meetings are noteworthy both from a policy process standpoint and in terms of what they revealed about actual policy. It is significant that this was a purely party sequence—there was no general State Council meeting to set economic policy for 2018.[6]

The message that emerged from these meetings was generally consistent. Reducing financial risks, fighting poverty, and improving the environment were consistently flagged as the three important challenges to be tackled. Quality, rather than quantity, of growth was what mattered. To the extent that emphasis is the counterpart of a more relaxed attitude toward the growth rate and reflects a willingness to let the growth rate fall if accompanied by other desirable objectives, this is highly positive.

The Leadership Small Group for Comprehensively Deepening Reform

The CDRLSG was set up to be an authoritative implementation mechanism for the 2013 Third Plenum economic reforms. As the Third Plenum has faded, with some successes and many deferrals, the CDRLSG has been re-purposed. It was originally set up to implement 336 initiatives (举措) from the Third Plenum. But as the 19th Congress work report tells us, over 1,500 initiatives (举措) have been launched in the past five years, the group obviously needs to redefine its work scope. In coverage of the first meeting of the CDRLSG after the party congress, it was stressed that the group is the locus for deciding the key directions of reform and defining what “reform” means. Moreover, the intensity of work on reform, and its difficulty, is said to have increased despite past successes. The meeting declared three “unchangeable” objectives: (1) the centralized, unified leadership of the party over reform; (2) the overall objective, of developing the socialist system with Chinese characteristics and advancing the modernization of the governance system and governance capability; and (3) the value orientation of taking the people as the center of reform.[7] In addition, the meeting performed the group’s usual function of passing on a dozen or so decisions in a wide variety of issue areas, all in the course of a single afternoon.[8]

The Politburo and Economic Work Conference

The Politburo meeting of December 8 amplified the policy message. It labeled the objectives of reducing risk, fighting poverty, and improving the environment as the “three major battles.”[9] The Central Economic Work Conference that followed two weeks later repeated the main message and highlighted the three major battles. Yet surprisingly the conference gave greater relative prominence to a list of eight policy objectives that had also been ratified by the Politburo.[10] The result was a much broader and more diverse set of policy recommendations coming out of the conference than expected. The annual Central Economic Work Conference is of course a much bigger meeting than a Politburo meeting, and it goes on for a much longer time, three days compared to half a day. Media coverage was surprisingly diverse, with different sources emphasizing different aspects.[11]

Among the topics that emerged from the conference were encouragement for further development of rental housing potentially financed by asset-backed securities and a drive to make early childhood education more broadly and equally available.

One of the most surprising pieces was a line in a section on encouraging the vitality of market participants: a call to "identify and correct cases of property rights disputes that have elicited a strong public reaction." The meaning of this mysterious pronouncement was apparently revealed two weeks later when the *South China Morning Post* ran a front page article on Gu Chujun.[12] Gu Chujun became famous more than a decade ago when he took a controlling stake in the formerly publicly-owned Guangdong consumer durable company Kelon, and then engaged in a public debate with Larry Lang, the Chinese University of Hong Kong accounting professor who had emerged as a media star and protector of public property in the mainland. Lang accused Gu of asset stripping and profiteering from privatization, which Gu strongly denied. But shortly after this debate, Gu was arrested, stripped of his wealth, and sent to prison on charges that were widely viewed as trumped up. Gu was released in 2012 after seven years in prison, and now his case has been re-opened. He is seeking restitution and giving interviews, and Fan Fuchun, the vice-head of the China Securities Regulatory Commission who initiated the investigation against Gu, may be in serious trouble. These events add up to a major public effort on the part of the Xi regime to placate private businesses that have been nervous about Xi's obvious political centralization and emphasis of the government's interests.

The diversity of policies coming out of the Economic Work Conference is in sharp contrast to the tightly organized and choreographed show put on at the 19th Party Congress. This may indicate that the Chinese economy is simply too big to try to place under some kind of unified policy guidance. It may indicate that China is evolving towards some kind of new untested system in which a highly centralized and disciplined authoritarian political system is combined with a more decentralized economy. It may also indicate that after a year and a half in which virtually all economic instruments have been devoted to producing a particular outcome for the 19th Party Congress, there is now a greater openness to targeting different instruments at different objectives.

Is policy shifting towards greater market-oriented reforms?

It would be nice to think that the greater diversity of policy initiatives and objectives corresponds to a systematic tilt toward reviving the market-oriented reform agenda that has been moribund since 2015. There is a sense in which this is true, but it is only partially true. Political and economic conditions are now permitting technocrats, particularly those in the financial arena, greater latitude. Politically, those technocrats have earned greater trust and leeway from Xi Jinping because they delivered on the policy demands Xi made in the run-up to the 19th Party Congress. Economically, because the growth imperative has been relaxed, there is more space for technocrats to pursue other items on their agenda. Since these technocrats are generally supportive of a market-oriented agenda, they have been pushing in that direction. Every indication of policy since the 19th Party Congress is that they will be allowed to continue to push for the foreseeable future.

