BEIJING REVIEW

此京周教

A CHINESE WEEKLY

OF

NEWS AND VIEWS

- A Blueprint for Future Shanghai
- Reform of Higher Education
- Hanoi Hunting for a Pretext



HIGHLIGHTS OF THE WEEK

Zhao Ziyang on Economic Situation

Vice-Premier Zhao Ziyang speaks on the economy and the direction of the economic reform (p. 4).

Kang Sheng Condemned

Exposure of the unsavoury role of the adviser to the Cultural Revolution Group (p. 3).

Foreign Trade Up

China's exports rose 35.5 per cent and imports 7.8 per cent in the first half of this year (p. 4).

Blueprint for Shanghai

Summary of an investigative report, with recommendations for the future development of China's leading industrial city (p. 15).

Higher Education Reform

Discussions on ways and means to train more and better qualified university students for the modernization programme. Interesting facts and practical suggestions (p. 19).

Minister Red-and-Expert

Thirty years after the founding of the People's Republic. 74-years-old Minister Shen Hong retains all the qualities of a good Communist and people's servant adherence to principles, devotion to the people, a pioneering spirit, professional proficiency, etc. (p. 24).

Hunting for a Pretext

Hanoi's hue and cry over the Thai-Lao border closure is seen as building a pretext for aggression against Thailand (p. 11).

Why Moscow Attacks Sino-U.S. Talks

Renmin Ribao Commentator deals with the real reasons behind the Kremlin's wrath and spate of slanders against China (p. 10).



BEIJING REVIEW

此京周报

Published in English, French, Spanish, Japanese, German and Arabic editions

Vol. 23, No. 30

July 28, 1980

3-8

CONTENTS

EVENTS & TRENDS

Kong Sheng Condemned

Letters: A Medium for

Vice-Premier Zhao on Economic Situation

Growing Foreign Trade

Record Savings Deposits

Living Standard Rises in Beijing

Shanghai Population Growth Rate Drops

For Reunification of Korea Soviet Spies Convicted China Has No Relations With Israel

INTERNATIONAL

Olympic Games Without Olympic Spirit — "Beijing Review" news analyst Li Jian

Why Does Moscow Attack Sino-U.S. Talks? — "Renmin Ribao" Commentator

Thai-Lao Relations: Hanoi Hunting for a Pretext — Xinhua Correspondent Ji Ying

What Should the Non-Aligned Movement Do? — Xinhua Correspondent Guo Ping

Egypt-Israel Talking Again — "Renmin Ribao" Correspondent Xing Xiangchao

Peruvian Developments — Jin Jiang

ARTICLES AND DOCUMENTS

Investigative Report: In What Direction Should Shanghai's Industry Be Developed?

Urban-Rural Jointly Run Factories Shanghai Helps Hangzhou
Policy Discussion: Reform
Higher Education

Open More Avenues for Education — Yu Xiafu

18

19

On Reforming University Education — Qian Jiaju Running More Liberal Arts

Courses — Liu Da and He Dongchang Vice-Minister Shen Hong:

Model for Ranking Cadres 24
CULTURE & SCIENCE 28-29

THE LAND & PEOPLE 30
LETTERS FROM READERS 31

COVER: Scene from Shanghai. Papercut by Xu Genrong

> Published every Monday in Beijing, The People's Republic of China

Distributed by GUOJI SHUDIAN, (China Publications Centre), P.O. Box 399, Beijing, China

Subscription prices (1 year):

15

9-14

POLITICAL

Kang Sheng Condemned

Kang Sheng worked hand in glove with Lin Biao and the gang of four in persecuting An Ziwen, the late Director of the Organization Department of the Central Committee of the Chinese Communist Party. This was said by Comrade Hu Yaobang, General Secretary of the Party Central Committee, in his funeral speech at a memorial meeting held on July 12 for An Ziwen, a staunch veteran Communist.

Kang Sheng (1898-1975) served as an adviser to the Cultural Revolution Group under the Party's Central Committee. At that time, he was lauded to the skies as an "authority theory." He became Vice-Chairman of the Party Central Committee after the Tenth Party Congress in 1973 and died of illness in 1975. Abundant evidence gathered in the last few years proves that he was the mastermind of many schemes hatched by Lin Biao and the gang of four.

Comrade Hu Yaobang said in his funeral speech that An Ziwen (1910-80) was an outstanding organizer and activist of the Party. He did underground work for the Party under white terror in the years 1925-36. He was arrested four times during this period but throughout he maintained the revolutionary integrity of a Communist. The last time he was arrested was in 1936, and it was the Party organization which got him out of prison.

"An Ziwen's record during this period was perfectly clear," Hu Yaobang said in his speech. "But 30 years later Lin Biao, Jiang Qing and Kang Sheng distorted history, maliciously attacked the Party's correct decision to rescue the comrades under arrest, and vilified An Ziwen and the other comrades who had demonstrated revolutionary integrity."

On the eve of the Party's Ninth National Congress in 1969, Hu Yaobang disclosed, in order to frame a case against the late Chairman Liu Shaoqi, Kang Sheng sent people to coerce An Ziwen, who was already thrown into prison by Lin Biao and company, to write a false testimony to "prove" that Liu Shaoqi was a "renegade." In return, An Ziwen was told, he would "get a first-class reward" and "be elected a member of the Party Central Committee." Defying coercion and enticement, An would rather be cruelly beaten than do anything detrimental to the interests of the Party and the people.

Letters: A Medium for Democracy

A woman commune member in Hunan Province wrote to the All-China Women's Federation asking for help, saying she could not afford to feed and bring up the four babies she had at a birth. The letter was transmitted to the Ministry of Civil Affairs. When the local county government was notified of the matter, it promptly undertook to care for three of the four babies.

A worker in Guangdong Province wrote to the Ministry of Civil Affairs, asking for help to find his father from whom he had had no news for more than ten years. The request was taken up immediately, and the father and son were reunited in a month.

"We often receive letters like these from the people," a leading member of the said ministry told a correspondent of this weekly. "We received over 68,000 letters last year and more than 27,000 letters in the first half of this year. Most of the letters are connected with the problems the people meet in their daily life, some are suggestions and some are commendations or criticisms."

In order to handle letters from the people in an efficient way, the ministry set up early last year three special departments for this purpose. Since then, leading members of the ministry and its departments have taken turns to handle these letters. When important matters are involved, investigations are made to avoid mis-For example. Vice-Minister Yuan Xuezu, who is now over 70, personally went to make investigations and clear up the facts before rehabilitating a veteran red armyman in Shaanxi Province who was the victim of a frame-up. Said Vice-Minister Yuan: "People write to us because they trust We should hold ourselves responsible to them." In the first six months, he personally handled 335 letters from the people.

The central and local Party and government organizations have set up special departments to handle visits and letters from the people.

Guo Feng, secretary of the Party committee of Shenyang, received towards the end of last year a letter complaining that the buses were much too crowded during commuter time. Guo and other leading comrades lost no time to look into the matter. Every day for a whole week they took the most crowded buses to and from their office during the rush hours. Through their own experience they realized that the complaint was justified and so took prompt measures to ease the situation. Their action was praised by the people.

The people may also write to the press at any time. The national newspapers, such as Renmin Ribao, Guangming Ribao and Gongren Ribao, all have special columns for letters from their readers. They sometimes send correspondents to investigate the matters raised in the letters and publish their findings in the papers.

Through these letters, Party and government organizations know the people's hardships, comments, criticisms and wishes, thereby strengthening their ties.

To attach importance and handle letters from the people in a conscientious way has since the 1950s become an established system for promoting socialist democracy. It was, however, discarded in the ten years of turmoil. People dared not write letters to the leading bodies, for fear that they would be questioned or persecuted. Such malpractices have now basically been done away with, but it cannot be denied that anti-democratic tendencies still exist, and sometimes retaliatory measures are taken against those who have made criticisms, especially when the criticisms involve some leading members.

Not long ago, some Party members in the city of Wenzhou wrote a letter to the Zhejiang provincial Party committee criticizing Ye Ruiyu, deputy secretary of the city Party committee, and other leading members for their illegal methods in using cadres. On learning this, Ye seized the letter, questioned and detained the authors without any warrant. Later, the provincial Party committee took up the matter and made investigations into the case. Disciplinary measures were taken against Ye and those who colluded with him.

ECONOMIC

Vice-Premier Zhao on Economic Situation

When Vice-Premier Zhao Ziyang met with the World Bank delegation headed by Mr. S. Shahid Husain, Vice-President of the bank, he outlined China's economic situation to the delegation. Vice-Premier Zhao said: "For a fairly long period of time, we took commodity economy as something contradictory to the socialist system. After decades of practice, we have come to see that this is harmful to the expansion of production and to the national economy in its transition from small-scale production to large-scale socialist production."

That is why China has decided to reform its system of economic management, he said. A fundamental aspect of this reform is to give the enterprises greater power of self-management, to allow all enterprises and economic units, i.e. all commodity producers, to have relative independence. Both the collectively owned enterprises and those owned by the whole people should be allowed to manage their affairs fairly independently. Every enterprise should have its own economic accounting, its own interests, power and responsibility. On

the other hand, economic levers should be fully employed and the regulating role of the market should be given full play to influence the development of the enterprises.

Experience gained in the past two years has proved that measures taken in the reform have boosted production, Vice-Premier Zhao said. "We will systematically carry on the reform in all fields in this direction."

Zhao Ziyang met with this delegation on July 16 in Beijing. He expressed the hope that the co-operation between China and the World Bank would continue during the nation's modernization drive.

Growing Foreign Trade

China's exports and imports in the January-June period totalled 25,660 million yuan, or 20.2 per cent more than in the same period of last year.

Exports totalled 12,930 million yuan, an increase of 35.5 per cent, and imports amounted to 12,730 million yuan, an increase of 7.8 per cent.

There was a marked change in the items of import, with a fairly big increase in new technologies, complete plants and agricultural machinery. The amount of raw materials for the textile and light industries and consumer goods imported upped 35 per cent as compared with the same period of last year, while rolled steel, non-ferrous metals and other metals dropped by 49 per cent.

Among the exports, heavy industrial products increased by 86.8 per cent, exceeding the proportion taken up by light industrial and agricultural products in the total export value. All this reflects the fresh



Foreign businessmen examining the new machine before placing orders at the Shanghai No. 4 Printing Machinery Plant.

development resulting from the implementation of the new policy of readjusting the national economy.

The state has since the beginning of this year introduced reforms to the setup for foreign trade and taken further measures to encourage exports. Efforts made by various localities to raise quality, increase varieties and improve packing have made Chinese products more competitive on the international market.

Record Savings Deposits

Savings deposits in China's cities and towns rose by nearly 4,000 million yuan in the first half of this year, which is 1,100 million yuan more than the record figure for the same 1979 period, according to the People's Bank of China.

The increase in urban deposits amounts to an average of 33 yuan for each of the 120 million city dwellers. This is about half the average monthly wage of a worker. Today, city dwellers in China have each over 200 yuan of savings in the bank on the average.

Of the new deposits, 81 per cent are fixed deposits for sixmonth, one-year, three-year or five-year periods.

Rural savings deposits increased by 1,900 million yuan in the same period.

At the same time, retail sales throughout the country went up by 18.5 per cent, compared with the January-June period of 1979.

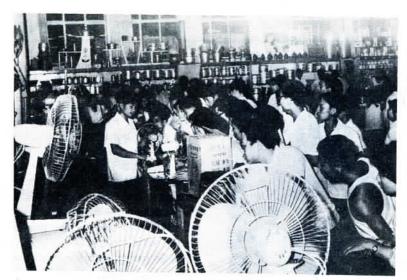
The reasons for the increase in deposits in the urban areas are: more bonuses for workers and more employment; with the peasants' income now increased, the burden on urban workers who have relatives in the countryside has been reduced. Another reason for the increase in deposits is the rise of 20 to 36 per cent in interest rates beginning from April 1 this year.

