

Shanxi's economy recovering quickly in wake of pandemic



Newer technologies, emerging industries playing key role in local development

By YUAN SHENGGAO

North China's Shanxi province reported a year-on-year GDP increase of 17.3 percent in the first quarter of 2021, showing a strong recovery for an economy that was seriously affected by the COVID-19 pandemic last year.

The Shanxi Statistics Bureau's data show that the province's GDP reached 446.4 billion yuan (\$69.5 billion) in the first three months.

Wang Yumin, an official at the bureau, said the growth has been achieved as a result of the negative growth in the first quarter of last year. He said it is more objective to compare the 2021 numbers with figures from the same period in 2019.

The first quarter of 2020 saw Shanxi's GDP fall 3 percent year-on-year to 363.5 billion yuan, or a decrease of 11.24 billion yuan.

"Combining the rates of the last two years, the year-on-year first-quarter growth rates in 2020 and 2021 were 5.8 percent on average," Wang said.

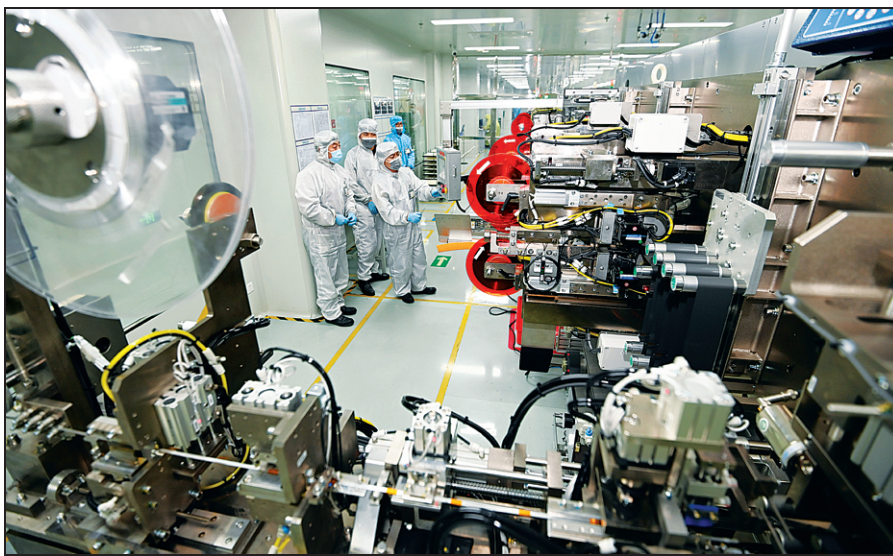
"Both the increase of 17.3 percent from the same period of last year and the average rate of 5.8 percent are higher than the national figures," Wang said. "This marked a strong beginning for the 14th Five-Year Plan (2021-25)."

Compared with GDP growth, Wang said the local authorities are focusing more on growth potential and quality of economy.

"One important index for economic potential and quality is consumer confidence," the official said.

Retail sales of consumer goods in Shanxi increased 43.5 percent year-on-year in the first quarter, 9.6 percentage points higher than the national average.

Wang said the consumer goods retail sector was among the first in



Workers assemble new energy vehicles at an automobile plant in Yuncheng. The advanced manufacturing industry in Shanxi reported strong growth in the first quarter of this year.

RUAN YANG / FOR CHINA DAILY

Shanxi to recover from the COVID-19 pandemic. "Many retail companies maintained growth even in the first quarter of last year."

The growth can also be attributed to local retailers' use of online sales in a time when the number of visitors to brick-and-mortar outlets was restricted for pandemic control and prevention, Wang said.

Gao Jianfeng, a researcher at the Shanxi Academy of Social Sciences, said improvement in consumer confidence is especially important when Shanxi, as well as the entire country, is implementing a new development pattern that highlights domestic market demand.

"Shanxi is experiencing an upgrade in consumption, which is driven by the increase of its middle-class population, the development of a wider-covering social security system and the stimulative policies from the State and the province," Gao said.

While Shanxi's economy is driven by consumer demand, the upgrade of the supply side is also contributing to a higher quality of development, according to Wang.

Shanxi is implementing an economic transformation that highlights the cultivation of emerging

industries and the use of high technologies to upgrade its traditional industries.

"We are seeing sustained growth in both emerging and traditional industries," Wang said. "And the integration of the two fronts is contributing a joint force to driving the high-quality development of Shanxi."

"The output value of the advanced manufacturing industry in Shanxi increased 25.3 percent year-on-year in the first quarter, while the growth rate of strategic emerging industries reached 29.4 percent, both much higher than the GDP growth."