As a result, we see a wide array of policies designed to gradually improve market order while not disrupting growth momentum too seriously. In the financial arena, these include:

- A regulatory crack-down on "asset management products" (AMPs), the investment products that banks sell to customers to offer them higher interest rates, but without clear explanation of risks;[13]
- An audit of bond risks, particularly bonds sold by enterprises that are tied to local governments;[14]
- An ongoing crackdown on web-based peer-to-peer lending operations that have already resulted in multiple bankruptcies and billions in lost investments; and
- A general tightening of financial conditions that led to significantly higher bond market interest rates after October.

Yet at the same time, government intervention in the economy is being stepped up. Nearly every meeting proclaims that the resources flowing into high technology sectors should be increased. More and more ambitious programs of regional planning and redistribution are envisaged. SSSR validates increasingly direct government interventions in an increasingly broad range of sectors. Beginning with steel, cement, and coal, SSSR policies are starting to incorporate many high tech sectors as well.

Sometimes these contradictory impulses come together in a single policy arena. The initial public offering (IPO) process in China has long been the focus of criticism by reformers. Carefully controlling the opportunity to list on the stock market, regulators have been susceptible to corruption; have greatly favored state-owned and state-linked companies; and create artificial shortages and surpluses of liquidity on the stock market. In November 2016, 725 companies were queued up to list on the Shanghai market. In September, the CSRC adopted a new regulatory process designed to streamline the process and make it fairer. In fact, through early December, 426 new companies listed, raising 224 billion RMB, the most since 2011. Yet the CSRC also rejected or deferred 105 applications and another 155 applicants withdrew. While the desire to protect investors was a part of this, the urge to ensure that funds flow into sectors favored by the state also played a significant role.[15] The tug of war between the deregulatory impulse and the urge to increase state guidance is evident in this specific policy area, and also in the broader policy arena. State enterprise reform, for example, is torn between the drive to make state firms more independent and accountable and the urge to make them instruments of Communist Party control and national industrial policy.

In some ways, the evolution of policy since the 19th Party Congress reflects the natural tendency to get back to work after the extraordinary period of the congress itself. Now that Xi Jinping's power is confirmed and reinforced, many ordinary bureaucrats and planners can get back to work as they see fit, at least until Xi offers a new set of guidelines. For now, as long as they seem to be carrying out Xi's vision of a more disciplined and effective governance, they are likely to feel quite free.

In Beijing since the 19th Party Congress, local bureaucrats and officials seem to have felt particularly free to impose new policies by simple command. This is perhaps because the new Beijing Communist Party Secretary, Cai Qi, has extremely close ties to Xi Jinping and, conversely, has never served in a position of local government responsibility before. Whatever the reasons, Secretary Cai has launched a series of unusually brusque and unpopular policies in Beijing. When a fire swept through sub-standard housing occupied by migrant workers, the Beijing city government responded by expelling migrant workers from similar housing on short notice. Public resistance and anger was heightened when one city official referred to the expelled workers as "low class people" (低端人口). As pressure to improve Beijing air quality mounted, the Beijing city government responded by forbidding anyone from burning coal. It is said that signs were posted proclaiming "If you burn coal, you go to jail" (谁烧煤谁被抓). The harshness of these measures is especially jarring because many farmer's houses were rebuilt with generous government subsidies in the past year or two to fit them for gas; but given the overly rapid move to ban coal, supplies of gas have been inadequate and prices soared and shortages emerged. It can get cold in a Beijing farmhouse in December without heat. A government that imposes such arbitrary and draconian measures is unlikely to be on track toward successful market-oriented reform.

In the immediate aftermath of the 19th Party Congress, Xi Jinping's political position is secure and the economic situation relatively relaxed. This environment has incubated a number of policy initiatives, some of which may prove to have significant positive effects. However, this is still far from a turn toward market-oriented reform. Many different types of policy initiative have come to the fore, and over the medium term these initiatives will come into increasing conflict. This, in turn, will require the top leader to step in and arbitrate among them, as he will no doubt enjoy doing.

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[1] According to official data. The usual caveats apply: tiny changes in GDP growth rates of this magnitude are scarcely perceptible and well within the margin of error of the various statistical assumptions and application of price deflators. Still, the numbers were not obviously incredible and their publication had a positive psychological impact.
[2] Gabriel Wildau, "China housing inventory hits 4-year low on de-stocking success," *Financial Times [London]*. November 28, 2017. Accessed at www.ft.com/content/e7627c22-d413-11e7-a303-9060cb1e5f44.
[3] Xinlang Finance, "State Council Financial Stability and Development Commission formally set up; Outlines some big matters," (国务院金融稳定发展委员会正式成立 定

下了这些大事). November 9, 2017, accessed at http://finance.sina.com.cn/money/bank/bank_hydt/2017-11-09/doc-ifynnnse0306964.shtml.

