China's New Strategy for Development
Small Hydropower Stations
HIGHLIGHTS OF THE WEEK

China’s New Strategy for Development

Why and how China is effecting a series of changes in its guiding principle for socialist construction, its strategy for development and its system of management (pp. 12-17).

Discussions on the Party Resolution

In acknowledging their responsibility for failing to help correct Mao’s mistakes in his late years, China’s present leaders evince confidence in themselves and in the Party. Two well-known social scientists discuss this and other questions about socialist democracy (pp. 18-19).

Small Hydropower Stations

A special feature describing how this important power resource is being tapped in China, with on-the-spot observations by our correspondent from the coastal province of Zhejiang and interesting comments from foreign experts (pp. 22-29).

China at the Universiade ’81

Young athletes from China win 10 gold medals at one of the most important international tournaments in recent years (pp. 20-21).

The Disabled Develop Skills

How disabled people in China overcome their handicaps and make contributions towards building socialism (pp. 30-31).

Spanish Communist Party Congress

A report from Madrid analysing the success of the 10th CPS Congress, of which the main features were independence, unity, opposition to Soviet interference and the reassertion of Eurocommunism (p. 8).

BEIJING REVIEW

Published every Monday by BEIJING REVIEW
24 Baiwanzhuang Road, Beijing
The People’s Republic of China

Vol. 24, No. 32 August 10, 1981

CONTENTS

NOTES FROM THE EDITORS 3-4
North-South Dialogue — International Editor Mu Youlin
Portrait of Party Chairman — Political Editor An Zhiguo

LETTERS 4

EVENTS & TRENDS 5-8
People’s Army
Geng Biao’s Speech
Tackling Rural Energy Shortage

ARTICLES & DOCUMENTS

Tourist Trade, the Chinese Type
Delegation From Somalian Revolutionary Socialist Party
Hu Yaobang on Experiences of the Chinese Revolution
Spanish Comrades’ Congratulated

INTERNATIONAL 9-11
Spanish Communist Party: Successful National Congress — Xin Ping
The Superpower Syndrome — Peng Di, Xinhua News Agency Washington Correspondent

Socialist Democracy — Su Shaozhi
Chinese Athletes at the World University Games

SPECIAL FEATURE

Small Hydropower Stations — Our Correspondent Jing Hua
A Major Energy Policy
Tremendous Motive Force
Are They Really Economical? — Views of Chinese Experts
Foreign Experts’ Comments

CULTURE & SCIENCE 30-31

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

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

Subscription prices (1 year):
Australia......... A.$12.50
New Zealand...NZ.$14.50
U.S.A.......US$13.50
U.K..........£6.80
Canada........Can.$15.60

Woodcut by Mo Ce

A rural hydropower dam.
North-South Dialogue

The North-South summit meeting will be held in Cancun, Mexico, in October this year. What’s China’s attitude?

China supports the North-South dialogue, and will send delegates to attend the summit. Recently, Chinese Vice-Premier and Foreign Minister Huang Hua took part in its preparatory meeting.

We have for years supported the establishment of a new international economic order. An important reason of the worsening world economy is the inequality and irrationality in the international economic relations today. Changes must be made in order to stabilize and develop the world economy.

Since the United Nations convened a special meeting on the question of raw materials and development in 1974, there have been negotiations and dialogues with a view to setting up a new international economic order. Some progress has been made, but with no major breakthrough. At the 11th special meeting of the United Nations held last September on a new strategy of international development for the 1980s, the North and the South were locked in heated controversies and the meeting ended without any results. The developing countries demanded that worldwide negotiations be held to discuss a number of questions relating to international economic relations so that drastic structural reforms could be introduced. The developing countries, the big powers in particular, opposed any fundamental changes and wished that the worldwide negotiations would deal only with the immediate difficulties.

To break the deadlock, the developed countries should consider the demands of the developing countries, take positive measures, make necessary concessions and assume certain obligations. It’s true that the West is now plagued with economic recession, inflation and an energy crisis, but the developing countries face much greater difficulties and should therefore be given more aid as well as favourable conditions. From the long-term point of view, a new kind of international relationship is beneficial to both the developing and the developed countries, and is conducive to world peace and stability.

The reason is quite clear. While there are contradictions between the North and the South, they are interdependent. To achieve further development, the developed countries must have the co-operation of the developing countries, and this is possible only when the existing unfair international economic relationship is changed.

The world economic situation today merits serious attention. In most of the developing countries which suffer from poverty, the situation seems to be going from bad to worse; and many developed countries, too, are confronted by mounting difficulties. This calls for an equitable settlement of North-South relations beneficial to the world economy as a whole and to world political stability.

At their recent Ottawa Conference, the heads of seven Western nations did pay some attention to questions of North-South economic relations. They expressed the wish to consult and co-operate with the developing countries at the North-South summit and through “global negotiations.” These promises, if fulfilled, will create favourable conditions for the Cancun conference.

Efforts to establish the new in place of the old in the world economy are closely bound up with the struggle against hegemonism in the political field. A peaceful environment is necessary in order to develop the economy. To safeguard world peace, it is imperative to combat hegemonism which is posing a serious threat today.

—International Editor Mu Youlin

Portrait of Party Chairman

Why don’t you hang on the wall the portrait of the newly elected Party Chairman Hu Yaobang?

This is one of the measures taken to implement the Party Central Committee’s decision to curb the propaganda of individuals. From now on, the Party Chairman’s portrait will not be hung in public places, meeting halls or Chinese embassies abroad.

This does not mean the negation of the role played by individuals. While recognizing
Three Important Anniversaries

This year will see the 60th anniversary of the founding of the Chinese Communist Party, the 100th birthday of Lu Xun and the 70th anniversary of the 1911 Revolution. What articles will Beijing Review publish in commemoration of these occasions? Have you already published the Communique of the Sixth Plenary Session of the 11th Central Committee of CPC, the Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China and Chairman Hu Yaobang's speech at the meeting in celebration of the 60th anniversary of the founding of the Chinese Communist Party? In what ways have you reported about them?

Among the studies about Lu Xun, the unpublished articles written by Lu Xun in Japanese have aroused particular interest of people here. I hope you will publish them in your magazine.

With regard to the celebration of the 70th anniversary of the 1911 Revolution, it is unfortunate that Madame Soong Ching Ling, widow of Dr. Sun Yat-sen who directly led the revolution, died on May 29, ending her brilliant life; and did not live to participate in this event. Beijing Review should put the two events together and give them wide coverage.

Masanori Chikata
Sapporo, Japan

The 60th anniversary of the founding of the Chinese Communist Party has passed. To commemorate the occasion, we published an article entitled “Chinese Communist Party Is Capable of Correcting Its Mistakes” in issue No. 25. In issue No. 27, we printed the Communique of the Sixth Plenary Session of the 11th Central Committee of CPC and the full text of the Resolution on Certain Questions in the History of Our Party Since the Founding of the People's Republic of China, and in issue No. 28 we published Chairman Hu Yaobang's speech at the meeting in celebration of the 60th anniversary of the founding of the Communist Party of China. We hope you have seen them by now. As for the 70th anniversary of the 1911 Revolution and the 100th birthday of Lu Xun, we are planning special articles for these occasions. —Ed.

Ancient Culture

I have been impressed with the more circumspect reporting which has occurred over the past few years. I feel that you are now giving a much more balanced outlook on both international and Chinese affairs. From a personal viewpoint I would be interested to see more articles on the immense cultural heritage which China possesses. You have provided a few reports on some of the archaeological finds in China but I would like to see a much more extensive look at the heritage which lies behind the excavations.

On visiting the PRC last summer I was impressed with those artifacts of former ages which have survived ravages of the “cultural revolution.” So perhaps you could incorporate accounts of ancient Chinese civilization in future issues of the Beijing Review.

V.L. Lines
East Sussex, Britain

Territorial Economics

I read with some interest the excerpt from an article in Renmin Ribao, on page 26 of the Beijing Review of June 22, 1981 (issue No. 25), concerning “Territorial Economics.” The job of territorial economics as therein described seems precisely what economic geographers have been doing for a very long time. The People's Republic of China is fortunate in having a number of extremely able economic geographers at the Institute of Geography in Beijing and at Beijing University, among other places. Bringing their expertise into full play would be of immense value in planning for the more efficient use of China's vast territory and natural resources.

Norton Ginsburg
Chicago, Illinois, USA
Geng Biao’s Speech

GENG Biao, Vice-Premier and Minister of National Defence, made an important speech at the reception given by the Ministry of National Defence to mark Army Day. Highlights of his speech are:

- The Chinese People’s Liberation Army is a people’s army under the absolute leadership of the Communist Party of China;
- The guiding ideology of army building is Mao Zedong Thought and in defending the sovereignty and territorial integrity of China, the PLA follows this principle: “We will not attack unless we are attacked; if we are attacked, we will certainly counterattack”;
- The PLA should take an active part in national economic construction, play an exemplary role in raising the ethical and cultural level and learn modestly from the people;
- The PLA should make new contributions to defending the security of the motherland, opposing hegemonism and safeguarding world peace and, together with the people of the whole country, strive for the early return of Taiwan to the embrace of the motherland so as to accomplish the great cause of national reunification.

In Beijing, 8,000 people gathered at the Great Hall of the People to celebrate the occasion. Among those who attended were commanders and soldiers of the PLA, representatives from government departments and from all walks of life in the capital, retired Red Army men, combat heroes from Yunnan and Guangxi who had performed meritorious deeds in the fight against Vietnamese invaders, family members of armymen and revolutionary martyrs as well as soldiers who were disabled during service.

The Ministry of National Defence held a reception on the eve of August 1. It was attended by Party Chairman Hu Yaobang, Vice-Chairman and Premier Zhao Ziyang, Vice-Chairman Li Xiannian as well as diplomatic envoys and military attaches of various foreign embassies and representatives of international organizations in Beijing. All the activities vividly point up the fact that the PLA loves the people and the people cherish and support the PLA.

Fifty-four years have passed since the Nanchang Uprising in east China’s Jiangxi Province on August 1, 1927. From then on a brand-new type of army has grown in strength under the leadership of the Chinese Communist Party, an army characterized by the glorious tradition of serving the people and upholding the people’s interests. A campaign was started a short time ago in the PLA to attain a high ethical and cultural level. The purpose is to strengthen the army politically so as to better serve the people.