Traditional sectors including coal mining, coal-based chemicals and building materials have all reported higher-than-GDP growth rates, according to Wang.

Industry insiders said the growth of such sectors is a result of upgrades in technologies and operations across many companies.

Lu'an Coal-based Clean Energy, based in the city of Changzhi, is one such company.

"We are a company developed from a coal producer," said Ren Chao, vice-president of the company. "High-sulfur-content coal used to be

our pillar product, which sold at about 300 yuan a metric ton."

The executive said the coal variety is referred to as "stinky coal" as it emits the stinky odor of sulfur dioxide when it is burned. "Its market share continues to shrink due to its low combustion efficiency and the pollution it creates."

The company began to diversify its production about seven years ago and is now one of the major coal-based chemical companies in Shanxi.

"Our lubricant oil made from coal is now popular in the domestic market, and sells at more than 10,000 yuan per ton, contributing to substantial increase in profits for our company," Ren said.

Improving profitability has been reported for many industrial enterprises in Shanxi this year.

Wang of the Shanxi Statistics Bureau said total profit for Shanxi's industrial enterprises above designated scale — those with annual business income exceeding 20 million yuan — reached 30.76 billion yuan in the first two months, increasing about 13 times from the same period of last year.

Wu Jia contributed to this story.

Road building moves mountains in province

By YUAN SHENGGAO

A Foolish Old Man Who Removes the Mountains might be the most famous of the legends related to Shanxi.

In the story, a man called Yugong — which means foolish old man — pledges to remove the mountains that isolate his village on the border of today's Shanxi and Henan provinces.

Despite the massive efforts needed for the mission, Yugong says: "I will do my part as long as I live and when I die, my sons will carry on; when they die, there will be my grandsons, and then their sons and grandsons, and so on to infinity."

Yugong's determination and hard work touched the gods, who moved the mountains overnight and provided easier road connections for the local people.

The story is said to have taken place in Yangcheng county in the southeast of Shanxi province.

Despite the efforts of Yugong and his successors, the mountains are still in Yangcheng, locking the county from the outside. But his pledge has become a reality with the opening of more highways and expressways in recent years.

The latest is an expressway linking Yangcheng and the neighboring city of Jiyuan in Henan province. It became operational in September 2020.

"Crossing mountains with tunnels and spanning valleys with bridges is the modern version of Yugong," said Li Zhenyu, an executive with Shanxi Roads and Bridges, the company that built the road.

"Connecting to the region's major expressways, the road can offer Yangcheng easy access to the rest of Shanxi, to neighboring Henan and

to the entire country," Li said. "This will be a vital channel to aid the flow of cargo and attract tourists to Yangcheng."

Fengcheng, the county seat of Yangcheng, is famous for its ceramics industry. The industry has grown rapidly in recent years as a result of improved transport.

The Fengcheng Ceramics Industry Park is home to 21 large and medium-sized producers. They produce 200 million square meters of tiles a year in total.

In Manghe township, the last stop of the expressway in the county and the province, tourism has grown into a pillar industry thanks to an increasing number of tourists from both Shanxi and Henan.

Located in the Taihang Mountains, its local attractions include several nature reserves, dense forests, rising cliffs and deep valleys.

Near a crystal-clear stream and the Manghe National Nature Reserve, Xingxi village in the township is among the beneficiaries of the tourism industry boosted by easier road connections.

"Xingxi used to be famous for its beekeeping industry. High-quality local honey products have earned it the nickname 'sweet village,'" said Ji Yanfei, head of the villagers' committee. "And now, life is even sweeter here as locals have earned more incomes from diversified industries, especially rural tourism."

The Yangcheng-Jiyuan Expressway is just one example of Shanxi's rapid development in transport.

According to the Shanxi Department of Transportation, more than 5,700 kilometers of expressways have been built in the province since its first was built in 1993.

Wang Pei contributed to this story.



The Jincheng-Jiaozuo Expressway crosses the picturesque Danhe River valley in Jincheng city. WANG LIN / FOR CHINA DAILY

Old Taiyuan given new lease of life

By YUAN SHENGGAO

If not for a devastating fire in the early Song Dynasty (960-1279), the city center of Taiyuan, capital of Shanxi province, would be 10 kilometers southwest to its present location.

In ancient times, Taiyuan was called Jinyang, and was a city built more than 2,500 years ago. After nearly 1,500 years of prosperity, the old city was razed to the ground by Zhao Guangyi, the second emperor of the Song Dynasty.

Several years later, a newer city was built to its northeast, which is today's city of Taiyuan.

During the early Ming Dynasty (1368-1644), local officials built a smaller city on the location of fire-destroyed site, to act as the seat of Taiyuan county, an administrative region under the jurisdiction of Taiyuan city.