4 Xi Jinping, "Report to the 19th Congress of the Chinese Communist Party: Secure a Decisive Victory in Building a Moderately Prosperous Society in All Respects and Strive for the Great Success of Socialism with Chinese Characteristics for a New Era" (决胜全面建成小康社会夺取新时代中国特色社会主义伟大胜利——在中国共产党第十九次全国代表大会上的报告), October 18, 2017. Accessed at http://news.xinhuanet.com/politics/19cpcnc/2017-10/27/c_1121867529.htm. English translation available at http://www.chinadaily.com.cn/china/19thcpcnationalcongress/2017-11/04/content_34115212.htm. The official English translation contains many subtle and not-so-subtle deviations from the original Chinese as the translators try to impart a specific spin on issues for an international audience.

5 Zhou Xin, "China can double 2010 GDP with 6.3-pct growth in 2018-2020," *Xinhua* [English]. December 23, 2017. The headline calculation is attributed to Yang Weimin, the most important deputy to Liu He and a relatively plain-spoken policy adviser. Accessed at http://www.xinhuanet.com/english/2017-12/23/c_136847644.htm. GDP per capita, by the way, is not in this comfort zone. GDP per capita growth is slower than GDP growth by the rate of population growth, which is about 0.6% per year in the current decade. This is enough to make doubling GDP per capita by 2020 likely out of reach. Household income can grow faster than per capita GDP because the investment rate is declining slightly, and it may also differ because consumer price indices can vary from the GDP deflator.

6 It is true that the annual Central Economic Work Conference has always been organized by a Party body, the Finance and Economics LSG, even when that group did little else. In those days (the late 1990s and early 2000s), the FELSG did little except convene the Central Economics Work Conference, which was used primarily to disseminate the primary macroeconomic policy settings and slogans to those parts of the economy under strong party influence, such as the military and agriculture. Inevitably, as the direct party control over economic policy expands, the importance of the economic work conference also expands.

7 Xinhua Viewpoint (新华视点), "The first meeting of the central deepen reform LSG; four big questions answered here" (十九届中央深改组第一次会 四大问题答案都在这里), November 26, 2017. Accessed at http://news.sina.com.cn/c/nd/2017-11-26/doc-ifypathz6042102.shtml.

8 "Xi Jinping chairs the first meeting of the Deepen Reform LSG Since the 19th Party Congress" (习近平主持召开十九届中央深改组第一次会议), Central TV News. November 20, 2017, accessed at http://news.ifeng.com/a/20171120/53430599_0.shtml

9 Xinhua. "Xi Jinping chairs Politburo meeting; analyzes and studies 2018 economic work" (近平主持中共中央政治局会议 分析研究 2018 年经济工作), December 8, 2017. Accessed at http://www.xinhuanet.com/politics/leaders/2017-12/08/c_1122082017.htm.

[10]Xinhua, "Central Economic Work Conference held; Xi Jinping and Li Keqiang give important speeches" (中央经济工作会议举行　习近平李克强作重要讲话), December 20, 2017. Accessed at http://www.xinhuanet.com/fortune/2017-12/20/c_1122142392.htm.

[11] For example, "Central Economic Work Conference" (中央经济工作会议), Beijing News 新京报, December 21, 2017, pp. 5-8, see http://www.bjnews.com.cn/news/2017/12/21/469461.html; and "Solving the problem of high quality growth; focus on the central economic work conference" (求解高质量发展；聚焦中央经济工作会议), 21st Century Business Herald 21(世纪经济报道), pp. 3-5, 7.

[12] Xie Yu. "Verdict turns jailed tycoon into private capital's touchstone in quest for role in Communist China," *South China Morning Post.* January 4, 2018. Accessed at http://www.scmp.com/business/companies/article/2126556/verdict-turns-jailed-tycoon-private-capitals-touchstone-quest.

[13] Shu Zhang and Ryan Woo. "China sets sweeping new rules to regulate $15 trillion asset management products," Reuters, November 17, 2017. Accessed at https://www.reuters.com/article/us-china-regulations/china-sets-sweeping-new-rules-to-regulate-15-trillion-asset-management-products-idUSKBN1DH13D.

[14] Dong Jing and Liu Xiao. "State Planner Orders Assessment of Enterprise Bond Risk,"*Caixin Global*. January 2, 2018. Accessed at https://www.caixinglobal.com/2018-01-02/state-planner-orders-assessment-of-enterprise-bond-risk-101192393.html; National Development and Reform Commission, "Notification on work related to regulation and inspection of repayment risk of bonds carried over from previous years during 2018" (国家发展改革委办公厅关于开展 2018 年度企业债券存续期监督检查和本息兑付风险排查有关工作的通知), November 28, 2017. Accessed at http://www.ndrc.gov.cn/zcfb/zcfbtz/201712/t20171229_872633.html.

[15] Gabriel Wildau and Yizhen Jia, "China keeps IPOs on tight leash to protect policy goals; Regulators block more fundraising deals in 2017 than in previous four years combined," *Financial Times* [London]. December 17, 2017, accessed at https://www.ft.com/content/7e4d0e3a-e176-11e7-a8a4-0a1e63a52f9c; "Regulations to clean up IPOs," *China Daily*, December 18, 2017. Accessed at http://www.china.org.cn/business/2017-12/18/content_50108972.htm.