Living Standard Rises In Beijing

The cost of living in Beijing averaged 36.95 yuan per person last April. Food, clothing and daily necessities accounted for 91.3 per cent of the total expenditure, while rent, water and electricity, medical service, transportation and other expenses only 8.7 per cent (of which 2 per cent was for rent and only 1 per cent for medical expenses). All government



Rural commune members in Jiangsu Province putting their money in the bank.



At the Xidan Emporium in Beijing.

employees and workers, including those who have retired, enjoy free medical service.

These figures were released by the Beijing Municipal Statistical Bureau which also reported that per-capita consumption of meat that month for residents in Beijing averaged 1.07 kg., an increase of 0.12 kg. over that of the same period of last year, and consumption of eggs was 0.77 kg., an increase of 0.37 kg. Rationing of meat and eggs, enforced for many years in Beijing, is no longer necessary. However, vegetable consumption dropped from 6.6 kg. per person in April last year to 5.3 kg. in April this year.

The purchase of TV sets last year averaged 15 per 1,000 families a month, while the figure for April this year was 25.8 TV sets. More people now want to buy high-quality commodities, and there may be a shortage in the supply of washing machines this year, said a spokesman of the city's commercial department. Consumer interest in refrigerators, electric fans and other goods is also increasing.

The higher rate of employ-

ment this year is the major factor in the increase of personal income. The city provided 310,000 additional jobs last year. Now each employed worker supports no more than one other person on the average. Of the 4.9 million people living in the city proper, 3.08 million are employed.

The wages of 40 per cent of the workers and cadres are being raised. A five yuan subsidy per month has been instituted for all employees since last November to meet the rise in the price of foodstuffs. Workers also get bonuses, labour protection welfare, transportation subsidies and overtime pay. Allowances are given to those couples who volunteer to have only one child. Such fringe benefits account for as much as 20 per cent of an employee's income.

Shanghai Population Growth Rate Drops

The birth rate in Shanghai dropped to 10.27 per thousand in the first quarter of this year, 0.72 per thousand lower than in the corresponding period of 1979. Its natural population growth rate was 1.57 per

thousand, and the urban area achieved a negative population growth rate of minus 1.52 per thousand.

This is the first time that a big city in China achieved a negative population growth rate.

Shanghai is China's largest city with a population of around 11 million, of which over 5 million are in the city proper.

At present, over 95 per cent of the urban households (with one child from 4 to 16 years old) have received certificates for families with only one child. In 10 counties on the city's outskirts, 75 per cent of the households have received such certificates.

FOREIGN RELATIONS

For Reunification of Korea

The Standing Committee of the National People's Congress, in its reply on July 14 to the Supreme People's Assembly of the Democratic People's Republic of Korea, expressed firm support for its demands and proposal for an independent and peaceful reunification of Korea.

The message said that the letter sent on June 23 by the Supreme People's Assembly to the parliaments of all countries "expresses the Korean people's demands for the withdrawal of U.S. troops from south Korea and the realization of social democracy in south Korea and reiterates the proposal of the Democratic People's Republic of Korea for replacing the present Armistice Agreement by a peace agreement between the Democratic People's Republic Korea and the United States. All these are correct reasonable."

It pointed out that the wish of the Korean nation for reunification has been obstructed by the United States and the south Korean authorities, especially by the stationing of U.S. troops in south Korea. The message stressed: "The United States should withdraw all its troops and military equipment from south Korea and stop its interference in Korea's internal affairs. The United States, as one of the signatories of the Korean Armistice Agreement, should make a response to the D.P.R.K.'s proposal for replacing the Armistice Agreement by a peace agreement. This will help realize lasting peace and the independent and peaceful reunification of Korea and will be of benefit to the maintenance of peace in Asia and the world."

Soviet Spies Convicted

The Intermediate People's Court of Heihe Prefecture and the Intermediate People's Court of Mudanjiang Prefecture in Heilongjiang Province carried out on July 20 public trials of Soviet spies on



Soviet spy Nicolai Petrovich Zhang after his arrest.

separate occasions. Nicolai Petrovich Zhang who sneaked into Chinese territory to carry out destructive activities was sentenced to seven years' imprisonment, and Wang Jiasheng who, after his defection to the Soviet Union, was dispatched to China to collect intelligence, was sentenced to death. Resisting arrest, Wang had shot and killed a Chinese policeman.

At the same time, the case of Zhu Youhuai, another Soviet spy who was sentenced to death with a two-year reprieve prior to these public trials, was announced. These actions taken by the Chinese judicial organs were necessary to the defence of the security of our country; they dealt a heavy blow to the enemy engaged in subversive and destructive activities against China.

Nicolai Petrovich Zhang was recruited by the Soviet Far East Military District's intelligence outfit in May 1971. After being trained as a special agent, he illegally crossed the Heilong River on the night of June 20, 1974. He was caught by Chinese frontier guards and civilians when he went ashore at Xiaowujiazi in Aihui County, and a "Zenite — E" camera, a Soviet-made pistol, a dagger, a tri-colour signal flare which he carried with him were seized at the time of his arrest.

The court considered that this case was clear and that the evidence was fully proved. Nicolai Petrovich Zhang was convicted of violation of the Chinese law and endangering the sovereignty and security of China. According to Article 3 and item three of Article 97 of the Criminal Law of the People's Republic of



Part of the equipment used by Nicolai Petrovich Zhang in carrying out espionage activities.

China, Petrovich was sentenced to seven years' imprisonment.

Wang Jiasheng, the other Soviet spy, confessed his crimes in the face of iron-clad evidence. According to item three of Article 97 and Article 103 of the Criminal Law of the People's Republic of China, he was sentenced to death and deprived of political rights for life.

The Soviet social-imperialists always consider socialist China a great obstacle in their way to achieving world hegemony. That is why they persist in their anti-China policy. They have deployed large numbers of troops along the Sino-Soviet and Sino-Mongolian borders, militarily threatening China. At the same time they adopt sinister methods to carry out subversive and destructive activities against our country. So the cases convicted in Heilongjiang Province were by no means accidental, but were part of the criminal activities of the Soviet hegemonists in their hostility towards China.

China Has No Relations With Israel

A spokesman of the Information Department of the Chinese Foreign Ministry issued a statement on July 20, refuting the rumour spread by some U.S. and Israeli journals that two Israeli officials had recently paid a visit to China. The statement also refuted the slander levelled against China by the Soviet TASS news agency.

The spokesman declared that it is a sheer fabrication that two Israeli officials paid a visit He added: "The to China. Soviet TASS news agency did not give up the chance to allege that 'Beijing and Tel Aviv are establishing some kind of alliance' and that China was trying to establish ties with South Africa through Israel."

He stressed: "The Chinese Government and people have consistently supported the just struggles of the Arab and Palestinian peoples and the people in southern Africa and denounced the Israeli policies of aggression and expansion and the South African authorities' policy of racism. The Chinese Government has no relations with the Israeli Government. Firmly opposing South Africa's racist rule, it refuses to have any dealings with South Africa. This just Chinese position is known throughout the world. However sinister the Soviet attempt to sow discord and poison the friendly relations between the Chinese people and the Arab and Palestinian peoples and the African people, it is doomed to be a wasted effort."

News in Brief

Guests From Australia. Condor Louis Laucke, President of the Australian Senate, and his party recently visited China. Premier Hua Guofeng met them on July 15

Cultural exchanges between China and Australia have expanded considerably. Co-operation in scientific, technological and economic fields has made a good start and the volume of trade has nearly doubled. China and Australia share similar or identical views on a number of major international Increasing consultations and cooperation between the two countries are conducive to the maintenance of peace security in the Asian-Pacific region.

Greeting World Conference of U.N. Decade for Women. Jianying, Chairman the Standing Committee of the National People's Congress, sent a message on July 14 to the World Conference of the United Nations Decade for Women, congratulating its convocation in Copenhagen. The message said: "The United Nations Decade for Women will further help to bring women's problems to the attention of the governments of all countries and to mobilize women of the world to engage in a cause for progress and that of developing their own countries and defending world peace."

The Chinese delegation led by Kang Keqing, President of the All-China Women's Federation, attended this conference.

Li Xiannian Meets Mario Soares. Vice-Premier Li Xiannian and Mario Soares, General Secretary of the Portuguese Socialist Party and former Prime Minister of Portugal, had a full exchange of views on major world issues on July 16 in Beijing. They shared similar or converging views on many questions.

In their conversation, Vice-Premier Li dealt with Soviet ambitions to dominate the world, and called on all countries to make earnest efforts to check Soviet expansion and aggression.

Ulanhu Meets Professor Thubten Norbu. Ulanhu, Vice-Chairman of the Standing Committee of the National People's Congress, met earlier this month with American Associate Professor Thubten J. Norbu, eldest brother of the Dalai Lama, his wife and three sons. Ulanhu briefed them on China's modernization programme and work on nationalities affairs. He said: China is a unified multi-national country. The policy of regional national autonomy was mapped out by the Central Committee of the Communist Party of China and Chairman Mao Zedong and had been proved in practice to be a correct policy. "Only by uniting as one and adhering to the socialist road under the leadership of the Communist Party can the various nationalities achieve prosperity and development," he stressed.

Professor Norbu is a scholar on Tibet at Indiana University. He arrived in Beijing on July 9 at the invitation of the State Nationalities Affairs Commission.



Olympic Games Without Olympic Spirit

THE Soviet Union had not spared labour or money to make the Moscow Olympics the "biggest" ever to impress the world, but it turned out to be an Olympic Games with the least number of participants and the smallest since 1960. The two main reasons for this dismal failure were worldwide condemnation of the Soviet invasion of Afghanistan and the international boycott of the games.

Who Sabotaged the Olympics? The Soviet authorities have blamed others for the pitiful turnout - the Olympic committees of 58 countries and regions did not accept the invitations to the games and three-quarters of the expected spectators did not go to Moscow. According to the Soviet Union, it was the political circles in the United States and other countries that tried to "sabotage" games and prevented athletes of many countries from attending them.

The purpose of the games is to

promote understanding friendship through sports so as to help build a peaceful world. In ancient Greece. when Olympics were held, there would be a truce between the host country and other countries. However, the Soviet Union. while preaching the "Olympic ideal," "strengthening of mutual

understanding between the peoples" and "from sports friendship to world peace," launched aggression against its non-aligned neighbour Afghanistan and slaughtered the Afghan people. Instead of withdrawing its troops from Afghanistan, it reinforced them there. It was the Soviet Union, therefore, which has undermined and attacked the Olympic spirit and made others boycott the games.

Demonstrations and Protests. On the eve and on the opening day of the Moscow games, demonstrations were held in a number of cities in Western Europe and the United States to protest the Soviet invasion of Afghanistan and support the Afghan resistance movement.

In Paris, several members of the French Parliament joined 800 demonstrators in their protest demonstration. In Frankfurt, about 1,000 people demonstrated, waving placards saying: "The Nazi Olympics of 1936 are being repeated in Moscow!"



"They won't play with me!"

Cartoon by Wang Yisheng

In Moscow, besides the absence of many countries, 16 sports delegations refused to carry their national flags at the opening ceremony and 10 were represented only by their standard-bearers carrying an Olympic flag with no athletes participating.

China's Just Stand. China's decision to boycott the Moscow Olympics together with other countries is to defend the Olympic spirit and world peace and fulfil its duty as a member of the I.O.C. China's decision has angered the saboteurs of the Olympic Games in the Kremlin. They have obstructed China's legitimate representatives from. attending the International Weightlifting Federation Congress in Moscow and even granted entry visas to the representatives of the Olympic committee of the so-called "republic of China" whose membership already has been suspended. This action is an insult to the Olympic Charter, the International Olympic Committee and athletes of various countries.