In line with this principle, the army not only takes on the duty to defend the security of the country but also plays an important role in socialist construction. Statistics released just before Army Day show that in the past couple of years the army has, among other things, done the following:

- Built railways totalling 1,000 kilometres in length, or 41.7 per cent of the newly laid lines in the same period;
- Completed a number of capital construction projects, which can produce 5.1 million tons of coal, 1.6 million tons of rolled steel and 177,000 kw of electricity. In addition, the PLA units have completed school buildings with a total floorspace of 4 million square metres;
- Dispatched 1.32 million men in fighting natural disasters and rescuing the people. The army’s contribution in this respect is particularly praiseworthy during the exceptionally big floods that hit Hubei Province last year and Sichuan Province this year;
- Planted 72.71 million trees. Areas afforested by the army have been given such names as “August 1 Forest” and “Army-Civilian Friendship Forest”;
- Trained large numbers of medical personnel for various
localities and sent medical teams to treat 37.57 million people.

**ECONOMIC**

**Tackling Rural Energy Shortage**

Energy shortage has become more and more acute in the rural areas as a result of the expansion of farm production and improvement of the peasants' livelihood. The peasants have put it well: "While the wok is aplenty with food, our worry is what to feed the stoves."

Annual consumption of energy in the rural areas with a population of 800 million was the equivalent of 350 million tons of coal, according to a survey in 1979. Of this amount, about 290 million tons was for household use, the major source of such energy being stalks. As the heat produced by burning stalks is very low, so even when 70 million cubic metres of firewood are added every year to make up for the deficiency, the fuel shortage still remains quite serious. The felling of trees for fuel turned large tracts into sandy land and led to the loss of organic matter and soil erosion, thereby affecting the ecological equilibrium.

This is a cause of concern for the government. Great efforts are being made to develop new energy sources, such as biogas, solar and wind energy, hydralic energy, geothermal energy and the multipurpose use of oil shale and peat.

China is comparatively rich in conventional energy resources such as coal, oil and gas, but the demand for more fuel is constantly rising. In the long run, conventional energy resources cannot meet the rising needs in the vast countryside. In the light of the country's economic conditions and the people's living habits, the government has decided to follow the policy of "diversifying energy sources and effecting multipurpose uses of them." More government help will be given to the peasants to explore and utilize energy resources so as to achieve quicker and more effective results.

In exploring and utilizing new energy resources, the emphasis in the immediate future will be:

- Large-scale afforestation for the purpose of providing more firewood. Survey shows that in the northern, northeastern and northwestern parts of China 70 million hectares of wasteland and barren hills can be afforested. Fast-growing black locust and shrubby false indigo are the best for the purpose because they provide firewood after only three to five years of growth. It is hoped that this project will help provide one-third or one-fourth of the fuel needed in the rural areas.

- Developing biogas to replace stalks as fuel. So far
7 million biogas digesters have been built in the countryside and it is planned that in the next 10 years the number will increase to 20 million to meet part of the needs of about one-tenth of the peasant households. If all the waste including stalks, grass and garbage were made use of, 65,000 million cubic metres of biogas could be produced, enough for cooking and lighting purposes in the rural areas.

Utilizing hydraulic energy resources and developing small hydropower stations. By the end of 1980, some 90,000 small hydropower stations had been built with an installed capacity of 7 million kw. Survey shows that waterpower resources in the countryside can be used to produce 150 million kw by building more medium-sized and small hydropower stations.

Exploitation of other energy resources such as solar, wind and geothermal energy, is now in the experimental stage in China. Simple equipment for producing solar energy has been popularized in some rural areas.

Tourist Trade, the Chinese Type

At a national conference on tourism held recently by the State Council, Vice-Premier Wan Li called for greater efforts by all departments concerned to improve China's tourist trade. He drew attention to the fact that responsible members of some tourist departments had wilfully raised prices or arbitrarily decided on price cuts for the sake of competition. This tendency must be stopped, he stressed.

He outlined the following principles:

- The promotion of friendship with the people of other countries should be our first consideration in developing the tourist trade. Tourism helps increase state income but making profits should not be given the first place.

- The tourist trade should be incorporated in the state plan and the plans of the various localities for developing the national economy.

- Prices and fees should be set in the light of prices on the world market. The quality of our goods and the standard of service and facilities should also be taken into consideration. Unreasonable prices should be readjusted and efforts should be made to improve service.

- The principle of "unified leadership and scattered management" should be carried out. This means each locality should, under unified regulations and policies, bring into play its own initiative.

Tourism has developed at a relatively fast pace in the last few years in China. But since it is a new undertaking, there are many shortcomings in management, service and facilities. And some tourist departments charge more than warranted. This has drawn the attention of the government. The recent conference, the first ever in the 32 years since the founding of the People’s Republic, was attended by over 260 responsible members of government departments, the State General Administration for Travel and Tourism and tourist depart-

A ride up China's first domestically-produced tourist cable car provides a spectacular view of Hangzhou's West Lake.

FOREIGN RELATIONS

Delegation From Somali Revolutionary Socialist Party

A delegation of the Somali Revolutionary Socialist Party, led by Ahmed Suleiman Abdullahi who is a Member of its Political Bureau and also security adviser to the President of Somalia, paid a visit (July 23-31) to China at the invitation of the Chinese Communist Party.

In his toast at the banquet he gave for the Somali guests, Vice-Chairman Li Xiannian paid tribute to Somalia for its
Hu Yaobang on Experiences of the Chinese Revolution

In his meeting with Somali guests on July 30, Chairman Hu Yaobang spoke about the experiences gained in the Chinese revolution and construction.

He said that it is important for a revolutionary Party and a revolutionary army, after seizing political power, to ensure sound economic development and expand production so that the people's livelihood will improve year by year. Workers, peasants and intellectuals will support the Party and army when their immediate and vital interests are guaranteed, and as a result the Party and army will be invincible. This is one of the most important lessons our Party has learnt since the founding of the People's Republic in 1949.

Chairman Mao's Role in the Chinese Revolution. Without his leadership, the great victory we have won would have been impossible and there would be no New China. The Chinese people will always remember his contributions. While fully affirming Comrade Mao Zedong's merits, we have also drawn attention to his mistakes in his later years. We did this out of a sense of responsibility to the Party, the people and posterity in order to lead them in our march forward.

positive attitude in improving its relations with neighbouring countries and in resolving disputes between countries in the Horn of Africa through peaceful negotiations. This, Li Xian-nian said, is helpful in getting rid of interference by outside forces and in safeguarding world peace.

Ji Pengfei, Vice-Premier and Head of the International Lliaison Department of the CPC Central Committee, held talks with Suleiman. The two leaders briefed each other on the domestic situation in their own countries and exchanged views on international issues of mutual concern. Both sides considered that the strategic objective of the Soviet Union is global supremacy and the turbulent situation all over the world and in the Horn of Africa is the result of Soviet aggression and intervention. China hopes that African countries will resolve their problems through consultation within the framework of the Organization of African Unity so that big-power intervention can be averted.

Suleiman said that Somalia is ready to work for peace in the Horn of Africa and it welcomes any initiative that may lead to peace in this part of the world.

Friendly exchanges between the Chinese Communist Party and the Somali Revolutionary Socialist Party have increased since they established direct contact in 1978. The recent visit by the Somali delegation will contribute to the promotion of mutual understanding and friendship between the two countries.

Spanish Comrades Congratulated

On behalf of the Central Committee of the Chinese Communist Party, Chairman Hu Yaobang sent a message on August 1 to Comrades Dolores Ibarruri and Santiago Carrillo, warmly congratulating them on their re-election as Chairman

and General Secretary of the Spanish Communist Party.

Attaching great importance to the convocation of the 10th Congress of the Spanish Communist Party, the Central Committee of the CPC sent a telegram on July 26, warmly greeting the convocation of the 10th Congress of the CPS. The CPS has grown into a party with wide influence among the masses which plays an active role in the political life of Spain, in the defence of world peace and the cause of human progress. The message stressed the traditional friendship between the two Parties. With the visit to China in November 1980 by the Delegation of the Central Committee of the CPS headed by General Secretary Santiago Carrillo, the relationship between the two Parties has further progressed. The relations of friendship and co-operation will continue to develop on the basis of equality, independence, mutual respect and mutual trust.

The Chinese Communist Party Delegation headed by Peng Chong, Member of the Political Bureau and the Secretariat of the Central Committee, attended the CPS 10th Congress. It held talks with a CPS delegation.

CORRECTION: In the fifth line of the right-hand column on p. 4, issue No. 31, “150,000 were rendered homeless” should read “1.5 million....”
Spanish Communist Party

Successful National Congress

The 10th National Congress of the Spanish Communist Party elected its new Central Committee, with Dolores Ibarruri again as its Chairman and Santiago Carrillo again as its General Secretary before it closed on August 1. The congress adopted the Party's political programme and a new Party constitution, redefined the Party's Eurocommunist theory and safeguarded the Party's unity. The congress is seen as one of success and unity. The Spanish Communist Party upheld unity and independence, opposed outside interference and overcame divisionist activities both inside and outside the Party.

The Spanish Communist Party with a glorious revolutionary tradition won legitimate status again in 1977, after nearly 40 years of underground struggle. At its Ninth National Congress a year later, the Party worked out and defined a Eurocommunist theory and put forward the Party's tasks and policies in light of the international situation and the country's reality at that time. In international affairs, the Party adhered to an independent foreign policy and stand, holding that the Communist Parties of various countries should be equal and independent, and refrain from interfering in each other's internal affairs. It refused to recognize the existence of any so-called “leading party.” The line of the Ninth Congress enabled the Party to play an important role in international and domestic affairs.

In the last year, however, two trends of thought contradictory to the Party's line emerged within the Spanish Communist Party. One disputes the Party's Eurocommunist theory, and the other, called “reformist,” opposes democratic centralism and want the Party's organizational system to be "federalized" and "the legality of factions" within the Party recognized. These two trends have sown ideological confusion inside the Party and are undermining the Party's internal life and effectiveness.

In his report made on behalf of the Party's Central Committee, Party General Secretary Carrillo affirmed the line of the Ninth Congress and at the same time pointed out the mistakes made by the Party in the last year, such as an inappropriately large number of the Party's grass-roots cadres being transferred to the Cortes and the various municipal governments after the Party turned to legal struggle, with the result that the parliamentary struggle became separated from the mass movements. This weakened the effectiveness of the Party's grass-roots organizations as well as the Party's influence among the masses.

