

國立清華大學命題紙

九十一學年度科技法律研究所甲組碩士班研究生招生考試

科目 英文(甲組) 科號 5203 共 4 頁第 1 頁 *請在【答案卷】內作答

1. 請將下列名詞翻譯成英文，請抄題(40%)

- 科技法律
- 電子商務
- 基因改良生物體
- 溫室效應
- 網際網路
- 智慧財產權
- 寬頻
- 環境影響評估
- 基因治療
- 電信

2. Please summarize the contents of the article in 300 words. (25%)

The Costs of Change

By Francesco Sisci

Asia Times Online

February 12, 2002

Last week China's Ministry of Labor provided a new official account of the reality of unemployment in the country and thus outlined a stark picture of the costs of ongoing reforms and its accession to the World Trade Organization (WTO).

While the figures on urban unemployment were largely known - more than 12 million people completely out of job or still hanging on to their old work units for minimal benefits - the reality in the countryside appears much grimmer. More than 104 million people in the rural areas were claiming unemployment benefits at the end of last year, about 20 percent of the local workforce. In total, there are some 120 million unemployed in China, for a national average of about 10 percent.

國立清華大學命題紙

九十一學年度科技法律研究所甲組碩士班研究生招生考試

科目 英文(甲組) 科號 5203 共 4 頁第 2 頁 *請在【答案卷】內作答

These new official data are important in more than one sense. They provide China with new arguments in its new difficult and aggressive bargaining with the WTO in Geneva. While the data depict quite graphically Beijing's own burden, they also demonstrate the difficulties faced by other developing countries as they attempt to conform to the new rules of international commerce. China's national interests coincide with those of other developing countries, including India. And these countries by far outnumber the rich countries, which not only monopolize global trade but also have so far controlled most of the workings of the WTO.

China can hope that these new unemployment figures help it win support for its dealings with the WTO, and those of weaker countries. This has a scent of old Third World ideology, but just a scent, because this time China does not refute the rules of modern trade - it wants to engage and change them from within. However, despite the gray picture China may want to project, there is also a brighter story to tell.

Side by side with the 120 million unemployed in China there are some 120 million people who own a mobile phone, even though telecommunication costs are higher than in the West. Furthermore, while 2001 was a terrible year for most of the world, with most countries suffering minimal or even negative growth rates, China's economy enjoyed growth of more than 7 percent, an impressive achievement however skeptics of Chinese statistics may decide to downsize the figure. And the trend is not stopping. In January 2002 imports rose 21.9 percent year-on-year to US\$18.97 billion, while exports rose 29.2 percent to \$21.7 billion. In December exports came in at \$24.5 billion and imports were \$22.39 billion.

The first picture all this brings to mind is that while things are going well for China overall, there is a yawning gap between rich and poor, with the risk of huge social repercussions. However, this first reading might not be totally accurate. The two above-mentioned 120-million-strong groups each account for less than 10 percent of China's total population. Moreover, the reduction of the agricultural workforce will increase as will the number of workers laid off from state-owned enterprises; meanwhile, the number of mobile-phone owners is also increasing at double-digit speed. What is taking place is a classic case of industrialization.

While rural residents become paupers, there is rapid growth in wealth in urban areas and a fast-growing middle class. And the differences in lifestyle and purchasing ability between the new middle class and the top layer of society are dwindling, with more people who are now buying their own homes and have just bought or are about to buy their own car.

In fact, in Chinese cities most families now own their own homes, with a value of a few hundred thousand yuan (around \$35,00) up to several million yuan. One can estimate around 100 million families owning houses in cities, large or small. These people are the new middle class - one that so far excludes most of the millions of migrant workers coming to the cities from the countryside. It is necessary to conceive a comprehensive plan for the integration of migrant workers to cities as a policy for expansion of the middle class. This entails a policy of credit for migrant workers to purchase housing and credit for their possible commercial activities in the cities.