No matter what measures Moscow has adopted to deceive the Soviet people and slander other countries, it cannot shirk its responsibility of sabotaging the Olympic Games. For more than 80 years in the history of the Olympics, there have been only two countries - Hitlerite Germany and Brezhnev's Soviet Union - which launched aggressive wars around the time they hosted the Olympic Games. History will prove that boycotting the Moscow Olympics today is correct just as it has proved that not to boycott the 1936 Hitler-hosted Olympics was wrong.

> — "Beijing Review" news analyst Li Jian

Why Does Moscow Attack Sino-U.S. Talks?

WHEN Chinese Premier Hua Guofeng and U.S. President Carter were in Japan attending the memorial service for the late Japanese Prime Minister Ohira, the two men met and exchanged views on the present international situation and problems of common concern. This normal diplomatic activity, however, drew fire from Moscow.

The Soviet propaganda machine groundlessly charged that among other things the meeting aimed to achieve "the drawing up of a plan for another intervention in Indochina" and alleged that China was "incessantly putting pressure on Viet Nam," "trying to clear away the obstacle to its expansion in Asia." It vilified China as "an unstable factor in Southeast Asia." Leading members of the Central Committee of the Soviet Communist Party Ponomarov and Zamvatin also came out to charge China with "actually" "changing its socialist ideology" and "having decided to punish Viet Nam." They pledged that their country would guarantee the security of the people of friendly socialist countries and uphold world security. The Vietnamese authorities immediately fell in step with Moscow and attacked the Sino-U.S. meeting. They manufactured the lie that China "recently" "added three divisions" along the Sino-Vietnamese border and so on and so forth.

What prompted such a reaction from Moscow?

Moscow Encourages Hanoi. After the Vietnamese incursion into Thailand, China said it stood by Thailand; the United States boosted aid to Thailand. The significance of this was not lost on the Vietnamese authorities who are behaving outrageously along the Kampuchean-Thai border at the Soviet Union's instigation. The Soviet Union therefore threatens China not to support Thailand so as to encourage Hanoi. At the same time it tries to drive a wedge between China and Southeast Asian countries to facilitate Hanoi's actively pushing out into these parts.

It remains to be seen whether Soviet propaganda can get Viet Nam to work for the Soviet Union in Southeast Asia without a scruple, but one thing is certain and that is Soviet intimidations and threats against China and attempts to sow discord between China Southeast Asian countries will come to nothing. Moscow should know that China is not in the habit of giving up its support to anti-aggression struggles under duress. As to the charge that China wants to clear away Viet Nam and push into South-Asia, everyone knows it is sheer nonsense.

China's Policy Vis-a-Vis Viet Nam. China is a socialist country which pursues a peaceful foreign policy. It has never sought for hegemony and has always been against hegemonism, big and small. China has always been against aggression and given its support to the people of various countries in their struggles against aggression. China has never invaded or threatened any other country. The Chinese people have a long tradition of friendly rela-

tions with the Vietnamese people. In helping the Vietnamese people in their struggle against aggression and in economic construction, China provided Viet Nam with arms, materials and equipment worth tens of billions of yuan and lost thousands of its finest sons daughters. but never asked Viet Nam for anything in Only those who are hostile to China-Viet Nam amity can unscrupulously allege that China does not hope to see a powerful Viet Nam and wants Viet Nam to "trail after it."

China is not to blame for the present deterioration in Sino-Vietnamese relations. The Vietnamese authorities are pursuing a policy of aggression and expansion, willingly serving as a cat's-paw in Moscow's push into Southeast Asia and practising regional hegemony. This violates recognized norms of international relations, endangers the peace and security of Asia and the rest of the world and does not conform with the interests of the Vietnamese people. Naturally, China must express its opposition to this. If the Vietnamese authorities mend their ways, withdraw their troops from other countries and stop their aggression and manipulation of neighbouring countries, China and Viet can still be neighbours living in harmony. But if the Vietnamese authorities continue to use their power to bully others and engage in evil in Southeast Asia, China will firmly oppose them. This is the basic starting point of China's policy towards Viet Nam, in the past, now and in the future.

Why Moscow Lies? The Soviet Union does its utmost to spread the tale that China wants to sweep away the "obstacle" of Viet Nam. Mos-

cow's aim is to whip up fear of China among Southeast Asian countries, make them put China on a par with the Soviet Union so as to drive a wedge between China and these countries and undermine their relations and allow it to crush them one by one. But lies are no match for China's opposition to Viet Nam's policies of aggression and expansion in Indochina and Southeast Asia shows that China has no ambitions whatsoever in Southeast Asia but wants to see peace and security there. The best proof nat China has no intention to "sweep away" Viet Nam is the fact that after taking Lang Son in their self-defensive counterattack against Viet Nam last year. Chinese frontier troops immediately withdrew to the Chinese border instead of driving on south. As an old Chinese saying goes, "People are not drawn together unless they have the same principle." The reason why the Vietnamese authorities are against China and tail after the Soviet Union is not that China wants Viet Nam as a springboard for aggression against Southeast Asia. but that Viet Nam and China o not speak a common lan-Luage in regard to foreign policies. On the other hand, Viet Nam shares with the Soviet Union a common desire for hegemony.

Dangerous Factors. Viet Nam's incursion into Thailand proves very clearly that the Soviet Union and the Vietnamese authorities it backs are the dangerous elements jeopardizing peace and security in Southeast Asia. The lords in Moscow say in apparent sorrow and compassion that "one of the most disquieting things is the conflict in Southeast Asia,"

as if the Soviet Union were a mere outsider, only an onlooker, in the troubled situation in the area. Such a performance is really nauseating. May one ask: Were you planning to bring peace and stability to Southeast Asia and Indochina in particular, when you met with Hanoi's Party and state heads in the Kremlin behind closed doors?

People cannot but notice that at the meeting of the foreign ministers of Viet Nam, Laos and the Heng Samrin regime

called by Hanoi immediately after the Soviet-Vietnamese talks in Moscow, a bellicose cry was heard to "punish" Thailand again. It becomes much clearer than before who is actually "drawing up plans for another intervention in Indochina" and who does constitute an "unstable factor in Southeast Asia." slanders against China by Moscow and Hanoi can ever cover up this stark reality.

> — "Renmin Ribao" Commentator, July 20

Thai-Lao Relations:

Hanoi Hunting for a Pretext

L AO and Vietnamese officials and newspapers have lashed out at Thailand and China for the former's decision to close its border with Laos. The Thai decision has been called "a serious breach of an agreement on people's movements in the border region between the representatives of the two governments (of Laos and Thailand)." "adversely and this affects the normalization of relations between the two countries." They charged that the move was "consistent with a scheme of China's to pit the ultra-Rightists in Thailand against the People's Democratic Republic of Laos and to undermine the friendly neighbourly ties between the two peoples." They warned that "Thailand will have to bear the grave consequences arising thereof."

Border Incident. Thailand closed its border with Laos after Lao troops had attacked two Thai boats on routine patrol within Thai waters of the Mekong River on June 15. The attack was indeed "consistent"

with a scheme" of Hanoi's to undermine the friendly relations between the Thai and Lao peoples, for the incident was soon followed by a Vietnamese armed incursion into Thailand. While Viet Nam is maintaining a very visible military presence on the Thai-Kampuchean border and threatening Thailand, Lao troops are staging combined military exercises along the Lao-Thai border involving Soviet-made tanks and aircraft. This, obviously, is not a coincidence.

The Thai Government and people, in an effort to preserve their friendship with the Lao people, had kept the border open. provided Laos transit facilities and supplied rice. oil and other necessities in large quantities to Laos. Now this generosity being reciprocated animosity. With its security threatened, Thailand has every right to close its borders and strengthen its national defence. shortages and soaring prices on the Vientiane markets

following the closing of the border are in fact what the Vientiane authorities asked for when they decided to follow the orders of the regional hegemonists in Hanoi provoked Thailand. It is clear that it is the Hanoi authorities and their Vientiane followers. and not Thailand or China, who are disrupting Thai-Lao goodneighbourly ties.

Hanoi's Hand. According to the authorities in Vientiane and Hanoi, the current tension along the Thai-Lao border is the result of China's instigation. This is too generous a compliment to China's capacity. Before paying such a compliment, they would do well to think over their own relationship which is so obvious to the world. Can anyone imagine Lao troops daring to attack Thai patrol boats and undertaking combined military exercises on such an impressive scale without Hanoi's backing and at its behest? The whole Lao-Thai border issue was engineered and directed by Hanoi.

When the Hanoi authorities had their men in Vientiane start the military buildup along the border with Thailand and delivered large quantities of arms to Vientiane for this purpose, and they themselves floated the lie that China was behind the tension along the Thai-Lao border, they were not merely maliciously trying to denigrate. They had a far more sinister motive in mind. This the Thai Foreign Minister Siddhi Savetsila has put very clearly at the recent ASEAN Foreign Ministers' Meeting. He pointed out that just as Viet Nam had hatched a "Sino-Kampuchean collusion" justify its invasion of Kampuchea, the present groundless charge by Hanoi and Vientiane that Thailand and China were

behind the Thai-Lao border crisis and that Thailand "would have to bear the grave consequences arising thereof" may become a similar dangerous

pretext preparing the way for a Vietnamese invasion against Thailand.

> — Xinhua Correspondent Ji Ying

What Should the Non-Aligned Movement Do?

N less than two years two invasions have taken place. Viet Nam invaded Kampuchea and the Soviet Union invaded Afghanistan. The hegemonistic aggressions against these two members of the non-aligned movement are an open defiance of the fundamental principles of non-alignment and a grave menace to the security of other non-aligned countries and to world peace. What should the non-aligned movement Should members of the nonaligned movement stand on the sideline and do nothing about it, or should they adopt a common strategy and position in defence of the principles of nonalignment and the independence and sovereignty of non-aligned countries?

Many non-aligned countries have already openly condemned Soviet armed invasion and demanded a Soviet troop withdrawal so that the Afghan people would be left to solve their own problems. At the Emergency Special Session of the U.N. General Assembly in January, a resolution condemning the Soviet invasion was submitted by 24 non-aligned and third world countries and adopted by 104 votes. Islamic countries belonging to non-alignment met in January and again in May to condemn the Soviet intrusion and to demand a Soviet troop withdrawal. Other non-aligned states have offered material and moral assistance to the

Afghan freedom fighters in various ways.

Challenging Non-Alignment. Since early this year, a number of non-aligned countries have called for the holding of a conference of non-aligned nations to adopt a common stand Yugoslav leaders had extensive contacts with leaders of nonaligned nations who were in Yugoslavia attending the memorial service for the late President Josip Tito. About 20 heads of state and government expressed their anxiety over the state of inertia of the nonaligned movement and they wished to see the convening of an emergency nonaligned foreign ministers' meeting at the earliest possible date.

However, the non-aligned nations have not been able to hold a plenary meeting or to make any decision due to sabotage by the Soviet Union through it agents, Cuba and Viet Nam. Speaking at U.N. meetings in its capacity as Chairman of the 6th Non-Aligned Summit Conference, Cuba openly expressed support for the Soviet military invasion of a non-aligned country — a stand which counter to the stand of most non-aligned nations. Cuba and Viet Nam teamed up to create trouble at the meeting of representatives of non-aligned nations at the United Nations. On the pretext of observing the principle of "non-interference in the internal affairs of Afghanistan," they tried to prevent the meeting from discussing the Soviet invasion or issuing a communique denouncing the Soviet action.

Cuba also tried to forestall the proposal for an emergency foreign ministers' meeting of the non-aligned countries called by Yugoslavia and other non-aligned countries by announcing in late May that such a meeting would be held in late July, in Havana, to discuss the political and economic situation of the world with the aim of promoting "peace and detente." But this attempt was foiled because many countries were against holding the meeting in Havana.