At the congress, the Party's Eurocommunist theory was opposed by only a few representatives from the "pro-Soviet" faction. Since the Ninth Congress, in close collaboration with certain forces outside Spain, this "pro-Soviet" faction within the Party has opposed the Eurocommunist theory. As the Spanish Communist Party's Central Committee pointed out, Soviet diplomats and Soviet journalists have been active in Catalonia, canvassing inside the Party and even trying to use such economic means as offering free trips to the Soviet Union to win supporters and to foster "pro-Moscow" forces inside the Party. They also distributed the Soviet Communist Party's propaganda materials among the grass-roots organizations of the Spanish Communist Party. Carrillo pointed out recently that the Soviet Union was "creating political terrorism against the Eurocommunist theory." This is why the Central Committee of the Spanish Communist Party has decided to make the defence of the Eurocommunist theory its present major task.

In his report, Carrillo reiterated that no worldwide leading centre exists in the world today. He condemned certain people for "attempting to create factions within the Spanish Communist Party" and "attempting to disintegrate the Spanish Communist Party after failing to subjugate it." The political programme adopted at the 10th Congress also pointed out that no leading centre or leading party in any form exists in the world and that the Spanish Communist Party should uphold its independence and its right of criticism. A Spanish commentary said that the reiteration of the Eurocommunist theory at the 10th Congress was a victory not only for the struggle against the "pro-Soviet" faction but also for the struggle the Spanish Communist Party was waging in safeguarding independence and opposing outside interference.
Although certain differences do exist within the Party, the Spanish Communist Party is moving ahead and not splitting up. For those criticized by the General Secretary as “attempting to disintegrate the Spanish Communist Party after failing to subjugate it,” the 10th Congress was nothing short of a defeat.

— Xin Ping

The Superpower Syndrome

SUPERPOWER” was a label used in wrath and in resentment to designate those great powers which commanded formidable might and behaved in an overbearing manner. But it has been used so often that some Americans have begun to refer to their country as a “superpower” in a sneakingly proud way.

Understandably, many Americans take great pride in the fact that theirs is a relatively young nation and has outstripped much older nations to become a great power. But this quite legitimate pride can grow into arrogance, sometimes to the extent that anything which fails to conform to American standards or values is considered alien and offensive. Such arrogance becomes downright dangerous when it involves the whole nation. Other countries are expected to bow to its power play, and, when some on some occasions do, this arrogant nation then thinks it is acting in God’s will. Arrogance becomes self-righteousness high-handedness and the afflicted nation shows all the symptoms of what may be called a “superpower syndrome.”

This syndrome is not found in most ordinary Americans. Most Americans I know are sensible, fair-minded and considerate, never imposing their will on others.

In their attitude towards China, for example, many Americans show a profound interest in China’s history, culture, philosophies, domestic and foreign policies and social life. Some of them may disagree with China’s political system, but they respect it because they understand that conditions differ from country to country and no single system will do for all countries.

However, some Americans show all the symptoms of a “superpower syndrome.” They bristle and bark at the spirit of independence cherished by other nations. They are few, but their influence on American foreign policy and public opinion is not to be slighted.

Since 1949, some Americans have been debating a non-existent issue—is there one or two Chinas? Despite all the internal changes that have taken place, there always has been one China. But inexplicably some Americans have appeared to make an issue of this, ignorant of Chinese history, geography and politics. At first they refused to recognize the People’s Republic of China, then they said there were two Chinas: the People’s Republic of China and something which they call “the Republic of China.” They hung on to this latter view for many years and arbitrary decisions were adopted on Capitol Hill and in the White House about China’s boundaries and territories. They acted as if this ancient civilization were a piece of cake to be sliced as they pleased.

No one in his right senses would agree that the United States has a right to interfere in China’s internal affairs and to decide where China’s boundary lines should be established. Would Americans take it lying down if someone suggested there were more than one United States of America? That the United States of America should be divided into a white America, a Black America, an Indian America and a Spanish-speaking America?

Some political figures in the United States have been sensible and courageous enough to correct the idea that there are two Chinas. Presidents Richard Nixon, Gerald Ford, Jimmy Carter and Ronald Reagan have acknowledged there is only one China, with its central government located in Beijing and that Taiwan is part of China. This acknowledgement by four US Presidents should have ended the “two Chinas” debate among Americans.

However, in April 1979, three months after the establishment of diplomatic relations between the United States and China, the US Congress passed the “Taiwan Relations Act,” under which the Chinese Government is not the master of its own house and it is left to the United States to decide the way to reunify the Chinese mainland and Taiwan. Furthermore, the United States believes it can override the Chinese Government and dispatch arms to Taiwan to oppose the Chinese Government. In passing the “Taiwan Relations Act,” the United States has taken upon itself to pass an American law on Chinese territory, to be enacted and administered by Americans but observed submissively by Chinese.

Some highbrows in US political and media circles who have political and economic designs
on Taiwan and the rest of China lament the "loss of China." They are sometimes very outspoken and vociferously complain that certain US Presidents have made unwise moves. They repeatedly caution US Presidents not to "abandon Taiwan," and they consistently come out to oppose the Chinese Government's policy of reunifying the country, possibly by force. But when the Kuomintang was trying to reunify the country by gunning down Communists, these same Americans supported the Kuomintang, sent it money, arms and military advisers until the very end.

Even today these Americans continue to ship arms to Taiwan when the Chinese Government has resolved to achieve a national reunification by peaceful means. Some Americans try to justify their shipping of arms to Taiwan by claiming that country has a "law" providing for the military security of Taiwan. Can anything be more absurd? This can only be explained as a manifestation of the "superpower syndrome."

Some of these Americans may not have been motivated by practical interests; they could just be steeped in anti-communism. They may think that capitalism is the best politico-economic system and want others to adopt it, regarding those who do not conform as heretics. So they give their blessings to American interference, the creation of a mythical "two Chinas" and the passage of the "Taiwan Relations Act."

There is plenty of room for debate about the merits of the American social system. The views of Americans themselves differ immensely. But nations must be permitted and encouraged to take their independent courses. How can the United States, with its own history of making a revolution to attain independence, obstruct other countries from seeking independence and use force to stop them adopting different politico-economic systems?

The United States is a superpower, no doubt about that. But it will not be able to kill the initiative of other countries nor stop mankind from forging ahead.

— Peng Di, Xinhua News Agency Washington Correspondent

---

CHINA TODAY (I)

Population and Other Problems

The first of Beijing Review's China Today Series, this booklet contains many informative articles about family planning, housing, employment and juvenile reformatories. Most are selected from the magazine's biweekly Special Features, expanded upon, carefully edited and thoroughly revised.


Size: 185 mm x 115 mm

US $1.30  £0.65 per copy

Published by BEIJING REVIEW

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

August 10, 1981
A New Strategy for Economic Development

by Our Staff Writer Xia Zhen

China's economy now stands at an important turning point, perhaps the most important since the socialization of the country's means of production. Involved are a series of changes in guiding principle, in the strategy for development, in principles of operation as well as in systems of management. Once implemented, they will have far-reaching consequences for the country's future.

Foreign observers watching the development of the Chinese economy are perplexed by the recent repeated stress on readjustment and the drastic cuts in capital construction coming so soon after the announcement of a march towards socialist modernization. What is the trouble and what are the prospects? They ask.

This shift in strategy is not at all accidental. With the restoration of the Communist Party's fine tradition of seeking truth from facts, it is only natural that the question of a new economic strategy is on the agenda. The main conclusion one can draw from the basic experience of the past 32 years - the years since the founding of the People's Republic - is that the country's economic construction must be carried out in a way which suits China's unique conditions.

In the 30-odd years since the founding of the People's Republic, the economic base for socialism has been firmly established. Viewed as a whole, national economic construction has proceeded at a fairly rapid pace and its material base has been consolidated (see table). However, owing to recurring mistakes in the guiding principles for economic construction, China has experienced several twists and turns in the process of which economic results were unsatisfactory and the improvement of the people's livelihood fell far short of the speed of the development of production. Compared with 1952 when the national economy was rehabilitated to its best pre-liberation level, the value of fixed assets in state-owned enterprises in 1980 increased 27-fold (according to comparable prices), the total industrial and agricultural output value went up ninefold (annual progressive rate averaging 8.2 per cent) and the national income increased fivefold; the average per capita consumption level in both cities and countryside, however, only doubled. How to achieve more efficiency and better results has therefore become an acute problem in developing the economy.

The Third Plenary Session of the CPC 11th Central Committee, which was held at the end of 1978, decided to shift the focus of the Party's work to socialist modernization. Such a decision had already been adopted by the Eighth National Congress of the Party 22 years ago, but it had not been implemented. As the first step, beginning from 1979, an overall readjustment was carried out in the national economy which had been seriously out of balance. At the same time, trial reforms were introduced to change irrational systems of economic management. Two years later, the Party Central Committee, making a comprehensive review of the achievements attained and the problems still existing, decided to spend several more years, starting from 1981, on further readjustment of the economy. These policies have enabled China's national economy to begin to free itself from the difficulties caused by many years of "Left" mistakes and are removing the obstacles to healthy economic development.

The readjustment and reforms will give priority to reducing economic construction to a scale that the economic strength of the country can stand. This will allow us to balance revenue and expenditure and wipe out deficits. Then, on the basis of a stable economy, we can gradually
### Major Figures of China's National Economy

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>thousand</td>
<td>541,670</td>
<td>574,820</td>
<td>646,530</td>
<td>725,380</td>
<td>919,700</td>
<td>970,920</td>
<td>982,550</td>
</tr>
<tr>
<td>Social Labourers</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Industrial and Agricultural Output Value</td>
<td>million yuan</td>
<td>46,800</td>
<td>82,700</td>
<td>124,100</td>
<td>198,400</td>
<td>450,400</td>
<td>617,500</td>
<td>661,900</td>
</tr>
<tr>
<td>Of Which:</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Agricultural Output Value</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Industrial Output Value</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>National Income</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Revenue</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Expenditure</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Investment in Capital Construction</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Volume of Freight Transport</td>
<td>million ton-kilometres</td>
<td>25,540</td>
<td>76,230</td>
<td>180,960</td>
<td>346,130</td>
<td>728,580</td>
<td>1,099,770</td>
<td>1,202,600</td>
</tr>
<tr>
<td>Total Volume of Retail Sales</td>
<td>million yuan</td>
<td>14,050</td>
<td>27,680</td>
<td>47,420</td>
<td>67,030</td>
<td>127,110</td>
<td>180,000</td>
<td>214,000</td>
</tr>
<tr>
<td>Total Volume of Import and Export</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Of Which</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Volume of Import</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total Volume of Export</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

### NOTES

1. Total industrial and agricultural output value of 1949 and 1952 are calculated at constant prices of 1952; that of 1957 and 1965, at constant prices of 1957; and that of 1975, 1979 and 1980, at constant prices of 1970. Figures of the other years are calculated at the prices of the respective years.