Construction of the county seat, which is called "Old Taiyuan" locally, was completed in 1375.

Resembling a phoenix, the old city is also sometimes referred to by locals as "Phoenix City".

Like many ancient cities in China, Old Taiyuan is no longer intact after weathering wars, winds and rains



A show featuring a traditional wedding is held in Old Taiyuan in early May. SUN RUISENG / CHINA DAILY

over the last six centuries. Most of its city walls are gone and many ancient structures destroyed.

But in 2013, tourists and residents alike became excited at the news of the launch of a renovation project, aimed at restoring Old Taiyuan to its former glory.

After eight years, "new" Old Taiyuan was opened to visitors on May 1. The city walls have been rebuilt based on their original look and ancient structures inside the city have been repaired.

Zhou Ailan, a resident from an area neighboring Old Taiyuan, was among the first visitors on the opening day.

Zhou, in her 60s, said she had been a witness to the changes of Old Taiyuan over the past decades.

"Since my childhood, I have frequently visited relatives in Old Taiyuan," Zhou said. "I was excited with a number of ancient buildings here but regretted the decay and collapse

of some old structures over the decades.

"Many of the old structures have been restored to what I saw decades ago."

According to officials at the Old Taiyuan scenic area, the renovated city is now home to 79 historical sites, with more than 300 old buildings kept intact.

According to Li Yongqiang, Party secretary of Jinyuan district — which administrates the scenic area — Old Taiyuan is expected to become a major tourist destination in Taiyuan alongside attractions such as Jinci Temple, Jinyang Lake and Taishan, and Tianlong mountains.

"Like Jinci, the oldest temple complex in Taiyuan, the Old Taiyuan scenic area will be a major site for tourists to explore the millennia-long history of Taiyuan and Shanxi province," Li said.

Wu Jia contributed to this story.



A 3,700-meter-long city wall is rebuilt for the Old Taiyuan county seat. HAN SHUANGXI / FOR CHINA DAILY

Natural medicine helps to alleviate poverty in remote Pingshun county

By YUAN SHENGGAO

Medical herbs like forsythia and hairy asiabell are becoming key sources for people in the mountainous county of Pingshun to increase their incomes and improve their livelihoods.

Locked in by the Taihang Mountains, Pingshun used to be a less-developed farming area in Shanxi province because of its poor natural conditions.

"Crop farming was not profitable in Pingshun as the county features small pieces of infertile farmland scattered on hilly slopes and in rock-filled valleys," said Guo Jianqing, an official at the Pingshun agriculture and rural affairs bureau. "However, farmers had to rely on crop farming as they lacked other sources of revenue."

The official said farmers used to collect wild medical herbs as a means to increase revenue.

"Pingshun is renowned for its variety and quality of medical herbs in Shanxi," Guo said. "But it didn't become a profitable business due to limited output, small operational scale and lack of technologies and investment."

Things began to change several years ago when a modern agricultural park was launched in Pingshun.

Guo said a complete industrial chain for medical herbs, ranging from wild herb domestication and seedling cultivation to herbal medicine production and sales, has recently taken shape in Pingshun.

Attracting investment from across Shanxi and the rest of the country, Pingshun is now home to more than 270 businesses in the medical herb industry.



Medical herbs are planted on the mountain slopes of Pingshun county. KOU NING / FOR CHINA DAILY

The development of the industry is also supported by new technologies and modern operations.

The Pingshun agriculture and rural affairs bureau, for instance, has teamed up with local companies and research institutions to help modernize the industry. They do this by sharing their technologies and operational know-how with farmers.

"When we used to collect herbs in the wilderness, the output was very low," said Zhang Ting, a farmer in Sangjiahe village. "But now we have mastered the technologies for planting herbs, which has led to substantial growth in output and improvement in quality."

"With the technological support from experts, we are more confident in the industry," Zhang said.

The experts that frequently come to Pingshun and instruct farmers include researchers and professors from such famed local

institutions as the Shanxi Academy of Medicine and Life Sciences and Shanxi University of Agriculture.

"We are planning to develop a long-term cooperative mechanism among institutions, enterprises and farmers," said Liu Songlin, head of the Pingshun county government.

The official said Pingshun's authorities are also making efforts to boost the medical herb industry by improving the branding of local products.

"We have successfully applied for geographical indications for local forsythia and hairy asiabell and there are plans for more GIs in the future," Liu said.

The official said nearly 40 percent of households in Pingshun are engaged in the medical herb industry. The per capita annual income of those households has surpassed 10,000 yuan (\$1,554) in recent years.

Li Shu contributed to this story.