Using its position as Chairman of the Non-Aligned Summit Conference, Cuba also tried to manipulate the non-aligned movement through bilateral activities and steer the movement into opting for a "political solution" to the Afghan issue and so help take some of the heat off the Soviet Union. The Cuban Foreign Minister visited South Asia and the Middle East to try coaxing Pakistan and Iran into recognizing the Karmal regime. But he persuaded no ne.

Role of Cuba and Viet Nam Inside the Movement. There is nothing to show that Cuba and Viet Nam have done anything in the interest of non-alignment or its principles. They are concerned only with whitewashing the Soviet Union, their "natural ally," helping it get itself out of its predicament by trying to get others to accept the Moscowmodelled "political solution." This only shows that they are not non-aligned countries, but staunch supporters of the Soviet Union and Trojan horses planted

inside the non-aligned move- situation and a great historic ment by the Soviet Union. People are hoping it

Some non-aligned countries have already fallen victims to Moscow's global aggression and expansion that threaten world peace. The non-aligned movement indeed faces a complicated situation and a great historic mission. People are hoping it will not let one or two worms destroy the apple but will live up to its principles and make greater contributions to the peace and stability of the world.

> - Xinhua Correspondent Guo Ping

Egypt-Israel Talking Again

Report From Cairo

FTER a two-month suspen- ${f A}_{
m sion}$ Egyptian-Israeli-American negotiations on the Palestinian autonomy issue started again on July 13 in Cairo. Strictly speaking it could not be called a new round of autonomy talks, only low-level talks by the legal committee and, moreover, nothing came out of the talks when they ended on the 15th.

According to an agreement reached by the three delegation heads earlier in July, a series of meetings are scheduled between mid-July and early August for the legal and economic committees prior to a new round of talks on August 5 between the three delegation heads.

Israeli Disruption

The autonomy talks stalling and spiralling down to a complete halt had resulted directly from Begin's step by step sabotage of the talks. He had stubbornly insisted on occupying the whole of Jerusalem, progressively expanded established more Jewish settlements and intensified suppression of the Palestinian people on the West Bank and in the Gaza Strip. And just before the recent resumption of talks by the legal committee, the Israeli negotiator. Justice Minister Shmuel Tamir, announced a

new "law" sentencing anyone up to three years in jail plus a fine of U.S. \$5,000 who openly supports or who displays the flag of the Palestinian Liberation Organization or who sings P.L.O. songs. This will swell the number of Palestinians, reported to be more than 6,000, already in Israeli jails. It confirms what President Sadat told American newsmen recently, "Begin doesn't want peace."

U.S. Dilemma

The United States is furious at what Begin is doing, for the Camp David accords, the peace treaty and the ensuing autonomy talks are among the items Carter has put in the plus column of his political ledger. If the talks for Palestinian self-rule should fail, it is not going to improve Carter's position in the forthcoming presidential elections. which is why Carter in the last few months has been gently leaning on Begin, but not so heavily as to hurt his chances with Jewish voters at home. Seven meetings condemning Israel have been held by the Security Council since March 1, and on only one occasion (the April 30 resolution on the establishment of a Palestine state) did the United States exercise its veto. Fifty-six well-known members of the U.S. Jewish community have jointly denounced the "extremists" in the Begin government. Despite everything, the United States has not trimmed back economic and military aid to Begin, which is one big reason behind Begin's intransigence, although he is pretty much alone. All this has not made Egypt very happy either.

Disparate Needs

Under these circumstances, the talks have been resumed not to find solutions to the problem but out of the needs of each participant. The United States wants the talks for its general elections; Begin to make himself look just a little more accommodating to get some of the pressure lifted off him at home and abroad; and Egypt to expose and denounce Israel's position inside and outside the conference and put the Israeli authorities in a more unenviable position.

People following the talks are waiting for two elections - the U.S. presidential elections and the Israeli elections. Some White House and State Department officials have told Arab and West European officials sotto voce that after the presidential elections the United States would insist on establishing "self-rule" even if it meant setting up a radical Palestine state that has Tel Aviv within range of its artillery. Begin has narrowly managed to ride over his Knesset hurdle this time, but opposition party chiefs are redoubling their efforts. Public opinion polled by the paper Jerusalem Post showed that Begin's prestige has plummeted inside the country and the impact of this is going to be felt in the Knesset before long.

"Renmin Ribao" Correspondent Xing Xiangchao

Peruvian Developments

A CCORDING to the May 18 results of the Peruvian general election, the military government will officially hand over power to the civilian cabinet headed by the elected President Fernando Belaunde Terry on July 28, Peru's National Day. This will mark the end of the 12-year-long military rule and fulfil the army's promise to return the country to civilian rule.

Why the Generals Gave In. The main reason behind the restoration of civilian government is the popular discontent fuelled by a crumbling economy. After the seizure of power by generals led by Velasco in October 1968. a series of economic, social and political "structural reforms," some inappropriately, were introduced which, coupled with the economic crisis in the capitalist world, ruined industrial and agricultural production and plunged the country into nearbankruptcy. Peru has a foreign debt running to 10,000 million U.S. dollars, and because of price hikes the workers' real wages dropped 47 per cent from 1973 to 1978. Incomes of most salary-earners, too, including the "middle class," have tumbled. Strikes by workers teachers and student boycott of classes were all suppressed by the army, which led only to greater discontent, hardened opposition to the military government and strengthened the popular demand for constitutional government.

The military found itself more and more isolated and losing its grip. So in 1975, constitutionists within the army headed by Morales introduced a series of measures and made plans for the "restoration of constitutional rule." A constituent assembly was elected in 1978

and a new constitution was promulgated in July 1979. In the May election this year, Belaunde's Popular Action Party was swept to victory, winning most of the seats in the assembly. Belaunde, himself, beat all the other presidential candidates by a comfortable margin.

Belaunde's Domestic and Foreign Policies. Apart from Belaunde's personal appeal with the people as a founder of the Popular Action Party, the platform of the Peruvian Popular Action Party on domestic an foreign policies also found favour with most, the national bourgeoisie included. His party promised to establish a government with mass support and give priority to wiping out unemployment (1 million new jobs within two years) and tackling malnutrition. foreign policy, priority would be given to developing friendly co-operation with other Latin American countries, neighbouring countries in particular. His government would support world peace and justice. president-elect has already publicly censured the Soviet aggression against Afghanistan and said his government would work for closer ties with China.

Another reason for Belaunde's success was his fairly correct handling of relations with the military government earned him their confidence and support. Handing over of power to a civilian government in Peru alters the situation in Peru and is bound to have a profound effect within the country; it may also exert an influence on other Latin American countries with a military government.

- Jin Jiang

Investigative Report

In What Direction Should Shanghai's Industry Be Developed?

Shanghai, China's largest industrial city, leads the nation in industrial production and should, therefore, set an example in achieving the four modernizations. In what direction should this city develop? How can it play a still better role?

A research group in economic structure under the State Council has made an investigation of Shanghai and put forward its suggestions. Following are excerpts from this investigative report. — Ed.

SHANGHAI has a relatively complete assortment of industries of fairly high technical level. Comparatively speaking, its raw and semi-finished materials industry has a rather good foundation and its processing industry is developed. Its industrial output value, total export value and revenue account for one-eighth, one-sixth and one-sixth of the nation's total respectively. Manufactured consumer goods sent out from Shanghai account for almost one-half of those sold between provinces and municipalities of the country.

We suggest that, for this old industrial city of Shanghai to play a fuller role, it should improve its performance in the following five aspects:

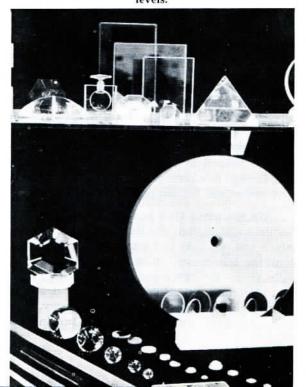
1. Draw Up a Long-Term Plan

For over a hundred years, Shanghai has been China's major industrial base; it has a good industrial foundation, a large number of veteran workers with a high level of political consciousness and technique, a fairly strong scientific and technical force, and economic management of a comparatively high level. It is our country's biggest port city, with wide economic ties both at home and abroad. All these are favourable conditions for developing its economy. However, Shanghai's area is limited; it has a dense population and excessive concentration of industries, but lacks

raw materials and fuel. These are its unfavourable conditions.

After the 60s, some departments saw that when one engaged in production and construction in Shanghai, one had to spend only a little money but could get quick returns. Therefore they arranged to have their production tasks and construction projects carried out and completed there. This placed heavy burdens on the city. According to the report of the departments concerned in Shanghai, every year they hoped to have a respite in which to divert part of their efforts to readjusting production, improving the people's livelihood which they had overlooked in the past and developing Shanghai's economy in the light of its specific conditions. But every year they had to fulfil the annual tasks which took up all their energies.

Laser components made by the Shanghai Institute of Optics and Fine Mechanics are up to advanced world levels.



We hold that it is all right to make use of the favourable conditions of the old base to engage in production and construction if this can produce obviously better results for the effort put in. But if one overlooks the unfavourable conditions of Shanghai, neglects to maintain an overall balance, and fails to draw up a long-term plan, it will be disadvantageous both to the prolonged, steady development of Shanghai's economy and to the rational distribution of the national economy, even if one can get good results temporarily.

In order to enable Shanghai to play its role as an old industrial base more rationally, in our opinion one should proceed in the light of the specific features of the city to work out a long-term plan and determine the direction for the strategic development of Shanghai's economy.

2. Readjust the Industrial Structure

After liberation, Shanghai's economy developed in the direction of giving priority to the expansion of heavy industry and of establishing a complete system of local industry. With the exception of the felling and excavating industries, there is an almost complete assortment of industries. Though Shanghai lacks raw materials and fuel, it emphasized building a metallurgical industry. Its steel-making capacity has reached 5 million tons annually and every year it has to bring in nearly 30 million tons of ore, pig iron and coking coal and send out two-thirds of its steel products. Energy resources consumed by the metallurgical and petrochemical industries account for almost onehalf of the city's total consumption. This has aggravated the strained situation in communications and transport and caused a short supply of fuel and power. When the Baoshan Iron and Steel Complex is completed, Shanghai's steelmaking capacity will approximately be 12 million tons, which will only exacerbate the already tense situation in transport and the shortage in electric power. Moreover, the light industrial goods traditionally put out by Shanghai are needed in large quantities in domestic and foreign markets, yet this sphere of production cannot get the support it should have.

We maintain that according to its specific features, Shanghai should develop industries which use less raw and semi-finished materials, consume less energy, take up less space, cause little or no pollution and require a high level of technique. Specifically speaking, it should develop the precision-machinery industry, electronic industry and light industry turning out

traditional products for export. There should be restrictions on the development of the raw and semi-finished materials industry, especially the metallurgical and chemical raw materials industries, and on industries that will cause radioactive contamination and discharge toxic substances in large quantities.

While readjusting the structure of industrial departments, it is necessary step by step to readjust the products. For example, it is necessary to upgrade and replace products in a selective and systematic way and develop new-type, high-grade, precision, sophisticated

Urban-Rural Jointly Run Factories

R ACTORIES based on co-operation between the city and the countryside represent a new form of economic organization that has emerged in China's current readjustment of the national economy. Beginning from last year, Shanghai has set up 32 such joint enterprises on a trial basis.

Many of these factories use machines which larger factories have replaced with new ones. For instance, the Shanghai Wool and Flax Industrial Company imported spindles from abroad, and transferred its old ones to four communes in Nanhui County to equip two woollen mills.

Some expanded their operation to the city outskirts. For instance, the Shanghai Clothing Company, which has 12 factories under it, had difficulty in finding a site when it wanted to increase production. Joining hands with the suburban communes and brigades, it set up 13 jointly run factories, raising its output of clothes by 70 to 80 per cent.