2. National income refers to net output value of the five material production departments — agriculture, industry, building industry, transport and communications, and commerce.

3. "*" indicates 1950 figures.
rationalize the structure of the national economy, the economic management system and the organization of enterprises so as to enable the various branches of the economy to develop in a proportionate and steady way. This means that we must find a new way to develop our economy, a way which is suited to the actual conditions of our country, which calls for less investment and achieves better economic returns and through which the people can get more material benefits, in short, a new path which can bring into full play the superiority of the socialist system.

This new way involves many changes in the strategy for economic development. The following touch on some of the problems which are at present being solved or energetically studied:

(1). The Guiding Principle — Doing Things According to Our Capabilities

Why were the economic returns so poor and why was there such great waste in developing the national economy? These deficiencies were caused first of all by our expectations for easy success. This impetuousity in guiding ideology is to blame. In developing the productive forces, we one-sidedly sought high speed and high accumulation rates, and hankered after large-scale capital construction. In relations of production, we gave undue stress to the transition to a higher level of ownership of the means of production. More often than not, this led to great ups and downs in the development of the economy. The more haste, the less speed. To trace these mistakes to their ideological source. Apart from a one-sided understanding of the economic theories of Marxism, they were rooted mainly in our insufficient understanding of China's reality.

China is building socialism on the basis of very backward productive forces and an underdeveloped commodity economy. It has very rich resources of labour, but, up to now, 80 per cent of its population lives in the countryside and a considerable part of agricultural work is still done by hand. Though there are some enterprises with comparatively advanced technology, the overall technological level and productivity of industry is rather low, as are the educational level of the nation as a whole and the living standards of the people. What's more, it is impossible to change this situation in a short period of time. Therefore, in our economic work we must proceed from the actual conditions, do what is possible, and foster the idea of long-term struggle and steady progress. This means construction can only be carried out after proper arrangements have been made to look after the people's livelihood. This realistic approach is a decisive condition for improving the overall economic results.

This strategic consideration was first put forward by Chen Yun, an outstanding leader in China's economic work. However, its significance was not understood and it was not implemented for a long time. It is only in recent years, when leading comrades at various levels have criticized the "Left" thinking, that this approach has generally been accepted. It is being embodied in the current economic readjustment, in making economic decisions and drawing up economic plans and in deciding on important projects.

(2). A Rational Economic Structure

Other aspects of an unbalanced economy have been undue emphasis on accumulation while overlooking consumption, too much investment to heavy industry and too little to light industry, and the consequent one-sided development of the economic structure. One of the aims of the current economic readjustment is to balance the branches of the economy which are seriously out of proportion, reducing the over-concentration on heavy industry so that the process of production, distribution, circulation and consumption can be speeded up to produce better economic results. To realize this change, the production of consumer goods will be given an important position.

Fundamentally speaking, it is the purpose of socialist production and the bounden duty of the people's government to meet the people's ever-increasing demand for material and cultural well-being. The production of consumer goods is an important means of fulfilling these demands. The practice of maintaining high accumulation rates to the neglect of the people's consumption needs should not be allowed to go on.

Marked economic results can be achieved in developing the production of consumer goods. For example, from 1949 to 1979, taxation and profits provided by the factories under the Ministry of Light Industry alone accounted for 15.4 per cent of the whole country's financial income, or 44 per cent of the total state budgetary investment in capital construction during the same period. However, the imbalance can be seen in the fact that during the same period the total state investment in light industry only made up one-tenth of that in heavy industry. In addition, the energy light
industry consumed and the fixed assets it employed were much smaller than those of heavy industry.

In the past, though we always insisted that the order of priority in the development of our national economy should be agriculture, light industry and heavy industry, we acted the other way round. Now we have restored the order. Over the last two years, agriculture had record harvests. Priority has been given to the development of light industry whose rate of growth has greatly surpassed that of heavy industry. Heavy industry is shifting its main object from serving its own development to promoting the production of consumer goods. This makes the manufacture of the means of production commensurate with that of consumer goods. This will not reduce the role of heavy industry, but will help restore a balanced development.

The development of all industry, of course, depends on adequate energy supplies. Our principle is to pay equal attention to exploitation and practising economy. Energy is still one of the weak links which need to be strengthened as quickly as possible. At present, emphasis is laid on practising economy to reduce the heavy waste in energy consumption.

Another important goal in rationalizing the economic structure is to develop various service trades including commerce, banking, communications, urban public utilities, scientific research, education, culture, entertainment and tourism. These not only respond to the pressing demand for improvement in the people’s livelihood and the development of production but also serves as an important channel of employment of the country’s labour force.

By the end of 1979 China had a total of 405.81 million labourers. Those engaged in agricultural production accounted for 75 per cent, industrial workers 13 per cent and those of the service trades 12 per cent. This indicates that, on the one hand, our level of production is rather low and, on the other; the structure of our labour force is not rational. Our service trades have been too weak and too small in number mainly because we did not attach importance to them in our guiding principle. Over the last two years, things have taken a favourable turn, but this remains a special topic of study in drawing up long-term national and urban plans.

(3). Expanding Production in an Intensive Way

After over 30 years of endeavours, our country has now set up a considerable material foundation of some 400,000 industrial enterprises with a total of 510,000 million yuan’s worth of fixed assets and working funds. In the future, in consideration of limitation on investment funds, a shortage of energy resources and an urgent need to improve the quality of life, large-scale capital construction must be cut down. This will make it possible and necessary to shift our focus of attention in developing production from new enterprises to existing enterprises. To increase our production capacity, we will not depend on huge investments and new projects. Instead, we will rely on raising the effectiveness of investment in existing enterprises. That is to say, an intensive method (including rationalizing methods of management) will be adopted to replace the former extensive method in expanding production. This is a great change in our development policy.

To materialize this change, existing enterprises are required to try and make use of the self-management and other favourable conditions created by the economic reforms in the last few years to improve management and economic results in an all-round way. This includes: Rationalizing production, establishing strict labour discipline, introducing a more efficient management system and rational methods of reward, developing technical innovation and renovating outdated equipment. There have been many examples of successful use of these methods to tap the potential of existing enterprises. For example, the textile and other light industries in Shanghai have, over the last 30 years since the founding of New China, relied mainly on old enterprises to provide the state with a total amount of 73,000 million yuan’s worth of accumulated funds which is 45 times as much as their existing fixed assets.

It is not only individual enterprises which have potential to tap. Large potential can be derived from a rationalized structure of industrial organization. China’s plants have always been under the authority of both the industrial ministries and the local administrative divisions, which results in overlap and scattered management. Moreover, because of a vertical management system, every trade, region or even a single plant was expected to be self-sufficient in its production facilities. This causes overlapping needs of equipment, funds and personnel and huge waste. In the last two years, this management system has been breached and industrial enterprises are being reorganized on the basis of

*August 10, 1981*
specialization and co-operation. Different types of companies and economic complexes have been established, thus blazing a trail for the economical, rational utilization of existing production capacity and the technical transformation in many lines of production.

(4). Science and Technology to Promote Economic Development

Six years ago, some of our present Party and state leaders waged a sharp struggle against the gang of four on the question whether science and technology were productive forces. The problem we are facing today is no longer what functions science and technology perform but how to bring them into full play.

Though our scientific and technical undertakings suffered serious sabotage for many years, they still have enormous potential in tackling problems in basic science and advanced technique. However, the technical level of many products in mass production is still very low. This reveals a lack of co-ordination between our scientific and technical work on the one hand and our economic work on the other.

The new guideline for scientific and technical work stresses service to economic development, especially to the solution of issues involving economical results in production and construction. While paying attention to basic studies, we will devote more efforts to the problems of application and development in science and technology. Creative work is necessary, but more attention should be attached to absorbing foreign production techniques suitable to our own national conditions.

At present priority should be given to popularizing new technology and applying on a large scale the results of scientific research. In this connection, efforts are being made to introduce appropriate ways of strengthening the contacts between scientific research institutes and productive enterprises and, at the same time, promote technical education among the workers and staff members.

(5). “Dialogue” Between Coast and Interior

While the world needs a “north-south dialogue,” we in China have a peculiar situation which calls for a sort of “dialogue” to bridge the economic disparity between the eastern and western parts of the country. The coastal areas in the east are more developed, whereas the western interior, although accounting for two-thirds of the production capacity created since the founding of New China, is relatively backward. Also, while the east is densely populated, the west abounds in natural resources and has a big potential for development. How to work out a rational division of work between them and develop their special advantages is a question of strategic importance if we want to boost the economy.

The coastal cities, such as Shanghai, Tianjin and Guangzhou, have good transport facilities and a high level of industrial management and technology. They may produce large amounts of advanced and precision-manufactured goods and become bases for export trade. In this way they link domestic production with the international market. As to the ordinary products now turned out in the coastal cities, their production should be gradually transferred to the interior, to localities which are close to the sources of raw material. These localities should be given technical assistance by enterprises in coastal areas. This changeover will, of course, be carried out step by step and in a planned way.

From a long-term point of view, it is the western interior which has great potentialities for economic development. But for interior industries to catch up with those of the coastal cities and make use of the rich resources and big potential market in the hinterland, they have first of all to learn from the coastal areas, particularly from the advanced managerial experience and technology in Shanghai. The per-capita GNP in Shanghai has reached 1,800 US dollars at present, six times the average of the country. If the industrial management and technical level in existing plants in the hinterland can approach what Shanghai has attained, the economic results will be markedly improved even if their fixed assets remain unchanged.

Interior cities are now steadily learning from the coastal cities such as Shanghai through the establishment of joint enterprises.

(6). Reform of the Economic Management System

China’s economic management system was copied from the Soviet Union in the early 50s. It is characterized by a high degree of centralization and unification, regulation by planning alone and heavy dependence on administrative means of control. This system played a positive role in the early post-liberation period when China concentrated its efforts on building key projects, but it lacks flexibility in dealing with
the ever-changing economic activities of enterprises and fails to respond to complicated situations. China's long-standing economic imbalance, dislocation between production and demand, poor economic results and tremendous waste are directly related to this irrational economic management system.

