

Commentary: US accusation of China stealing its technologies is nothing but a lie

By Li Yong

“China stealing US technologies” is completely a lie made up by the US. However, not satisfied with its shell game, Washington later cooked up an even bigger story that China has been threatening the US through “economic aggression”.

By twisting the facts, the US is trying to label China’s technology development as a “threat to the world”. Its intention of defaming China and fooling the world can’t be more obvious.

Just imagine, can China really reach where it is today by just stealing the US technologies?

China is the world’s second largest country when it comes to the number of patent application, and is expected to surpass the US in three years in this regard.

According to data from the World Intellectual Property Organization (WIPO), China-based applicants filed 48,882 Patent Cooperation Treaty (PCT) applications in 2017, up 13.4 percent year on year.

China outranked Japan to the second place last year, only after the US. Most of the country’s patent applications were in the field of digital communication, and it is the only country to have recorded double-digit growth in the number of patent applications, according to the WIPO.

China also tops the world in terms of the number of domestic patent applications. The country’s intellectual property office received a total of 1.3 million applications in 2016, which was even more than the add-up of those from the US, Japan, South Korea and Europe, revealed the 2017 report of WIPO.

Chinese companies and individuals filed 90 percent of those applications, and the rest 10 percent came from overseas.

Attaching increasing importance to research and development (R&D), China spent 1.75 trillion yuan (\$260 billion), or 2.12 percent of its GDP on this sector last year, 11.6 percent more than that in 2016. The rising input in R&D is a firm support for China’s innovation system.

The total R&D expenditure of Chinese enterprises grew by 13.1 percent to 1.37 trillion yuan in 2017. It was the second straight year for this figure to increase on a double-digit basis.

Meanwhile, the R&D spending of the country’s governmental institutions and universities stood at 241.84 billion yuan and 112.77 billion yuan last year, up 7 percent and 5.2 percent respectively from the previous year.

Last year, 92 billion yuan was invested on the country’s fundamental research, 11.8 percent more from the previous year and accounting for 5.3 percent of the R&D expenditure. The input in R&D

serves as a strong driving force for China's technology development.

Besides, China has been paying more and more for intellectual property royalties. Over the last year, the country paid \$28.6 billion worth of intellectual property right royalty, a 15-fold increase from 2001 when it joined the World Trade Organization (WTO).

China ranked the fourth in the amount of money paid to acquire foreign technologies, prior to Japan, France, the UK, Canada, Germany, Singapore, South Korea and India, said Nicholas Lardy from the Peterson Institute for International Economics.

According to the latest statistics released by China's State Administration of Foreign Exchange, the country's export of intellectual property royalties increased by 311.5 percent from a year ago to \$4.79 billion last year, becoming China's fastest-growing sector in trade in services. In this sense, China has grown into a technology exporter.

The increase indicated China's transmission from a user to a maker of technologies and from a world factory to an innovation hub. It is a result of the country's innovation-driven development and its enhanced efforts on the creation, protection and utilization of the intellectual property.

It is Chinese enterprises that have pushed and guided the technological advance of the country. This point can be well illustrated by a WIPO report issued on Mar. 21, 2018.

Two Shenzhen-based telecoms companies-Huawei Technologies and ZTE Corporation-occupied the top two spots with 4,024 and 2,965 published PCT applications, respectively, said the report, adding that they were followed by Intel Corporation of the US who filed 2,637 applications.

China's leading LCD panel maker BOE Technology Group was in the seventh place with 1,818 PCP applications. Besides, 10 Chinese enterprises made it into the top-50 list, including China Star Optoelectronics Technology that ranked 18th with 972 applications, Tencent that ranked 32nd with 560 applications, and Yulong Computer Telecommunication Technology that ranked 34th with 517 applications.

The above-mentioned cases prove that China's technology development and its source of power come from the country's mechanism and system for innovation-driven development. The scientific and technological interaction between China and the rest of the world is positive and mutually-facilitating, and to blame China for stealing US technologies is nothing but merely a joke.

(By Li Yong, deputy director of the China Association of International Trade Expert Committee)

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