Some other urban factories turned the production of old items over to these factories so that they can make room and release a technical force for the production of new products. For example, the No. 2 Iron and Steel Plant and the Steel Tubing Factory of the Shanghai Iron and Steel Company have set up two such factories with two communes in Baoshan County. One can produce 15,000 tons of galvanized and plastic-coated steel wire and the other, 30,000 tons of galvanized steel pipe.

The jointly run factories are also beneficial to the city. For instance, a woollen sweater mill provided jobs for 400 school leavers and a plastic flower factory employed 800 peasants.

Some factories which disturbed the residents living nearby have moved out of the city after setting up factories jointly with suburban communes, leaving the old factory buildings to be used for other purposes.

and diverse products. It would be feasible to transfer the task of producing ordinary products to other provinces and cities, by stages and in groups.

In addition, Shanghai should use its own industrial, scientific and technical force to promote production in agriculture, forestry, animal husbandry, sideline occupations and fishery in its ten suburban counties so that they can be the first to realize agricultural modernization and set an example for the rest of of the country.

3. Transform Existing Enterprises

Modernizing the existing enterprises step by step is the key to the continued development of Shanghai's economy. Seventy per cent of the city's industrial enterprises are concentrated in an area of 141 square kilometres in the city proper. The buildings are crowded together and there is hardly any room for further development. While production is developing rapidly in many enterprises, especially in light industrial factories, the extra room needed has not been available and factory buildings have not been expanded or improved as they should. Dilapidated buildings of the factories of light, textile industries and handicrafts account for 11 per cent of their total floor space. The technical equipment in many factories is backward. For example, 40 per cent of the various kinds of equipment used by the factories under the city bureau of light industry are products of the 40s. Much of the equipment is operating under faulty conditions. Maintenance costs are very high and the quality of the products suffers. Unless this situation is quickly changed, it will be hard to upgrade and replace the products, and also it is uncertain whether a proper rate of growth can be maintained.

In our opinion, it is necessary to transform the existing enterprises of Shanghai in a planned and systematic way, to introduce more new equipment, new technology and new technical processes. It is also necessary to step up coordination among specialized departments, raise the quality of products, eliminate pollution and improve working conditions.



Four brigade-run carpet workshops set up in Chuansha County, Shanghai, with help from the Shanghai Carpet Factory.

4. Transform the Old City

In the last 30 years, Shanghai's urban population has increased by 40 per cent and industrial output is more than ten times as great as at the time of liberation. At present, there are 30 to 40 factories per square kilometre on the average with a population of over 40,000 while some districts have upwards of 100,000 people. Factories and houses are interspersed. Features like these are rarely encountered in other countries. Over the years, in areas where the population and industries are highly concentrated, 'housing construction, municipal works and the development of culture, education and public health have been lagging far behind as compared with the building of factories and other production units. That is why traffic is over-crowded and public services from tap water, gas, sewage disposal, telephones right through to commerce, catering trades, service trades, hotels, bathhouses and hospitals are strained to the utmost.

There is a particularly pressing need to solve the problems of housing and pollution caused by the "three wastes" (gas, liquid and residue). Investigation reveals that 65,000 families have housing difficulties, and that there are shacks and shanties covering an area of 4.64 million square metres which must give way to new housing as soon as possible. Of the "three wastes," the most serious one is waste liquid. Untreated industrial waste liquid flowing every day into the Huangpu River, the quantity of falling dust in the city proper and the noise pollution in residential quarters are public nui-

sances, all going beyond the limits of health regulations and giving rise to serious social problems.

Now it is high time to carry out urban construction and the transformation of Shanghai. To do a good job of this, it is necessary to undertake these tasks: Firstly, work out a practicable overall plan. It should include the use and development of the existing 12 satellite towns, furnish them with complete sets of installations and equipment and shift some of the factories and residents in the city proper to the outskirts in a planned way.

Secondly, mobilize the initiative of all quarters to build more housing. It is all right to adopt a tentative method of building houses by individuals with public financial help or buying houses on the instalment plan.

Thirdly, resolve to control the "three wastes," especially the waste liquid flowing into the Huangpu River. Whoever causes the pollution is responsible for controlling or eliminating it and must do it within a specified time. Factories which discharge substances in contravention of the regulations should be charged at a graduated rate or be fined and, if necessary, they should be ordered to stop production.

Fourthly, localities should have the power and responsibility for city improvement. The income from public utilities should be kept for Shanghai and a definite portion of the profits gained from industry and commerce should be retained as funds for financing urban construction and transformation.

Help Other Provinces and Regions Develop Industries

Shanghai boasts 18,000 varieties of machine-building industrial products. Shanghai has at one time or another supplied complete sets of equipment with an annual productive capacity of 600,000 tons of iron, 1.5 million tons of steel and 300,000 tons of synthetic ammonia, 300,000-kilowatt thermal power generating equipment and fully mechanized coal-mining equipment with an annual output of one million tons.

The labour productivity of Shanghai's industrial enterprises owned by the whole people is 2.5 times the nation's average, and the profit accrued from every 100 yuan of fixed assets is four times higher. Shanghai is duty-bound to "export technology and management" and is capable of doing this. By economic means, it can provide other provinces and regions with scientific and technological achievements, man-

Shanghai Helps Hangzhou

S HANGHAI has abundant funds and relatively great productive capacity as compared with other parts of the country. In order to help other provinces and cities develop production, it has in recent years carried out various kinds of co-operation with them.

Last year the Shanghai handicraft bureau signed an agreement of "compensatory trade" with the Hangzhou Xinhua Paper Mill. The agreement stipulated that Shanghai should supply the mill with one million yuan's worth of equipment to help it rebuild one of its workshops and that the mill should repay the funds in five years, and also supply Shanghai with 700 tons of paper each year when the workshop goes into production.

The agreement enables the Hangzhou Xinhua Paper Mill to install the most advanced equipment in the country; this, in turn, will raise the annual profit by one million yuan.

It is also to the benefit of Shanghai. With it, the city not only can solve the problem of a paper shortage on the market, but also earn a profit by processing the paper into finished stationery. Its investment in the mill can be earned back in three years.

agerial experience and technical equipment. It can help the latter make technical innovations and can render other technical services. By this method China can use the relatively advanced technique and managerial experience of one area to help less developed regions to quickly raise their economic level. It does not need foreign exchange and yields quick results. If the nation's industrial production is all up to Shanghai's level, output value will be increased 2.5 times by making use of the existing fixed assets, output of many products will be greatly increased and quite a few products will be more than enough to meet domestic market demands.

In order to give further scope to Shanghai's leading role in accomplishing the four modernizations, it is, of course, necessary to quickly raise its own industrial level. For this reason, it is imperative to study advanced science technology, learn from the advanced managerial experience and scientific and technological achievements, strive to develop new technology, equiptechnical processes ment suited China's specific conditions so as to make greater contributions to raising the industrial, scientific and technical level, as well as managerial level of the whole nation.

Reform Higher Education

Since early June, "Renmin Ribao" and "Guangming Ribao" have been running special columns for discussion of educational policy. Many educational workers and those who concern themselves with education have contributed their ideas and suggestions. Following are excerpts from some of the articles we have chosen on the reform of higher education. — Ed.

Open More Avenues for Education

by Yu Xiafu

THE shortage of talented people has become a serious problem. Graduates trained by institutions of higher learning in China in the last 30 years total only 2,946,000. The number of people who have received a college education now account for less than 4 per cent of the workers and staff members. This cannot meet the needs of the four modernization programme. In the last three years, there has been a slight increase in the number of students as a result of the restoration of higher education. Still, the number of university or college students enrolled in 1977, 1978 and 1979 totals only one million. If we continue to develop education at such a slow pace, do not emancipate our minds and fail to open up many more avenues of education, the number of students enrolled in the next few years will be far from enough; annual recruitment can only reach about 300,000. It is estimated that if things go on like this, the shortage of talented people will still be acute in 1985 and the deficiency of people with special skills will be felt even up to 1990. The further the four modernization programme advances, the sharper this contradiction will become.

The seriousness of the matter is also felt in another respect. There are over 7 million graduates from China's senior middle schools every year, but from among these, the number admitted into institutions of higher learning every year accounts for only 3 to 4 per cent.

The author is an education editor of a newspaper. The vast majority of young people have no opportunity to continue school and the state is handicapped by the lack of talented people.

Two Solutions

Two different views have emerged on how to solve this problem. One maintains that since our country is poor and short of money, equipment, buildings and teachers, the problem is serious and cannot be solved quickly no matter how much one might wish to do so; it can only be solved step by step and attention must be paid to proper adjustment as the situation develops. The other view is that one must take these difficulties into consideration and find ways to solve them. This means emancipating the mind, making all-round efforts, exploiting favourable conditions at hand, opening more avenues for education and using flexible, dynamic methods in education.

There has been much discussion about the outlay for education. It is true, China's expenditures on education are very limited. But we often hear visiting foreign educationists say that they had never expected to find so many teaching and administrative personnel employed, so many school buildings allocated and so much money spent for such a small number of university students. They did not mean to imply that we were rich, but that there was a waste of money and manpower and our higher education still had a great deal of potential that could be tapped. For many years since the early 1950s, we have on the whole maintained a full-time system of schooling in our institutions of higher learning, provided boarding for all college students and run mainly four-year or five-year undergraduate courses. Such a uniform method of running schools plus the great disproportion between the school accommodations in terms of buildings and the number of teaching and administrative staff have given rise to an irrational phenomenon. In 1979, for example, while there were only 815,000 students in institutions of higher learning, the number of teaching and administrative personnel was over 538,000, the ratio between them being 1:1.5. This is a shocking waste as compared with the situation in any other country with a developed educational system.

Take school buildings for another example. For every one resident student added, a university will have to increase floor space of about 30 to 40 square metres to meet his needs. Though the situation varies slightly in different institutions, this means, in general, many times the space needed for a day student. These two items alone take up a large amount of funds. Not only the expenditures, but also the difficulties, are greater. In the last three years, each time students were recruited, the biggest problem of all was the shortage of school buildings; this alone held up the development of higher education.

Enrolling Day Students Is a Good Method

Must institutions of higher learning necessarily adopt a uniform full-time school system and provide boarding for all their students? Of course not. The practice of enrolling day students adopted in the last two years has proved to be a good method. The branches of 36 universities in Beijing have an enrolment of 14,440 students taking up only 89,000 square metres of floor space, or less than seven square metres per student on an average. This is oneeighth the amount occupied by a resident student who requires 40 square metres. The number of teaching and administrative personnel is also greatly reduced. The branch of the Beijing No. 2 Foreign Languages Institute has an enrolment of 540 students, and its teaching and administrative staff, with the exception of part-time teachers, number only 45. A branch of Qinghua University has only 85 teaching and administrative staff, with the exception of part-time teachers. for 1.045 students. What about the students' achievements? Judging from the results of the examinations held last year and this year, day students have approached or reached the level of resident students of the same class at ordinary universities. Running day schools saves both money and dormitory floor space. Besides, it also helps simplify the administrative struc-This being the case, would it not be advisable to run more such schools?

Diverse Methods

Boarding school is one method, and day school is another. There should be other forms in addition to these. Since the beginning of last year, TV colleges have proved a success and have been warmly welcomed by the masses. Correspondence schools and night schools have



Students of a spare-time engineering institute in Shanghai.

been restored; all this is a good thing, but it is still not enough. For instance, methods can be worked out to encourage self-study. who have reached the level of university or college graduates and passed the formal examinations sponsored by the state should all be given college diplomas, recognized as regular university graduates, and assigned jobs according to their abilities. There are many advantages in doing this. First, very limited state funds are needed for organizing the examinations, while a large number of people can be trained in special skills every year. Second, this is a good way to urge people to make progress, especially young people. Every year, millions of high school graduates fail in their college entrance examinations, but nevertheless some of them have a fairly high level. If avenues for selfstudy are opened to them, they will study hard.