We have carried out many reforms over the last two years. The main ones so far are the extension of the enterprises' right of self-management, regulation by the market under the guidance of state planning, and the integration of necessary economic levers with administrative intervention. All this is an experiment on how to manage the socialist economy.

The reforms amount to, in essence, a major readjustment in the relationship between the state and the enterprises. What are being cast off in the reforms are the taboos fettering the development of the productive forces. Rigid control by the state should be relaxed. As vital economic cells of the socialist body politic, enterprises which have gained the necessary power and motivation for independent management should naturally have certain economic obligations. Within these enterprises the power of democratic management by the workers and staff members will be enlarged. Regulation by the market under state planning has linked up production and consumption and enlivened urban and rural markets. Administrative intervention by the state is still necessary. The state is mainly involved in drawing up the rational arrangements and comprehensive balance of the entire national economic plan, formulating policies concerning prices, taxes, interest rates and credit, enacting various economic laws and regulations, and controlling the total investments in capital construction and the orientation of development. In a word, the guidance and management of the macroeconomy should be closely tied to the enlivening of the microeconomy.

During the present period when the emphasis is on economic readjustment, the pace of the reform is slower than in 1979 and 1980, but its orientation will be adhered to, and reform measures beneficial to the readjustment will continue.

(7). Different Economic Modes and Ways Of Management

The establishment and consolidation of the public ownership of the means of production is, no doubt, one of the most important achieve-

ments of the socialist revolution and construction in our country. The public ownership did not disintegrate even during the 10 chaotic years of the "cultural revolution." Its persistence indicates that this form of ownership has great vitality. However, the phenomenon of "premature transition" to a higher stage of ownership — disregarding the actual level of the productive forces and wilfully raising the degree of socialization — also existed for a long time. The mistake of overlooking the complicated situation was committed, leading to unbalanced development, and the attempt was made to impose one economic mode indiscriminately on different situations. These deviations have been gradually corrected during the readjustment of the national economy in the past two years.

The new policy encourages the adoption of different economic modes and varied ways of management suited to China's different levels of productive forces, provided that the public ownership of the means of production holds the predominant position.

This policy has proved effective in the rural areas. For the first time, the 800 million peasants have the right to select different systems of responsibility in agricultural production, which determine the forms of labour organization and the ways of distribution according to work. Their plots for private use may be enlarged or even doubled (increasing from 7 per cent to 15 per cent of the total cultivated areas). The household sideline occupations which were criticized in the past are now protected by law. This has been an important factor bringing about an improved situation in rural areas in the past few years.

In the cities, the individual economy which was once regarded as a "tail of capitalism" and the small-scale co-operative economy which had been looked down upon are all being encouraged by the new policy. They have been restored and are forging ahead rapidly. Although these economic sectors account for only a small percentage of the national economy, they have become an indispensable supplement to the socialist public sector. Fairly active in commerce, handicrafts and other service trades, they provide many new job opportunities.

* * *

In the final analysis, all these strategic changes in developing the economy aim at realizing socialist modernization according to

(Continued on p. 31.)
Admitting Mistakes and Self-Confidence

by Sun Yefang

Beginning with this issue, we will publish articles and other materials relating to the current discussions on the "Resolution on Certain Questions in the History of Our Party Since the Founding of the People’s Republic of China." Adopted by the Sixth Plenary Session of the 11th Central Committee of the CPC on June 27, 1981, the resolution was published in full in our issue No. 27. The two articles below give some views on certain aspects on the resolution. It is hoped that they will help the readers better understand the resolution.—Ed.

The resolution adopted at the Sixth Plenary Session of the 11th Party Central Committee has done away with the cult of Comrade Mao Zedong and, instead of looking upon him as a demigod, has treated him as a man of flesh and blood. Any living person is liable to mistakes in his thinking and his work. The resolution has made a correct appraisal of the right and wrong as well as the contributions and mistakes of our Party and Comrade Mao Zedong.

In his speech at the meeting in celebration of the 60th anniversary of the founding of the Chinese Communist Party, Comrade Hu Yaobang said: “Of course, it must be admitted that both before the ‘cultural revolution’ and at the time of its inception, the Party failed to prevent Comrade Mao Zedong’s erroneous tendency from growing more serious but, instead, accepted and approved of some of his wrong theses. We veterans who had been working together with him for a long time as his comrades-in-arms, or who had long been following him in revolutionary struggle as his disciples, are keenly aware of our own responsibility in this matter, and we are determined never to forget this lesson.” What Comrade Hu Yaobang said is actually an open self-criticism on behalf of the Party before the people of the whole country. Khrushchev and his colleagues did not have the courage to make an open self-criticism. They had worked together with Stalin for a long time and had held important posts under him. But when Stalin died, they wrote off his merits altogether and they wanted others to believe that though they had long co-operated with Stalin, they had no responsibility whatsoever for the mistakes made. That Comrade Hu Yaobang admitted mistakes on behalf of leading cadres who had worked together with Comrade Mao Zedong and on behalf of his students shows that our leading cadres have full confidence in themselves and in the Party. Only those who have confidence in themselves dare to face up to their own mistakes and frankly admit them before the people.

Socialist Democracy

by Su Shaozhi

The resolution adopted at the Sixth Plenary Session of the 11th Party Central Committee has enriched and developed Marxism in many aspects, one of which being the theory of establishing a highly developed socialist democracy.

The resolution stated that a fundamental task of the socialist revolution is to gradually establish a highly democratic socialist political system.

This theory has been put forward after our Party summed up both the positive and negative experiences in the past. As the resolution pointed out: “Inadequate attention was paid to this matter after the founding of the People’s
Republic, and this was one of the major factors contributing to the initiation of the 'cultural revolution.' Here is a grievous lesson for us to learn.” In his speech at the meeting in celebration of the 60th anniversary of the founding of the Communist Party of China, Comrade Hu Yaobang said: “One of the fundamental reasons why the grievous errors of the ‘cultural revolution’ remained unrectified for so long is that the regular political life of our Party, inner-Party democratic centralism and the collective leadership of the Central Committee in particular, had been disrupted.” He urged the whole Party never to forget this bitter lesson.

This accords with the facts. If inner-Party democracy and if democracy in the political life of the state had not been trampled down, such phenomena as mentioned in the resolution would never have taken place: the correct line of the Eighth National Party Congress was rejected soon after its convocation; the Party Central Committee failed to correct some of Comrade Mao Zedong’s mistakes in time; during the “cultural revolution” the “Leftist” misleadership of Comrade Mao Zedong as an individual actually replaced the collective leadership of the Party Central Committee; and so forth.

The theory of a highly developed democracy is in line with China’s actual conditions. The resolution pointed out: “Feudalism in China has had a very long history. . . . It remains difficult to eliminate the evil ideological and political influence of centuries of feudal autocracy. And for various historical reasons, we failed to institutionalize and legalise inner-Party democracy and democracy in the political and social life of the country, or we drew up the relevant laws but they lacked due authority. This meant that conditions were present for the overconcentration of Party power in individuals and for the development of arbitrary individual rule and the personality cult in the Party. Thus, it was hard for the Party and state to prevent the initiation of the ‘cultural revolution’ or check its development.” The theory of a highly developed democracy helps remedy this malady.

The theoretical basis of a highly developed democracy is the fundamental principle of historical materialism — the Marxist-Leninist principle that the people are the makers of history. Whatever we do, we must rely on the people.

The resolution has in many places expounded the theory of a highly developed socialist democracy. My understanding can be summed up as follows:

— A highly developed democracy means inner-Party democracy and people’s democracy as well as their interrelations. If democracy fails to be the principle for inner-Party life, then it cannot become the principle for our social life as a whole. And vice versa, if there is no democracy among the people, then inner-Party democracy would be out of the question.

— A highly developed democracy means democracy in political life, social life and economic life, and it ensures that the people are the real masters of the state, society and enterprises, taking a direct part in making decisions in all fields.

— A highly developed democracy means the institution and legalization of democracy and the adoption of a series of policies and measures to ensure its realization.

— A highly developed democracy means democracy for the great majority of the people, and is essentially different from bourgeois democracy which only a minority enjoys. During the historical stage in which class struggle still exists, a highly developed democracy also means dictatorship over a small number of class enemies, for this guarantees that the majority of people enjoy a highly developed democracy.

— The theory of a highly developed democracy stresses a high degree of centralism on the basis of a highly developed democracy. It differs from both bureaucratic centralism and anarchism.

— This theory also deals with the relationship between Party leadership and democracy. Comrade Hu Yaobang said in his speech: “To organize and support the people in fulfilling the role as masters of the country and society and building a new life under socialism is the very essence of the Party’s leadership over affairs of state.” This calls for the combination of Party leadership with the requirements of people’s democracy so that the Party is truly at one with the people and represents their interests.

The theory of a highly developed democracy will serve as a key to solving the question of the relationship between the leaders and the Party, a question which has not yet been correctly solved in the history of the international communist movement. It also serves as a key to the study and correct solution of a question in the theory of historical materialism — the relationship between the masses, classes, political parties and leaders.

August 10, 1981
Chinese Athletes at the World University Games

Superior skill and sportsmanship were exhibited at the 11th World University Games, which just closed in Bucharest, with 50 records being set during the 10 days of competitions. Although some noted athletes and teams were absent, many top-ranking athletes from the Olympic Games and other major international sports events were among the 5,000 athletes from some 90 countries and regions who participated.

Chinese athletes excelled in volleyball, diving and gymnastics, capturing 10 gold, six silver and five bronze medals.

Volleyball. The fighting spirit displayed by the Chinese women's volleyball team particularly impressed the spectators. In the round robin semi-finals, the Chinese team met the powerful Cuban team, which had won the 1978 world volleyball championship title. The Cubans combined quick spikes and tough net blocking with an ability to fully exploit their opponents' mistakes to defeat China by a score of three to zero. After the match, the Chinese volleyball players did not lose heart, but studied their errors and devised a new game plan for the finals in which they would meet the Cuban team again.

The finals were played in a heated atmosphere. From the beginning every point was hard fought. The Chinese women played a steady game and in the first match squeaked by with a score of 15:13. Then they changed their tactics and won the second game 15:8. The third game was 15:9 in China's favour. With this win, the Chinese team captured the championship, its first at an international tournament.

Diving. The outstanding woman diver, Chen Xiaoxia, retained the women's platform diving championship at the university games. Her well-executed dives of difficulty drew repeated applause from diving enthusiasts.