The issue of credit touches upon the crux of the matter: the health of Chinese banks. Last year the

國 立 清 華 大 學 命 題 紙

九 十 一 學 年 度 科 技 法 律 研 究 所 甲 組 碩 士 班 研 究 生 招 生 考 試

科 目 英 文 (甲 組) 科 號 5203 共 4 頁 第 3 頁 *請 在 【 答 案 卷 】 內 作 答

amount of outstanding deposits in the four commercial banks totaled 8.2 trillion yuan (\$991 billion), while outstanding loans were worth 6.09 trillion yuan. Furthermore the governor of the central bank, Dai Xianglong, said the bad-loan ratio acknowledged by the big four state banks was 2.7 percent. When doubtful loans, which could become bad loans, are included, the ratio is 8-9 percent.

There has thus apparently been a sharp decrease of bad loans, but even if we doubt the veracity of Chinese figures, the official statistics reveal a new problem, possibly as large as that of non-performing loans, and that is non-performing deposits. Deposits exceed loans by more than one-third. This proves that even if we were to assume that the amount of bad loans is three times the official figure, Chinese banks are certainly solid enough not to default. But it also means that banks are extra-cautious in handing out loans, which squeezes growth in the economy (and job creation) and imposes extra costs on banks, which have to pay interest on non-performing deposits. These costs are covered by high interest on loans, which despite almost zero inflation command a hefty 5 percent.

These numbers indicate that the biggest problem now in China is not one of macro-management but of micro-management. The solution is simple in theory, and the 10th Five Year Plan underscores it: give credit to small and medium enterprises. These enterprises would drive economic growth and create new job opportunities, providing employment for some of those idle 120 million.

But the practice is much more difficult. First and foremost, there is no clear procedure or legal mechanism for handling defaults on payments, or for bankrupting a client and disposing of his former property. Without these constraints, small private borrowers, who are outside the state apparatus and thus not sensitive to the administrative pressure of promotion and demotion, may just refuse to pay the installment. This is not mere theory, as in Beijing and Shanghai many individuals who bought a house with a mortgage have just stopped paying the banks, and the banks don't know what to do. There are no official statistics about how many mortgages are in default. As well, the state may consider it is better for social peace to let those tenants stay for free rather than face the protests forced eviction would provoke, and the trouble of disposing of the dispossessed real estate.

However, there is a larger danger for the Chinese economy - lots of money and few reliable businesses to invest in. This is ultimately also the problem of the stock exchange. Many of the listed companies are junk, and those who buy their stocks do not behave as investors but as gamblers. They are indifferent to the real quality of the company in which they invest, and are not interested in what the company will do with the money they acquire through stocks. Investors are more keen on calculating when to get in and when to get out, just as if playing a hand of blackjack, when the player knows that there is no real value beyond the cards.

This has happened for many reasons. The good intentions of the rulers have gone wrong in the hands of the managers. At the end of the day a good company has no lack of funding and has no interest in being listed, while many of the listed companies use the money they collect in the stock exchange to fend off banks and bad debts and not for productive purposes. One could say that the state is selling off part of its bad debts

國立清華大學命題紙

九十一學年度科技法律研究所甲組碩士班研究生招生考試

科目 英文(甲組) 科號 5203 共 4 頁第 4 頁 *請在【答案卷】內作答

to the citizens, at least some of whom made their money stealing property from the state through corruption. In such a cycle, while overall morality may be safe, economic effectiveness is lost.

In order to start putting money to good use one needs expertise and solid guidelines for micro-management. But these can start only on the basis of a solid modern civil code (or a comprehensive set of civil laws, for those fond of common law), which will enshrine the rights of private property. But the civil code, while allegedly been in the offing for years, is still missing. Yet given the strange complexities of modern society, this civil code would do more good to the 120 million unemployed than a myriad of policies that will necessarily be contradictory and difficult to apply.

(<http://www.globalpolicy.org/socecon/bwi-wto/2002/ChinaWTO0211.htm>)

3. 作文 (35%)

To what extent do you agree with Abraham J. Heschel 's statement? Please take a stand and give supporting statements for your position.

“One of the most frightening prospects we must face is that this earth may be populated by a race of beings which is though belonging to the race of *Homo sapiens* according to biology will be devoid of the qualities by which man is spiritually distinguished from the rest of organic creatures. ... Just as death is the liquidation of being, dehumanization is the liquidation of being human.” (- Abraham J. Heschel)

(Note) *Homo sapien*: the form of man now alive on the earth