While providing more opportunities for people to study on their own, it is still necessary to encourage the establishment of many different kinds of schools and to mobilize initiative on all sides. China now has 633 universities, which are, on the whole, financed by the state and managed by both the central and local authorities. But this system is not helpful to arousing all-round initiative. Both the central departments and localities should run universities; people's organizations, industrial and mining enterprises should be encouraged to lend a hand in providing higher education. as they have the available forces, conditions and enthusiasm, they can, independently or jointly. run spare-time, part-work and part-study or even full-time schools. They should be given guidance and helped to do this work well.

On the question of running many kinds of schools, differences of opinion arose in recent years as to whether or not it was possible to

run universities where the students must themselves pay the tuition. Some government offices, schools and organizations hope that such universities will be set up; some, in fact, were launched but soon discontinued, owing to lack of recognition. Many concrete problems need to be solved in running universities of this kind - for instance, the source of students. their work assignment after graduation, the availability of full-time and part-time teachers, and management - all these require careful consideration and appropriate solutions. the question of first importance is whether or not such universities should in fact be run at all. In my opinion, they should be tried out under proper guidance.

Opening more avenues for education is at once an important matter and a new challenge which poses many problems. For instance, due consideration should be given to the standards set for the training of university students. The key universities known throughout the country have a four-year or five-year school system, good equipment and strong teaching staff; they should take in top-notch students and their graduates should be of a high standard. Universities with a three-year or two-year school system should turn out graduates of a level similar to those graduating from ordinary universities or colleges. We should on no account lower the standards of our key universities, nor should we try to set a uniform standard for all universities

On Reforming University Education

by Qian Jiaju

SOON after the founding of New China, stress was laid on learning from the Soviet Union in running institutes of higher learning. This, of course, was necessary, and did produce certain good results. However, it cannot be denied that it was done rather lopsidedly and blindly. For example, we should not have adopted their method of separating engineering from the natural sciences, their alienation of teaching from scientific research and their over-specialization and so forth. Experience has shown that these were not appropriate.

The author is deputy director of the Committee of Culture, Education, Science and Technology of the Central Committee of the China Democratic League.

A Centre of Teaching and a Centre of Scientific Research

Institutes of higher learning are important centres of scientific research. Besides training personnel and producing scientific research results, they should give answers to technical problems in production and provide answers to major theoretical questions posed by the various disciplines. Research is indispensable in institutes of higher learning. In a way. the quality of teaching in institutes of higher learning can improve only when the teachers are engaged in research. The difference between a school of higher learning and a middle or primary school lies in the fact that the first should not only pass on knowledge to the students, but should also break and explore new grounds. They should turn out people with knowledge and with research capabilities. Natural sciences and engineering should, therefore, not be separated, and neither should teaching and research.

Of course I do not mean that every university should have two centres. It will depend whether they have the necessary facilities and so on. If the conditions are there, go ahead.

Supportive Work Should Be Specialized And Socialized

The organization of China's universities is generally over-staffed. The university organization has to take care of everything, including even the teaching and administrative staff's routine affairs, child-

Cai Shenfu (centre). Shanghai's Tongji University lecturer, helping a correspondence student.



birth, old-age, sickness, funerals, clothing, food, housing and transport, so that the main task of a university - teaching and scientific research does not get all the attention it should. The universities have to operate research institutes as well as nurseries and kindergartens, canteens for the faculty and students, canteens and stores for dependents. In addition to building dormitories for the faculty and students, they have to build houses for the married faculty members, and even houses for foreign specialists. Furthermore, they have to have guest houses to accommodate participants to the various meetings the university convenes. Many universities are more or less like huge conglomerates providing all sorts of services. Running a university becomes far more onerous and complicated than administering a county. So how can the university devote itself to teaching and scientific research?

To have better universities, the university authorities must not be burdened with such things as housing and feeding the faculty and staff and their dependents, looking after every aspect of their lives. The city housing bureau, for example, could collect the rent and look after the maintenance and repair of dormitories and houses. The city catering enterprises could take over the running of canteens and stores with the university providing the premises, and the guest houses could be given over to the hotel authorities. This will help enlarge and improve the city's commercial network and provide employment for more people. In short, I think that supportive functions not directly related to teaching or scientific research should be taken out of the hands of the universities.

Changing Departments and Courses Permitted. Students should be allowed to change courses

Students of the spare-time college of pharmacy run by the Shanghai Medical Industry Company.



and specialities. This is common practice abroad. Both Lu Xun and Guo Moruo studied medicine at first and later switched to literature and became celebrated writers. Those who do not make the grade should be flunked. It goes against objective law to graduate every student enrolled. The credit system should be rehabilitated. It has proved to be quite effective abroad and I think we should revive this system.

Running More Liberal Arts Courses

by Liu Da and He Dongchang

A N important problem for the development of China's higher education is that of providing more liberal arts specialities. This needs to be studied and discussed in real earnest to find a timely solution.

Improve the Cadres' Managerial Ability

One acute problem in China's effort to bring about the four modernizations is poor management. There is not much differbetween some of China's factories and their counterparts in foreign countries in terms of scale and equipment. But the productivity of the Chinese factories is much lower. Productivity can be doubled or even trebled so long as management is modernized, using the very same technology and equipment. With poor management, we will fail to make full use of advanced science and technology even if we have them. Besides improving the system of management and introducing advanced technology, one of the key questions in modernizing management is that of cadres. We must raise the educational and scientific level of the administrative personnel by a wide margin and build up a contingent of administrative cadres who are both red and expert.

Our practical experience in various fields of work proves that there is a direct relationship between management, work efficiency and the educational attainments of the cadres. Just take our university for example. We have many veteran administrative staff members with college backgrounds. They work with high efficiency, can solve problems independently and serve as the backbone of the school

Liu Da is the president, and He Dongchang, a vice-president of Qinghua University.

administration. But only a few college graduates have been added to our administrative staff since the mid-1950s, so that its educational level on the average has dropped, with a corresponding drop in administrative efficiency. The result is that the size of the administrative staff has grown, and on the other hand, much of its work has been shifted on to the teaching staff, increasing the latter's burden.

To solve the problem we must, apart from doing a good job in providing in-service training for cadres, train large numbers of administrative cadres in secondary schools and colleges. But the most important method is through university liberal arts education. The demand for administrative personnel is great. Now the country has 390,000 industrial and transport enterprises and tens of thousands of people's communes. If we provide each enterprise or people's commune with three or four university graduates in the arts, the number would approximate two million.

Imbalance Between Arts and Sciences

The present structure of China's higher education is not suited to the above-mentioned needs. Among the students enrolled in institutions of higher learning in 1979, those who study sciences account for 57.8 per cent, while those who study arts are only 42.2 per cent. Among the students who were studying in universities and colleges the same year, those in the natural sciences account for 60 per cent, those in the arts, 40 per cent. The proportion for liberal arts is very small.

Some readjustments also should be made in the arts between the various specialities. For instance, China has tens of thousands of people's communes, but up to now there has been no course offered on commune administration. Undeniably, a situation like this is quite incompatible with the needs of agricultural modernization.

How then did the imbalance between liberal arts and natural sciences arise? Admittedly, it is part and parcel of some problems which have existed for a long time in our guiding ideology. It is not only a question of how to expand China's higher education so that it can meet the needs of the modernization programme, but also one related to changing the composition of the ranks of cadres and the methods employed in training them.



He Dongchang (centre), Qinghua University Party committee deputy secretary, with teachers.

For example, methods of training cadres have tended to be one-sidedly empirical. The ranks of China's cadres were formed largely during the war years of the democratic revolution. At that time, the only correct principle was to train cadres in practice. With this principle, we trained large numbers of outstanding cadres and ensured the victory of the revolutionary war and of various kinds of work after liberation. Of course, cadres trained in this way have many strong points, but they are also often hampered by insufficient schooling and knowledge of science. Now as the focus of our work has been shifted on to socialist modernization, it has become more urgent for cadres to acquire a higher educational and scientific level; the new situation and the new tasks require it. And it is becoming more difficult for them to reach this level by studying on the job and therefore more necessary for us to combine study on the job with formal higher education in training cadres. Both our system of training cadres and the cadres' educational and scientific level are not compatible with the demands of the modernization programme. This problem surfaced in the mid-1950s. But just as we failed to shift the focus of the Party's work in time, we failed also to adopt correct policies for training cadres in the new situation.

Another problem is that science subjects are over-emphasized at the cost of liberal arts. Generally speaking, people have recognized and paid attention to the role played by science courses in training technical cadres. But there has never been a clear understanding of the important role played by liberal arts in helping to raise the administrative cadres' educational and scientific level and in training administrative cadres for the state, nor has enough

attention been paid to the need for training managerial cadres for all fields of work. Though there are some specialities in finance, economics, political science and law, they are limited in variety and also inadequate in number for the needs of socialist construction. On the other hand, the relationship between liberal arts and class struggle has been oversimplified. All matters related to the teaching of liberal arts and research in that field have been summarized as questions of class struggle; the fact that every branch of the liberal arts has its own field of knowledge and its own academic problems has been neglected or even All this has led to the incorrect conclusion that liberal arts are useless.

The factors mentioned above are without a doubt important reasons for the imbalance between the natural sciences and liberal arts in higher education, and are obstacles to solving the contradictions between the low educational and scientific level of the cadres and the needs of modernization.

Enrol More Young People

The four modernizations require a much higher scientific and educational level in general, throughout the whole nation. At present, however, the scale of higher education in China is not large enough and does not tally with that

of secondary education. Even if we readjust the structure of middle schools and cut down the number of regular senior middle schools, there will still be a fairly large number of senior middle school graduates not able to go to universities. In providing more places for young people in universities and colleges, conditions are more favourable for expanding liberal arts education in particular and enlarging its scale, because this needs only teachers and library facilities. Usually it does not need laboratories, factories, hospitals and farms where the students can practise and do field work, as in the case of the natural sciences. It needs fewer buildings and less funds. It is also obvious that methods of popular education as correspondence schools, evening courses and audiovisual education programmes can be done more easily in liberal arts than in the natural sciences. With regard to satisfying the demands of young people for a university education, we can take in three times as many students in liberal arts as in the natural sciences, with the same amount of money and manpower. Therefore, this is a good way to achieve greater, faster, better and more economical results in developing higher education and in enlarging its scale, and it will better meet the needs of the modernization programme as well as the hopes of young people to raise their educational and scientific level.

Vice-Minister Shen Hong — Model for Ranking Cadres

Some time ago Chinese newspaper printed the Guiding Principles for Inner-Party Political Life adopted last February at the Fifth Plenary Session of the 11th C.P.C. Central Committee (see issue No. 14). Now senior Party cadres and rank and file members are examining themselves in the light of these guiding principles in order to live up to them better. The journals, while lashing out at violations of these standards or at breaches of discipline and law, are publicizing the exemplary deeds of a number of ranking officials.

Here is the story of a vice-minister cited by a daily as red and expert, meaning socialist oriented and knowing his job like the palm of his hand. — Ed. THE proposal made by Shen Hong in May 1958 at the Second Session of the Party's Eighth National Congress created quite a sensation. Then as a representative from Shanghai and a Vice-Minister of Coal Industry, Shen came up with suggestions for building a 10,000-ton hydraulic press.