Another up-and-coming Chinese diver, Li Yihua, took the silver medal in this event. Her dives were elegant and quite difficult. She cleanly completed her compulsory dives and then stunned her audience with her optional dive, a forward three and a half somersault, rarely seen at world tournaments. Earlier, she also won the springboard diving championship at the Universiade '81.

In the men's platform diving, China's Li Hongping significantly outscored his opponents. His ninth dive won full score and he captured the gold medal with 617.67 points.

Gymnastics. Chinese athletes did excellently in the men's individual events. China's Li Ning, who took part in the world university games for the first time, won gold medals in the floor exercise, pommelled horse and rings, and ranked fifth in the all-round event. Li Yuejiu captured a gold medal in the vaulting horse. China's Li Xiaoping and Li Ning, up-and-coming athletes, shared the medal in the pommelled horse. China's men and women gymnastics teams both placed third overall.

China's athlete Lang Ping boldly spikes the ball during the volleyball finals.
Field Events. In the triple jump finals, Chinese athlete Zou Zhenxian captured the title with a jump of 17.32 metres. He not only improved the Asian record of 17.06 metres which he himself had recently set in Japan, but also topped the Universiade record of 17.27 metres set by the Soviet athlete Sanieyev in Turin, Italy in 1970. In the men’s high jump, China’s Zhu Jianhua came in second with 2.25 metres. In the men’s long jump, Liu Yuhuang created a new Asian record by jumping 8.11 metres. Unfortunately, his jump of 8.47 metres in his sixth attempt was not counted because of a line fault. The title of the event went to Laszlo Szalma of Hungary, who jumped 8.23 metres.

An Improvement

Many international sports observers noted the progress made by Chinese athletes at these games. Dr. Primo Nebiolo, President of the International University Sports Federation, was particularly impressed by the Chinese athletes in the jumping events whom he felt had reached the top world levels. He also expressed the opinion that Zou Zhenxian’s triple jump was up to the high standards of the Olympic Games and Zhu Jianhua had displayed great potential. Other sports commentators felt that China needed to do better in track events.

Apart from a good showing in volleyball, diving and gymnastics, the 129 athletes sent by China to compete in the 10 events of Universiade ’81 did not do so well. But they did better than the Chinese athletes who competed in the last two world university games (China only began participating in these games after it was admitted to the International University Sports Federation in 1975). In the previous Universiade held in Mexico in September 1979, China only captured one gold, one silver and four bronze medals. In less than two years it has risen to fourth place (first, the Soviet Union; second, Romania; and third, the United States).

The Chinese athletes’ success was inseparable from their hard training. For instance, Liu Yuhuang, 22, was selected for the state team in 1978. He trained hard, gradually developing a unique style of his own and made rapid progress. When people congratulated him for his eight-metre jumps, he shook his head and said: “I should do better. Most of the outstanding male athletes in the world can now jump 8.10 metres.”

Li Yihua, a girl from the countryside, also worked hard for her success. In the 10-metre platform diving event, the diver is required to make two and a half somersaults in 1.07 seconds. At first, she lacked full control and her body was beaten black and blue. But she kept on practising and now, after six years of hard training, has acquired a tremendous skill.

Chinese athletes have learnt a lot from the competitions and have strengthened their friendship with athletes from other countries. Rong Guotang, head of the Chinese delegation, is still not satisfied with the achievements of Chinese athletes and has pointed out that much remains to be done to catch up with such countries as the Soviet Union, Romania and the United States. He expressed the hope that China would energetically develop its physical culture education in the universities, and primary and middle schools so as to raise its sports level as quickly as possible.
Small Hydropower Stations

Our Correspondent Jing Hua

Small hydropower stations, as a simple and easy regenerative energy resource, are of great importance to inspiring the economies of comparatively backward rural areas in China, particularly mountainous areas. The progress of some south China provinces in this respect has attracted worldwide attention.

This special report provides some basic information about China's development of small hydropower stations as well as the answers to some of our readers' questions. — Ed.

A Major Energy Policy

As water resources are abundant in China, water power is one of the three chief energy resources along with coal and petroleum in the country. To develop hydropower generating in a big way is an important energy policy in China.

Over 5,000 rivers comprise a drainage area of more than 100 square kilometres. In addition, China has 2,000 lakes and 80,000 reservoirs. Most of the large rivers originate in the high mountains in the west, have large falls and run for great distances. According to the most up-to-date statistics, China has a hydroelectric potential of 370 million kw, one of the highest in the world. Its present small hydroelectric resources total 70 million kw and are mainly located in the provinces and an autonomous region in the southern and eastern parts of China.

By the end of 1980, China had built hydropower stations with a total generating capacity of 20 million kw, of which small hydropower stations accounted for 7 million kw. Guangdong Province ranks first in the development of small hydropower stations. In 1980, the province's small hydropower stations had a total generating capacity of 1 million kw and their output accounted for 110 per cent of the whole province's agricultural power consumption. The generating capacity of the small hydropower stations in Sichuan, Hunan and Fujian Provinces has each exceeded 800,000 kw, and 400,000 kw each in Zhejiang, Yunnan, Hubei and Jiangxi Provinces and Guangxi Zhuang Autonomous Region.

On the eve of the founding of New China in 1949, China's hydropower stations only had an installed capacity of 160,000 kw. Today that figure is 125 times higher.

In terms of installed capacity, small hydropower stations account for one-third of China's total hydropower stations. Here we are talking about those stations with a total maximum installed capacity of 12,000 kw, or with each generator having less than 6,000 kw.

China's small hydropower stations were developed in the early 1950s on the basis of agricultural co-operation. Most are mini (100-1,000 kw) or micro (under 100 kw) ones built by the peasants themselves in conjunction with the construction of water conservancy works. As they are small in capacity, most of them can only provide enough power for rural household lighting, the processing of agricultural and sideline products and small industrial needs.

Important Rural Energy

China's hydroelectric resources for small stations are not only numerous but are also widely scattered. Almost half of the nation's 2,300-odd counties have potential hydroelectric resources for small stations exceeding 10,000 kw. Of these, most amount to 30,000-60,000 kw and some exceed 100,000 kw. The significance of these figures becomes clearer when one realizes that the big cities such as Wuhan and Xian only had an installed capacity of about 10,000 kw in the early 50s. The fact that 1,100 counties throughout the country have an installed capacity above 10,000 kw indicates that half of China's counties are able to make use of their local hydroelectric resources to meet the needs in their rural areas.

To accelerate the development of small hydropower stations, the state supplied various localities with funds, equipment and key materials; thus raising their annual rate of increase in the generating capacity from several tens of thousand kw to several hundreds of thousand kw, In
constructing small hydropower stations, attention has been attached to building each station's transmitting and transforming projects and joint operations.

Small hydropower stations have mushroomed over the last few years. By the end of 1980, about 90,000 small hydropower stations had been built with an annual generating capacity of 12,700 million kw, which was about 34 per cent of the agricultural power consumption last year.

By the end of 1980, some 1,500 counties across the land had built their own small hydropower stations, 720 of which depend mainly on their own small hydroelectric resources and 199 have small hydropower units with an installed capacity exceeding 10,000 kw. Local power networks have been built in many counties and communes to transmit electricity to every peasant home.

In some areas where water resources are abundant and hydropower is quite developed, small hydropower units have become an important source of energy in the rural areas and small towns.

Marked Results

Small hydropower units have effected great changes in the vast rural areas, particularly the mountainous regions.

Firstly, the development of local small industry has been stimulated. In the past, many mountainous counties had very few or no industries at all. Now they have built industries such as farm machinery, cement, chemical fertilizer, paper making, calcium carbide and timber and food processing. There are over 1.40 million commune- or brigade-run enterprises in China, a considerable number of which were built with the aid of small hydropower stations.

Secondly, agricultural mechanization has been speeded up. Almost all the counties with a generating capacity of 10,000 kw have established local power networks and have initially realized mechanization in processing farm and sideline products.

Thirdly, developed irrigation and drainage by power have reduced drought and waterlogging and accelerated the development of agricultural production.

Fourthly, funds have been accumulated by localities, communes and brigades. For example, according to the figures returned from seven counties in Zhejiang Province’s Lishui Prefecture, in 1980 alone, the small hydropower stations there gained a net income of 5 million yuan.

Fifthly, the peasants’ material and cultural well-being has been enriched. In places where small hydropower stations have been introduced, electric lights and loud speaker systems have been installed in most villages. Profound changes have taken place in the mental outlook of peasants now that they are no longer cut off from the outside world.

Tremendous Motive Force

SEEING that China is developing small hydropower stations throughout the south, some foreign friends asked: Where does such a large motive force come from? With this question in mind I visited Shengxian County in Zhejiang Province’s east mountainous area.

With a population of 680,000, the county witnessed a marked progress in building small hydropower stations. In 1980, it had an electricity output of
40 million kwh, which met 45 per cent of the power needs for the county's industry, agriculture and daily life. Engineer He Peide, deputy director of the county's water conservancy and electric power bureau, briefed me on the situation there.

Nestling in mountains, the county is crisscrossed by rivers and streams. It has a hydroelectric potential of 60,000 kw. So far, 243 hydropower stations with a total installed capacity of 23,900 kw have been set up, of which the largest has an installed capacity of 3,750 kw and the smallest 100 kw. Most have been incorporated into the county's power network and, under the unified control and management of the county's electric power company, are operated jointly with the east China power network.

Where Does the Initiative Come From?

Shengxian has neither coal nor oil resources. It used to be a poor mountainous region hit frequently by drought and floods, and production there was backward. In 1956 after the agricultural co-operation, it built its first small hydropower station. The station brought the mountainous villages life and hope, though it was only equipped with an old 20-kw water turbine generator. Old people who were used to pine torches could hardly believe their eyes when they first saw lights which could not be blown out. With the introduction of electricity, manpower was no longer used to do husking and grind flour, a feat which women came to think of as their second emancipation. Even more important is what this shabby small hydropower station taught the peasants: Electricity is not mysterious at all and the peasants can tackle it by themselves. A campaign calling for the people to set up small hydropower stations started.

In 1966, the county already had 64 hydropower stations with an installed capacity of 1,843 kw. Since 1977, supported by the state, the enthusiasm of various localities to build power stations has been brought into play and small hydropower stations have developed at a faster pace.

During the course of building power stations, many bridges were built and highways were extended up into the mountains, promoting the exchange between the cities and the rural areas. Even the hair styles and clothing of peasant girls have greatly changed.

