

China sets GDP growth at 8 percent

by UPI

BEIJING -- Chinese Premier Wen Jiabo Wednesday announced a 2008 GDP growth target of 8 percent with inflation at 4.8 percent to check economic overheating and inflation. Speaking at the opening session of the 11th National People's Congress, China's party-controlled parliament, Wen outlined the government's accomplishments over the past five years but also noted deep-rooted problems affecting the economy, Xinhua reported. He said China's gross domestic product last year reached \$3.425 trillion, up 65.5 percent from 2002. Government revenue in the same period rose 171 percent, while foreign exchange reserves totaled more than \$1.52 trillion. But he noted current price hikes and increasing inflationary pressures are major concerns. He said based on improving economic structure, productivity, energy efficiency and environmental protection, the GDP should grow by about 8 percent, and the rise in the consumer price index should be held at 4.8 percent, the report said. The New York Times reported China also plans to begin overhauling the bureaucracy with the help of super ministries to implement government policy. The report said China's inflation in January hit 7.1 percent, an 11-year high, caused by rising domestic prices for food and other items.

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