Now a hydraulic press of this capacity is a giant machine as high as a six or seven-storeyed building and weighing several hundred tons. In the 65 years up to 1958, the year Shen made his proposal, only 19 such presses had been manufactured in the whole world, and not one had ever been made in China. If this country was to expand its machine-building industry, it must needs acquire one such press to handle huge



Shen Hong's study is also a workshop with a bench to carry out his experiments.

metal parts. After years of deliberation, finally Shen Hong decided to write a letter while the congress was in session to Party Chairman Mao explaining what he had in mind. "We can make it!" he declared. On instructions from Comrade Mao Zedong, Comrade Deng Xiaoping, then General Secretary of the Party Central Committee, had this letter printed and circulated at the congress. Many representatives on reading it responded with great fervour, referring to Shen Hong as a man "who has emancipated his mind and challenges the old order." Some one added: "He is indeed a fine self-made expert! Enterprising and full of guts." Others expressed doubts: "But this thing is so big," they grumbled, "and we don't have one here to copy, not even any blueprints. How can we go ahead with it?"

His proposal was in the end accepted and he was named chief designer of China's first 10,000-ton hydraulic press.

Pioneer's Ordeal

The first thing he did was to organize the forces that were to be co-ordinated in manufacturing the press and form a group of designers and researchers. Together with 20-odd young designers, he visited all the factories in the country equipped with hydraulic presses of small and medium capacities, taking pictures of them, drafting plans and sketches and asking questions.

This took them a month. From the numerous sketches and data they had collected and volumes of literature on hydraulic presses of various capacities, they picked out one as the model for their press.

The designing was a tough, exacting job, done conscientiously.

In planning the staircase in the basement, for example, Shen Hong personally visited basements of about half a dozen big buildings, walking up and down on different types of stairs to

find out which kind would be the easiest for workers to climb up and down it carrying tools and other accessories.

He stressed that theory must be linked up with practice. In designing each single part for the press, he insisted on going into simulation tests and revising the design again and again until it was considered flawless. In this way, he and his group drew up altogether 15 general blueprints for the press and over a hundred thousand other ones for its 64,000-odd parts. These blueprints weigh one and a half tons. All the major blueprints were drafted by Shen Hong himself or examined and revised by him personally.

But this was only the beginning and the going got tougher as the process went on. Shen Hong took his young designers to the factory work benches where they worked closely with the workers to solve knotty problems one by one in practice.

On the day when the new 10,000-ton hydraulic press was put to test, Shen Hong was accompanied into the workshop by enthusiastic crowds. And there, in a bright, spacious building, stood the giant of iron and steel indigenous to China. The big hammer over a dozen cubic metres in size pounded and shaped a huge red-hot steel ingot as if it were dough. The pressure finally reached 14,000 tons, far greater than the designed capacity; the machine stood pat. Readings from a panel of meters and instruments indicated that everything was in order. The crowds cheered and applauded. China's heavy-duty machine-building industry had entered a new epoch.

Painstaking in Study

The successful manufacture of the 10,000-ton hydraulic press made Shen Hong a household name. People who met him for the first time invariably liked to ask:

"Which university were you graduated from?"

"Which country did you study in?"

Shen Hong would burst out laughing: "I used to work for a dealer in dry goods."

He once was a sales clerk. In the winter of 1919, poverty-stricken Shen Hong was forced to leave his hometown in Zhejiang Province to look for work. He became an apprentice in a Shanghai store selling cloth. He was 13 at the time, not much taller than the counter behind which he stood. But he was also a boy of ambition. He succeeded in mastering English, and

then taught himself fairly advanced mathematics, physics and chemistry in what little time he could spare.

Sometime after the September 18 (Mukden) Incident in 1931, our 25-year-old Shen Hong left the store he had been working in and opened up a small hardware factory in partnership with a friend. A cylinder lock designed by him and produced in his factory became well-known throughout the country and made its way into the markets of Xianggang (Hongkong), Aomen (Macao) and the cities of Southeast Asia.

When the War of Resistance Against Japan broke out in 1937, Shen Hong finally came to see that "national salvation through industrial development" was just a pipe-dream and that people had to take up arms to defend their country. He looked to the red star over China, and headed for Yanan accompanied by a number of his apprentices with ten lathes.

He became chief engineer of the Yanan Machinery Works producing machines used to manufacture rifles, artillery and ammunition. The grey army uniform he wore was always greasy. No matter how busy he was, he got up early and sat up late to teach himself advanced mathematics, physics and chemistry.

In 1949 the revolution triumphed. But the country which the Communists took over was a shambles. Shen Hong worked harder and studied even more diligently. Put in charge of work in heavy industry, he started studying metallurgy; when he became a Vice-Minister of Electrical Machinery, he delved into the science of electric motors. After he was transferred to the Ministry of Coal Industry as a vice-minister, he became a student of geology. Later after he was appointed Vice-Minister of Agricultural Machinery, he also studied soil science. He had always shown great interest in philosophy, history and literature, and was, of course, an avid student of Marxism-Leninism.

Sense of Justice

During the ten years of great catastrophe which began in 1966, Shen Hong, like so many others went through some bitter experiences. But he did nothing that would compromise the honour and dignity of a Communist and a revolutionary, no matter what the pressure was. His sense of justice helped him emerge from the ordeal relatively unscathed.

In the winter of 1972, Shen Hong went to Yichang in Hubei Province to join the thousands of workers and engineers there in

Study Hard and Become Red and Expert

I N order to improve and strengthen Party leadership over the modernization programme, it is essential to raise the cultural, scientific, technical and vocational attainment of all Party members to a much higher level. Every Party member, especially leading cadres at various levels, must, in highly revolutionary enterprising spirit, stubbornly and assiduously study and master professional knowledge and become specialized in his own field of work, and be well-versed in whichever trade he is engaged in.

 The 12th Item of the Guiding Principles for Inner-Party Political Life.

building a big hydroelectric power station—
"the first dam on the thousand-li-long Changjiang (Yangtze)." Someone at the time, out of
misguided enthusiasm, suggested that the station
should be commissioned to generate electricity
before 1973 was out. Shen Hong went over
things cool-headedly and said: "No, we must
not get dizzy. We must be answerable to the
Party, the state, our children and future
generations!"

In the autumn of 1975 when the gang of four clamoured to "repulse the Rightist wind of reversing correct verdicts," Shen Hong inspected an automobile plant, where, in defiance of all sorts of objections, he joined the leading comrades of the plant in setting production in order and solving knotty technical problems. One day Renmin Ribao, then in the grip of the gang of four, published an article repudiating the Taylor system as one which treated workers like machines and slaves.

The next afternoon Shen Hong was heard addressing comrades at the plant. Without any preliminaries, he said: "Recent criticism of the Taylor system in the paper is incredibly one-sided! Comrades specializing in industrial management should all read that American engineer's book. In it there are many things that are advanced and scientific, affirmed analytically by Lenin."

Shen Hong added: "It is my hope that you comrades will pore over the original works by revolutionary teachers and avoid being taken in and led astray by the nonsense of some people."

strong. They were all leery of what might happen to him. In fact someone said to him: "Can't you keep your mouth shut? I'm sure you wouldn't want to wake up in jail one fine morning!"

But Shen Hong was fearless. He replied: "A Communist always upholds the truth. That's what I am. I have nothing to fear."

In July 1977, the Third Plenum of the Tenth Party Central Committee sounded the clarion call for the march towards the four modernizations. Shen Hong had a bit of hard luck. Once when he was up to his neck in work, he slipped and suffered a bone fracture of the left ankle. No sooner had a surgeon reduced the fracture than he asked a nurse to help him sit up. Two days later he was studying materials from foreign countries and started drawing blueprints for a certain project.

Modernization Through Self-Effort

The next spring, the moment he could leave his sick bed and walk with the aid of a stick, he left Beijing for the northeast and places south of the Changjiang River on an inspection tour.

He refused to succumb to old age, insisting on going to the Bengxi Iron and Steel Company to supervise the installation of the first continuous rolling mill made in China. When he got off the train at the Bengxi Railway Station with the aid of a stick, it was still bitingly cold. A woman doctor came to give this aged vice-minister a medical checkup and found he had arrhythmia. She told him he needed a rest. But Shen Hong was adamant: "Nothing doing. I have not come here for a rest."

As a result, she had to accompany him everywhere he went with a first-aid kit.

At river banks and by the roadside he came upon cases of machinery and equipment which, he found out, were China's first continuous rolling mill manufactured through the coordinated efforts of several hundred factories. Produced in the years of turmoil, they were never assembled. And now some people thought the mill was out-dated and technically backward without an automation system, and wanted to import one of the latest design.

So Shen Hong called a meeting of cadres and engineers from factories entrusted with the job of making and installing the equipment. He knocked the floor with his stick and said: "We should bring about the four modernizations on our own. Absorbing the advanced technology of other countries while expanding our nation's own industry—this is the conclusion we have come to. We must surmount difficulties and see that this equipment is properly installed! I'll never give up until we succeed!"

Last February, after two years of effort, this mill was commissioned for trial production.

A True Communist

In the years of the war against Japanese aggression, Shen Hong had attended many meetings to commend model workers and labour heroes in Yanan and the Shaanxi-Gansu-Ningxia Border Region. His exemplary deeds were several times reported in *Jiefang Ribao* in Yanan.

Today friends and acquaintances know him as one who keeps alive the old traditions of the Yanan days. He sets strict demands on himself, works hard and lives frugally.

Now 74 and not very fit, he still makes inspection tours all over the country to put the nation's machine-building industry in order as quickly as possible.

He insists that when he arrives at a place, the local authorities should not take time out to welcome him. "I wish to travel incognito," he tells his aide, "let's not disturb the leading cadres." He also insists on being treated like an ordinary person with no special food, no special suite of rooms.

He takes a small tool kit along wherever he goes. At the guest house where he stays, he is always ready to give the electricians, carpenters or plumbers a hand in repairs.

With no children of his own, he adopted a nephew as his foster son. When the boy finished middle school, he became a factory worker. Once the boy asked Shen Hong to arrange for him to be transferred to a research institute, but was turned down by Shen Hong. Some time later, the boy again asked for Shen Hong's help; this time he wanted to become an air pilot. Shen Hong criticized him severely for trying to use his foster father's position and power to get what he wanted "through the back door." He pointed out: "Look here, the revolutionary forerunners did not fight to seize political power so that they and their children could hold sway over the country like the former rulers. We must make a clean break with the practices of the feudal aristocrats which allowed the son to take over the prerogatives of the father because of the latter's service to the state." With his help the boy came to see that "going through the back door" is not honourable conduct. Determined to work and study hard, the young man finally became a student at a polytechnical institute through his own efforts.

LITERATURE

Minority Nationality Writers

When some 100 authors belonging to 48 of China's 55 minority nationalities recently met in Beijing to discuss how to develop and enrich the literature of minority nationalities, it was hailed as a big event in Chinese literary circles.

Many nationalities contributed to the country's culture, the reservoir fed by many streams. But the rich thesaurus of oral written literary works (including the poems, mythologies, stories, legends, fables and folk songs) of the minority nationalities was never duly recognized in the history of Chinese literature until after the founding of New China in 1949. cultural departments under the People's Government began to collect, collate, translate, publish and study the literature of the various minority nationalities. National minority writers were given official encouragement and promising talents were found and trained. This work made rapid headway until 1966 when the Cultural Revolution turned the literary garden into a desert, a catastrophe which did not leave literary work of the minority nationalities untouched. After the gang of four was smashed in 1976, minority literature along with literature in China as a whole registered a revival that is spectacular for its speed and scope.

On the whole, the past 30 years have seen the growth of a sizable contingent of minority nationality writers. The situation in which many minority nationalities did not have any writers or its own written literature has changed. There are now more than 1,000 national minority writers who are members of the Chinese Writers' Association and the China Society for the Study of Folk Literature and Art or their local branches.