Last year, the whole of Zhejiang Province suffered from cold weather and rainy spells. While the grain output in many counties went down, Shengxian was one of the few counties which had a slight increase in grain output, with per-hectare yield keeping at 10.5 tons, thanks to its water conservancy projects and small hydropower stations.

Comprehensive Utilization

Engineer Xu Shengquan of the county's water conservancy bureau showed me around the local hydropower stations.

We set out in the early morning. Our jeep spiralled up the mountain, stopping at each hydropower station. From a distance, these power stations looked like diamonds embedded in green mountains.

I was told there are three ways to develop the county's small hydropower stations:

1) Build reservoirs to retain mountain floods, develop irrigation and generate power.

2) Make use of waterfalls to build hydropower stations up in the hills.

3) Make use of sharp drops in irrigation channels.

Three small streams converge to form the Sanxi River in the western part of the county. The main stream is 20-kilometre-long and covers a drainage area of nearly 100 square kilometres on which five reservoirs have

In addition to helping with irrigation, flood control and power generation, this reservoir run by Tiantai County of Zhejiang Province also serves for fish breeding.
been built with a total storage capacity of 9 million cubic metres. Altogether 400-metre-high natural drops in the river were used to build 10 hydropower stations with a total installed capacity of 4,900 kw, of which, four are run by the communes, three by the production brigades and three by the county. The three county-run stations have installed capacities of 520 kw, 640 kw and 2,000 kw and are under one management.

Later, we went to the Nanshan Reservoir in the southern part of the county. With a storage capacity of 100 million cubic metres, it is the largest reservoir in the county. Its 72-metre-high dam was built with local materials. The water it charges can irrigate one-fourth the county's cultivated land. Three power stations were built behind the dam and along the irrigation channels, which had an electricity output of 7.4 million kwh in 1980.

Stretches of woods, bamboo groves, tea gardens and orchards have been built around the reservoir. In addition, two Angora rabbit farms have been built along with workshops for making farm tools, furniture and cement prefabricated products, for bamboo weaving and grain processing. Fish raised in the reservoir brings in quite a bit of income. Thus, thanks to good comprehensive management, the surrounding area is flourishing.

**Government Policies**

The urgent demands and enthusiasm of the localities in addition to government support have speeded up the development of hydropower stations. The government has adopted a policy that under the unified planning of the central authorities, power stations should be built mainly by the localities and the peasants themselves with the help of the state and the collective. A second national policy stipulates that power stations should be managed and owned by those who have built them and benefit the owners.

The introduction of these policies in Xinchang, the smallest county in east Zhejiang, over the last few years has inspired the development of small hydropower stations, which now have a total installed capacity of more than 20,000 kw.

The county's Hongwei hydropower station is run jointly by five production brigades. It only has two old water turbine generators with a total generating capacity of 250 kw. From a long-term perspective, this station will be shut down eventually, but at present, it serves as the industrial centre of the five brigades.

He Songren, head of the station, said that it had been expanded twice on the basis of a 20-kw generator. The construction of the station, including the installation of machines and the erection of low voltage power transmission lines, was all done by the five brigades themselves. The investment totalled 120,000 yuan, 47,000 of which came from state subsidies, 6,600 from bank loans and the rest from the five brigades.

After the station was completed, all 871 households in the five brigades had electric lights and the processing of farm products was mechanized. Each of the five brigades set up a tea processing plant and altogether five pumping stations were built for farmland irrigation. In 1980, this station had an electricity output of 745,896 kwh. The distribution of the electric power is as follows:

<table>
<thead>
<tr>
<th>Ways of usage</th>
<th>Charges for per unit</th>
</tr>
</thead>
<tbody>
<tr>
<td>brigade industry</td>
<td>91,301 0.06 yuan/kwh</td>
</tr>
<tr>
<td>irrigation</td>
<td>28,630 0.04 yuan/kwh</td>
</tr>
<tr>
<td>farm and sideline</td>
<td>41,789 0.06 yuan/kwh</td>
</tr>
<tr>
<td>products processing</td>
<td>80,752 0.15 yuan/kwh</td>
</tr>
<tr>
<td>lighting</td>
<td></td>
</tr>
<tr>
<td>surplus (transmitted to</td>
<td>503,424 0.042 yuan/kwh</td>
</tr>
<tr>
<td>the county power company)</td>
<td></td>
</tr>
</tbody>
</table>

*Inside a small power station in Xinchang County.*

*August 10, 1981*
Electricity has promoted the development of a diversified economy and farm and sideline production. All the five brigades used to be very poor with a day’s pay ranging between 0.30 and 0.50 yuan. Now it has doubled and the peasants’ lives are much better.

Are They Really Economical?

— Views of Chinese Experts

China’s small hydropower stations now generate one-third of the nation’s hydroelectricity. Seeing that the present trend is to decrease the proportion of small power stations to large ones in those countries where hydropower is readily available, some people began to question whether China has overemphasized the development of small hydropower stations and whether their construction is worthwhile economically considering the per-kilowatt costs.

To answer these questions, I went to Deng Bingli and Bai Lin, two hydropower experts in the Ministry of Water Conservancy.

Deng began by noting that China has not neglected the construction of big hydropower plants. In fact, by the end of last year, 113 big and medium-sized stations with a total generating capacity of 13 million kw were constructed at a cost of 7.500 million yuan. However, some large-scale projects were postponed because during the “cultural revolution” the construction of big hydropower stations was criticized for “worshipping big and foreign things.” In addition, due to shortages in electricity and funds, most of the nation’s investment was used to fund the construction of thermal power plants which will yield quick results. An imbalance in the ratio of hydropower and thermal power plants resulted, with the former accounting for only 20 per cent of the total power output in the country.

Bai Lin immediately addressed himself to the question of economic feasibility. In his opinion, one cannot just look at this question in isolation but must consider it in relationship to the concrete conditions of China. Because China is a large country with a big population, 80 per cent of which lives in the countryside, and is backward economically and technically, particularly in those rural and mountainous areas, it is not economically feasible for the state to only build large power plants and provide electricity to the countryside. Rather it is both necessary and also economically sensible to build large and small hydropower stations simultaneously. He listed four points to demonstrate why the construction of small power stations is worthwhile economically for China.

1. The nation possesses an abundance of widely scattered water resources which can be utilized by small hydropower stations. In Zhejiang Province, for instance, 56 out of 70 counties have constructed small hydropower stations and 43 counties have the conditions for building 10.000-kw power stations. Therefore, local power needs can be met by fully developing this renewable energy resource. Zhejiang’s small hydropower stations generate only 9.8 per cent of the province’s total electricity, but provide 45 per cent of the power used in the rural areas.

2. Small hydropower stations are worthwhile economically. The cost of constructing a small power station is about the same as a large plant in terms of each kilowatt. A small power station requires an investment of 1,200 yuan per kw (including the investment in transmission equipment), while a big plant needs between 1,155 and 1,255 yuan.

According to international standards, a per-kwh investment of less than 0.4 US dollars (the power station is expected to function for 40 years) is considered feasible. It has been demonstrated that China’s
average per-kwh investment in small hydropower stations is 0.2-0.3 yuan or 12-20 cents in US currency.

The small power stations also cost less for generating each kilowatt hour. In Sichuan Province the cost for generating 1,000 kwh is 74.24 yuan in a big hydropower plant, 69.8 yuan in a thermal power plant and only 53.84 yuan in a small hydropower station.

3. The funds, labour and materials for constructing small hydropower stations come mainly from the local area. The stations can be easily built within a year or two and yield quick results. The funds, which are either bank loans or extracted from the local industrial profits, are repaid in instalments after the small hydropower stations have been put into commission. The construction workers are mainly from nearby villages.

In the period from 1975 to 1979, for instance, the state only invested 1,300 million yuan, or one-third of the total, for the construction of small hydropower stations with a capacity of 3.73 million kw.

4. China has rich experiences in the domain of small power plant construction as 65 per cent (about 1,500) of its counties have undertaken such projects. About half of these counties with small hydropower stations are technically capable of taking up the task of exploration, designing, construction, installation and operation. Part of these counties can produce the equipment needed. In Zhejiang Province, for instance, there are 10 factories producing generating equipment with an annual output of 200,000 to 250,000 kw. These factories are able to meet the province's needs for constructing small hydropower stations, and two in Jinhua County are turning out high-quality products, some of which are being exported.

At this point, Deng Bingli noted that the higher percentage of small hydropower stations does represent to a certain extent the economic backwardness of China. Small hydropower stations are subject to seasonal variations. They cannot generate enough electricity when the water level is low and will produce more than enough when the water level is high. Most of them lack a regulation reservoir. In addition, because most small hydropower stations have simple equipment, poor management and a capacity of less than 500 kw, their power generation is not as reliable as it is in the big plants.

Improvements can be effected by constructing regulation reservoirs at the upper and middle reaches of rivers, and linking the scattered small hydropower stations into networks. If such networks are established with a capacity of 10,000 kw, including one or two backbone stations with regulation reservoirs (with every generating unit having a capacity of 1,600 kw), a county would have a stable supply of electricity.

Speaking of the prospects for China's small hydropower stations, Bai Lin pointed out that China has decided to give priority to the development of water resources. China will continue to concentrate its investment on the construction of big hydropower stations. Of the hydropower stations China constructed and put into operation in 1980, most had a generating capacity of 35,000 kw and their combined capacity amounted to 426,250 kw.

But the construction of small hydropower stations still represents an important supplementary force in the country's electric power system. From a long-term point of view, small hydropower stations with a capacity of less than 500 kw should gradually be eliminated. In the last decade the average capacity of China's small hydropower stations rose from 32 kilowatts to 300 kilowatts. This is an inevitable trend both here and in many industrially developed countries.
How to utilize new and renewable energy resources is a question being asked around the globe these days.

The world has 2,200 million kw of exploitable water resources, but a generating capacity of only 400 million kw, with some developing countries having only exploited 2 per cent of these resources. Even in the developed countries like the United States, France, Norway and Sweden where water resources have been almost completely exploited, the development of hydroelectric power is again under consideration. These nations have shown great interest in the small hydropower stations which were considered uneconomical in the past. The UN Economic Commission for Europe has even set up a special group to reassess the possibility of installing small power stations in those places formerly considered uneconomical.

Much world attention has been focused on China for the progress it has achieved in the use of small hydropower stations. In October 1980, an international conference on small hydropower stations was held in Hangzhou, Zhejiang Province, by the Chinese Ministry of Water Conservancy at the request of the UN Industrial Development Organization. It was attended by representatives from 24 countries. During the conference, the representatives visited small hydropower stations and exchanged experiences on a wide range of items. Many representatives from the developing countries reached a deeper understanding of the importance of small hydropower stations.

To promote technical exchanges and international co-

operation in building small hydropower stations, the conference recommended that a regional training and research centre for small hydropower stations be set up in Hangzhou, China. Now, the centre is under construction through the efforts of the Chinese Ministry of Water Conservancy.

After the conference, UNIDO officials, along with some of the representatives, held talks with Chinese experts and professors and called a press conference. The following remarks were made during those occasions.

Mr. William H. Tanaka, a UNIDO official, said that energy presents an important question for the developing countries. Since many developing countries lack oil, they have to devise ways to exploit and utilize renewable energy in developing their industries.

Of all forms of renewable energy, small hydropower stations are comparatively well thought-out in terms of technical questions, are simple in construction, consume less funds and can meet local power needs. Although many developing countries now have a greater appreciation of their importance, they need to find ways to muster the enthusiasm necessary for constructing them. China is building them at all levels from the provinces down to the communes and its enthusiasm does not merely come from higher authorities. But where does it come from? This is a question which requires further study.

Third world countries need state support and guidance to develop small hydropower stations like China's. China and the Philippines have set good examples by developing small hydropower stations in a planned
way. Other countries should go have a look. China’s spirit of innovation and diligence is very impressive.

Mr. Ola Gunnes from Norway said that his country, with only 4 million people, is quite small. It began building small hydropower stations in 1900, and since then they have played an important role in promoting small-scale industry and rural development. Without these hydropower stations, it would have been difficult for the countryside to develop. Now, there are 600 comparatively large hydropower stations and only 250 small ones, each with a capacity of less than 1,000 kw. But interest in small power stations has resurfaced in the last two years because of the energy shortage.

China rarely has introduced new technology in its building of small hydropower stations. This makes sense for the Chinese because of their abundance of labour power. China is working to improve its people’s livelihood. As the people’s living standards and wages gradually rise along with economic development, China will be compelled to introduce advanced technology. Thus, while it pays for China to do what it is doing today, it will not pay in the future.

Mr. Reynaldo V. Sevilla from the Philippines said: The current worldwide energy crisis has seriously affected the developing countries. About 85 per cent of the Philippines’ power plants consume imported diesel fuel. We have to develop our own sources of energy; that is, small hydropower stations, firewood consuming power plants and solar energy. The government gives priority to the development of small hydropower stations, but at present there are still very few. So the experiences of other countries, especially China’s, provide important examples for us to learn from.

Mr. Dennis Audley Minott from Jamaica noted: China’s experiences in this field are the most developed. After visiting small hydropower stations in the two counties of Jinhua and Jinyun, I felt that there is a great deal of potential for further development. It is obvious that China has built small hydropower stations in a planned way and for multiple purposes and that its workers at these stations are technically very able. In the spirit of self-reliance, the Chinese people make machines themselves and take the lead in training personnel. It is hoped that China will instruct personnel for other countries.

China will have to pay a price in the future for its failure to introduce new technology. If China begins to apply new technology to the generators it exports, it will be able to compete on the international market.

Mr. Gerald Mukua Wagana from Kenya said that he was struck by the durability of the Panxi power station in Jinyun County. The station was well laid out, buildings were spacious and clean, and the working environment was quite good.

Mr. Syed T. S. Mahmood from Bangladesh said: “I was deeply impressed by the power stations along the slopes of the hills in the two counties. It is clear that they are based on a design drafted by the county. Though I find them interesting, I think that the supplementary buildings are not rationally laid out and well-maintained. In addition, the turbogenerator is too noisy.”

Mr. Tanaji Apparao Deodas from India said that the exhibition of equipment for small hydropower stations was quite impressive. The wide range of generators are simple in structure and easy to operate. In addition, the turbines are extremely efficient and easy to maintain and their spare parts easy to produce.

Mr. Han-Woung Pack, a UNIDO official, said that China has gained the most comprehensive experience in building small hydropower stations. Both the countries present at the conference and those which did not attend may ask China for technical help. Naturally, it is hoped that China will respond favourably to such requests.
CREATIVITY

Talent of Disabled People

This year has been designated the International Year of the Disabled Person. China is paying special tribute to the achievements of its disabled citizens, many of whom have overcome handicaps to contribute to society. Further, this year, special events have been organized for disabled people to participate in.

Gao Shiqi, a famous author of popular science articles and adviser to the Chinese Association of Science and Technology, is a disabled person. In 1926 when he was studying medicine in the United States he cut a finger while operating on a guinea pig for encephalitis A. Thus he contracted the disease and became paralysed, lost his hearing and his speech became impaired. He was only 20 at that time but he had to rely on others for everyday life.

Gao Shiqi was determined to overcome his misfortune. He wrote from morning till night, although he could only write a few hundred characters a day. By 1937, he had written more than 100 popular science pieces and translated numerous foreign scientific articles into Chinese. Later, as his health deteriorated further, he could no longer write and had to dictate his articles to his secretary.

Since the founding of New China, Gao has continued to write. His most acclaimed writings include: Bacteria and Man, The Origin of Life, The Struggle Against Infectious Diseases, Earth, Our Mother and Scientific Poems. Now, at the age of 75, he has begun to write his memoirs. Gao Shiqi is just one of thousands of disabled persons in China who have full confidence in life.

Last April, an exhibition of calligraphy, painting and handicraft by disabled people was held in Nanjing. The artists' ages ranged from 11 to 81. On display were more than 500 works of calligraphy, painting, seal engraving, photography, carving, weaving, embroidery and kite-making.

A lacquerware screen decorated with pictures of traditional Chinese beauties, made by two deaf persons, Zhao Baoxiang and Cheng Guanghua, won high praise at the exhibit. Liu Daqiang, a deaf painter from Wuxi, proudly proclaimed: “We deaf people can make contributions to society.” His 3-metre-wide traditional Chinese painting Spring at Taihu Lake was hung in the middle of the exhibition hall. Many visitors marvelled at the 14-year-old student who demonstrated his penmanship with his maimed wrist while onlookers crowded around. He had just won a second class prize in the national competition of calligraphy for young-
sters. Similar exhibitions were also held in other cities including Shanghai, Qingdao and Shenyang.

A sports meet in Beijing reflected the life and abilities of disabled people from another angle. The competitions opened on April 15 and closed one and a half months later. The participants' ages ranged from 8 to 65. There were contests in basketball, table tennis, track and field events and Chinese chess.

Chess was the only event that blind people participated in. Six players were victorious in the first round, including Shao Zuofu, a second year student of the Mathematics Department of the Beijing Teachers' University, and Chao Fuchun, a worker from one of Beijing's suburban counties. Shao, 29, is the only blind college student in Beijing. He said that playing chess helps him study maths. Chao is a flute player in Beijing's blind people's band.

Clubs for disabled people have been set up in many provinces and municipalities in China. Disabled people enjoy many activities in these recreation centres. Popular activities include reading, table tennis, badminton, chess, cards, watching TV and listening to and playing music. Events are often organized by the centres and sometimes groups go to factories or the countryside to give performances.

China is also participating in some international events in the International Year of the Disabled Person. Ten paintings selected from about 700 have been sent to Japan for the World Exhibition of Paintings by Disabled Children. Included are The Cock by an armless 9-year-old boy who holds the brush in his mouth and The Monkey King by 13-year-old Lin Fusheng who paints with a brush between his toes.

ZOOTOLOGY

Panda Mating Observed

For the first time, the entire mating process of a pair of giant pandas in their natural habitat has been observed. A group of Chinese and foreign scientists witnessed the process on April 13 at the Wolong Panda Reservation Centre in Sichuan Province.

Scientists who were working at the centre's observation post were alerted at 3 p.m. by strong radio tracer signals from Zhen Zhen, a 10-year-old female panda who had been captured on March 13, fitted with a radio tracer and released. The scientists rushed to the source of the radio signals and found two male pandas “fighting” for Zhen Zhen. From an observation point, they saw the rivals, roaring and panting, charge each other repeatedly though either did not cause any injury to the other. The “fighting” went on for an hour and a half before one of the male pandas let out a huge roar and ran away. The winner then began “flirting” with Zhen Zhen. After a number of unsuccessful attempts, he mounted her at dusk.

Giant pandas are slow to reproduce and have a low survival rate, because they are very selective and have a limited diet. To protect giant pandas, the Chinese Government and the World Wildlife Fund jointly set up a panda conservation centre in the Wolong natural reserve in Sichuan Province. This natural reserve is a 200,000-hectare area where high mountains and deep gullies provide a sanctuary for pandas.

When Zhen Zhen was captured on March 13, scientists measured and weighed her, and took blood samples. On March 10 and April 19 the scientists caught two other pandas, Long Long, a three-year-old male, and Ning Ning, a female. Like Zhen Zhen, they were also released back into the forest with radio tracers.

Such instruments have enabled the scientists to gain first-hand data about the activities of pandas and they know more about these animals' modes of life and relation to their environments than ever before.

(Continued from p. 17.)

Chinese national conditions. They will not change the policy of opening our country to the world economically, which has carried out for several years.

In its modernization drive, China will adhere to the policy of maintaining independence and keeping the initiative in its own hands. At the same time, it will promote economic co-operation and trade with foreign countries according to the principle of equality and mutual benefit, learning from others' strong points and supplying each other's needs. China will use foreign funds and introduce advanced technology from other countries. As it has rich resources and huge potentialities, it will be a promising market. Economic co-operation between China and other countries has therefore a bright future.

August 10, 1981
THE KING OF LOCKS

Holding a Leading Position in the National Quality Competition; Winner of the National Silver Medal.

1. Hardened by a process of gas carburization, the shackle is indestructible.
2. The shackle is doubled bolted, thus enabling the lock to withstand twice as much force.
3. With a secure guard-plate, mushroom pin, extended pin and cylinder, the lock is burglarproof.
4. The lock is easy to open.
5. The keys have a serrated edge with 4-differentiated grooves so as to guarantee an unlimited number of variations and insure against interchanging keys.

CHINA NATIONAL LIGHT INDUSTRIAL PRODUCTS IMPORT & EXPORT CORPORATION
Shandong Branch
8 Tianye Road, Qingdao (Tsingtao), China
Cable Address: "INDUSTRY" Qingdao