The epics, long narrative poems, mythologies, legends and folk songs of many nationalities are quite numerous and are of a very high standard. Many a minority writer started writing after he began collecting and collating his nationality's literature, and many excellent works have been created on the

basis of old narrative poems, tales and folk songs. These include The Clothes Made of Feathers From a Hundred Birds by Wei Qilin of the Zhuang nationality and Layile and Longmucuo by Danzhenggongbu the Tibetan nationality. Among the collections of poems written by minority nationality poets are Happiness and Friendship by Cain-Chokgu, a Mongolian, Eagle Feathers by the Tibetan poet Raojiebasang and Song of the Liberation of Slaves by Wuqilada, a Yi poet.

Novels, short stories and essays which were practically nonexistent in minority literature 30 years ago have become increasingly important forms. The first full-length novel by a minority nationality writer appeared in the mid-1950s. Laughter From Both Banks of the Jinsha River, a full-length novel written by Li Qiao, the first Yi novelist, describes how the Yi people inhabiting the land on both banks of the Jinsha River overcame their previous feuds, wiped out the roving remnant bands Kuomintang soldiers and finally brought about national unity. Another full-length novel. The Boundless Grasslands by the well-known Mongolian writer Malchinhu, is based on the struggle of the people in the Qahar grasslands of Inner Mongolia in the early years of the War of Liberation. This novel is refreshingly written and Mongolian in style.

There were no playwrights or film script-writers among minority nationalities a short three decades ago. Today, there are many plays and scenarios written by national minority writers. The screenplays *Li Shuang-shuang* by Li Zhun (Mongolian), *Third Sister Liu* by Huang



Zhao Zhixun (left) of Hui nationality, who wrote the script for the dance-drama "Tales of the Silk Road," chatting with other minority nationality writers.

Yongsha (Zhuang) and Stranger to the Snowy Mountain by Bai Xin (Hezhe) are several works which have won popular acclaim. The dance-drama Tales of the Silk Road written by Zhao Zhixun of the Hui nationality and the screenplay for the film Planned Parenthood. a Joyous Cause by Zhou Minzhen of the Zhuang nationality are more recent works and award-winners The former work was commended by the Ministry of Culture and the latter won a "Hundred Flower" award earlier this year.

After liberation minority nationalities which have their own written languages, such as the Mongolian, Uygur, Tibetan, Korean, Kazakh and Dai, have trained people to translate literary works in the Han language into their own languages and vice versa.

A number of Han writers have created many literary works with subject-matter drawn from other nationalities, from their lives, their histories and mythologies and myths after living many years with the nationalities they wrote about. works find favour with all nationalities and vastly enrich Chinese literature. They also encourage minority nationality writers to write more and better works to help create a modern socialist literature.

SPORTS

"Taijiquan": A Popular Sport

Every morning urban parks and plazas are filled with groups of people doing lithe, slow-moving gymnastics — tai-jiquan. It is a shadow boxing with a long history, now one of the most popular participatory sports in China.



City residents doing "taijiquan."

Taijiquan first appeared in China's Henan Province in the 16th century. It reached Beijing three and a half centuries later and then spread throughout the country. Over the past century, taijiquan has developed into a sport to improve people's health and cure diseases. Its movements are graceful, smooth and continuous, suitable for people of all ages regardless of whether they are weak or strong.

Since liberation, the Chinese Communist Party and Government have devoted great efforts to developing physical culture. As taijiquan helps people keep fit and can cure many chronic diseases, it has become very popular. As a form of therapy, it has become particularly popular among the middle-aged and elderly in the cities.

Shanghai, the largest industrial city in China, had very few taijiquan enthusiasts half a century ago. But in 1979, there were 55 taijiquan coaches in Fuxing Park alone. Of the 20,000 daily visitors to the park, 7,500 go there to do taijiquan and other exercises. In the small Huangpu Park, there are 300 people doing taijiquan every day under some ten coaches.

In the capital city of the

Ningxia Hui Autonomous Region where the Islamic Hui people live, one in every 30 people participate in taijiquan exercises on a daily basis. Since 1977, the city has run 98 classes in this sport. Forty-six-year-old Wang Xinwu of the Hui nationality is in charge of the programme. He won first place in the taijiquan competition at the 1975 National Games and he is also a co-author of the book Forty-Eight "Taijiquan" Movements.

Since it requires concentration of mind and co-ordination between one's movements and respiratory system, taijiquan is beneficial to the nervous system and viscera. A recent survey of 12 taijiquan coaching centres in Beijing revealed that 203 of the 209 trainees there used to suffer from chronic diseases. Now 151 have recovered and another 46 are in much better health as a result of engaging in this sport in conjunction with medication. There are 138 taijiquan centres and more than 800 coaches presently in Beijing. According to incomplete statistics, 680 taijiquan courses were taught in Beijing in 1979 with more than 45,000 participants. These courses have helped popularize taijiquan further and improve people's health.

Longevity Survey in Guangzhou

Guangzhou in south China has a population of 3 million, 1,790 of whom are over 90 years old and 30 are centenarians.

With the co-operation of colleges of traditional Chinese medicine and of pharmacy, members of the Guangdong Provincial Institute of Gerontology interviewed recently 52 people in the city over 90 years old, 17 of them centenarians. The oldest is 112.

Of these 14 are men, 38 are women. Forty-eight were former manual workers and the other four were mental workers. Twenty-eight have been living in the town since childhood and the other 24 moved to town from the countryside, nine of them before they were 30.

The 48 former manual workers had engaged in physical labour since childhood and only cut down their workload when they were 70 or 80 years old. But half still do household chores. Many prefer to walk when they go out. Most of them regularly do qigong (controlled breathing exercises), taijiquan (Chinese boxing) and massage exercises.

Liao Fuhui is a sprightly 106 who lives on the fourth floor and he goes up and down the stairs without help several times a day. He still visits the tea-house in the mornings and takes walks in the park every day as he has done for decades. He massages his head, face, body and limbs.

All lead regular lives and pay attention to personal hygiene. Most are early risers and go to bed early and have a rub-down in lukewarm water or take a bath at least once every day of the year. Li Ying, 106, rubs her whole body three times a day, each time for 40 minutes. Exercises and brisk rub-downs improve blood circulation and relax muscles and joints.

The majority of these senior citizens have good appetites, but they eat and drink in moderation and at regular times. Fifteen of them sometimes take a little wine and 12 smoke occasionally. Forty are confirmed tea-drinkers.

Although most of these people led hard lives before liberation, they are basically optimists. Forty are of a happy, carefree nature and the other 12 are frank and outspoken.

The four who have done mental labour drew particular attention. Feng Gangbai, the painter, is 97 and he attributes his long life to "using his brains and working." He says he still works seven to eight hours a day, and sometimes gets up in the middle of the night to paint if an inspiration comes.

Dragon Boat Meet

On June 17, a dragon boat competition was held on the Miluo River in Hunan Province to commemorate the death of Qu Yuan, a great patriotic poet who ended his life by drowning himself more than 2,000 years ago.

About 100,000 people, including many foreigners and overseas Chinese, came to Miluo County to watch the race. Coloured balloons sailed through the sky and drums and gongs were beaten as ten multi-coloured dragon-shaped boats, each manned by a crew of forty, cut through the waves. A silk banner was awarded to the winner of the 2,000-metre race.

The boats were made locally and painted in blue, yellow, red and white. They were 20-23 metres long, with dragon heads and phoenix tails.

This festival is celebrated annually on the fifth day of the fifth month in the Chinese lunar calendar. This year's festival marks the 2,258th anniversary of the death of Qu Yuan, who lived in the State of Chu during the Warring States Period. While in exile, the poet learnt that the capital of Chu had been captured by invading troops of the State of Qin and, in great despair, he drowned himself in the Miluo River.

According to the legend, local fishermen rowed along the river searching in vain for the poet. Later they threw glutinous rice balls into the water to feed the fish so that they would not devour his body.

Qu Yuan's poetry voiced his patriotic sentiments, his love for the people, hatred for the forces of evil and devotion to a great cause.





LETTERS FROM READERS

Launching of Intercontinental Missiles

China's successful launching of intercontinental missiles has not only demonstrated her military might and high level of science and technology but also made a tremendous impact on the world. It has smashed the nuclear strategic system with the United States and the Soviet Union as the principal parts. I think China has the military strength that will help ease world tension.

For China to become a strong country is important to Japan, which is geographically close to the Soviet Union. It is equally important to other countries which have to rely entirely on the United States to cope with Soviet threats.

I am of the opinion that as long as China does not go against its tradition and does not practise hegemonism, the people of the world should not blame China for possessing military power matching that of the United States and the Soviet Union.

Masanobu Satake Kochi, Japan

Class and Class Struggle

I have particularly enjoyed the theoretical discussion articles you have carried recently. I find it fascinating to read your theoretical discussion of such issues as the nature of class and class struggle. My only regret is that the articles are so short. In No. 20, 1980, I really liked the article giving several views on the nature of class. However, I found the third section "Refutation by Li and Zheng" difficult to follow, not because I could not understand it, but because the com-

plicated argument was given so briefly that one could not really see how the conclusions were arrived at. For example, they held the following view of Wang to be groundless: Classes maintain and consolidate their economic bases through the reaction of politics and ideology on economics. Now I would think that was an obvious truth. example, in Britain the ruling class uses the police (politics) to break strikes, without the breaking of which their economic base would not be maintained and consolidated. And the police have their own ideology to justify to themselves their actions. I therefore conclude that the views of Li and Zheng have been summarized so much that the precise sense in which they are making their assertions has been omitted, thus not stating their views cor-

I do not know how you can solve this unless you make the magazine much larger (a development I would really welcome).

> Dr. A.N. May Huyton, Merseyside, Britain

Economic Policy

I feel it's important to carry articles on the economic situation in China and the world as well as articles on China's economic policy. In Portugal many revolutionaries find it difficult 'to understand the present economic policy of China. Some say that China's current economic policy is against the teachings of Lenin. Stalin and Mao Zedong. also say that absorbing foreign capital and publishing commercial advertisements are not socialist modernization but capitalist restoration. What's important, I think, is to use Marxist-Leninist theory and compare it with China's economic policy to explain that socialist modernization is correctly applying the principles of Marxism-Leninism and is being carried out after drawing lessons from the errors committed in the Soviet Union under the leadership of Stalin and after summing up the experiences of the Cultural Revolution. At the same time, it is necessary to sum up the achievements obtained in modernization and clearly explain the socialist and anti-

imperialist nature of this modernization.

> Eduardo Clarissean Lisbon, Portugal

Modernizing Does Not Mean Westernizing

Modernization is very much emphasized by the Chinese peo-Disappointingly, when I showed Beijing Review to a friend, he insisted that China is We discussed and Westernizing. that modernizing I mentioned Westernizing, does not mean often mistaken by which is many people. Referring to issue No. 12, March 24th, 1980, p. 24, in the picture of the "Luda Dress Designing Institute," many new dress fashions had been introduced. I hope the institute will design newer and unique fashions that do not resemble those from the West. With more than 2,000 years of history, there is no reason for China to Westernize.

> Chan Kum Wing Los Angeles, U.S.A.

Three Model Aeroplane Records

I am happy to read in your Beijing Review issue No. 15, that the International Aeronautical Federation (F.A.I.) has ratified three new world records set by Chinese model airplane flyers at meets held in Shanghai, Shaanxi and Guangdong.

That's good. I should like to read more about sports in your following issues.

> Jebose Aduba New Bussa, Nigeria

More Comprehensive Coverage

Generally speaking, your weekly has helped me understand better what is happening in China,
a country which is completely different from Peru in economic
and social systems. However, a
problem often arises when one
reads your journal: China is so
good and bright, almost like a
paradise. Are there no problems
or difficulties? You seldom mention them in your articles. I hope
your coverage would be more
comprehensive. Is this asking too
much?

Abdon Palomino M. Cusco, Peru



Telex: 22341 CMIC CN

Address: Sanliho, Beijing, China