Economic Development
And People's Livelihood

A Nickel City
On the Gobi Desert
Sixth Five-Year Plan

Premier Zhao's "Report on the Sixth Five-Year Plan" (No. 51, 1982) was interesting, or, more precisely, impressive. Where will China, the greatest socialist country, go under the guidance of the Communist Party of China, the vanguard of workers, peasants and intellectuals? This report gives the reader a clear answer.

Deogracias Lopez Ros
Murcia, Spain

International Human Rights

By reading your article entitled "On the Question of Human Rights in the International Realm" (No. 30, 1982), people who may have harboured a suspicious attitude in this respect will be fully convinced. "Human rights," a term invented by the Western countries, is used to cover up the true issue in the international arena, that is, support to the third world and peace and co-operation among various countries.

It is a pity that those who disseminate "human rights" are not interested in genuine history. They are only interested in the Anglo-Saxon colonialism. Yet, some people are disgusted with it. I now further understand the general orientation of your country's foreign policy. The anti-hegemonist struggle which constitutes the foundation of your foreign policy should be clearly manifested.

Quinto Demokia Abongo
Gulu, Uganda

"Sports for the People"

Many articles have impressed me; most recently a special feature "China: Sports for the People" (No. 44, 1982) caught my fancy.

It is very heartwarming to note how your government undertakes programmes of physical fitness for China's millions. Also, I was very impressed with your minorities' traditional sports like camel-racing and pole-climbing, to mention a couple.

Joseph P. A. Dumuk
San Fernando, the Philippines

Advocate Hygiene

The picture of a grandfather and his small charge calling for observance of an anti-litter campaign (p. 26, No. 22, 1982) is touching. Our government is currently conducting such a campaign and we continually see skits on TV exhorting us all to be tidy.

Doug Hutchins
Wallacia, Australia

From American Readers

I have obvious fundamental differences with the political line put forward in the People's Republic of China and crystallized in the pages of Beijing Review. However, I find this periodical an important (if not fully accurate) gauge of socialist policy in China today, as enunciated by the official organs of the CPC.

Steve Olson
Altadena, Calif., USA

Mostly, I want to read about the people — how their living styles and work and education are improving. The Western world has so much to learn from your people.

Also, your style of writing has improved so much — the translators are fantastic compared to 10 years ago.

I am so pleased with all your changes and improvements. I can only suggest that you carry more intimate life stories of your leaders and special personalities.

Gladys Graves
Sierra Madre, Calif., USA

I like best articles that deal with China's progress towards modernization as it relates to the life of the individual. Also reports on the building of capital structures.

I like least articles in regard to other countries which are covered by local media.

Speaking as a lay reader, I find the structure of the magazine in good taste. Some of the longer articles could be condensed — give the gist of the meaning without going into every detail.

Richard A. Dannels
Tucson, Ariz. USA

Understandable Articles

It often takes me a lot of time and causes me headaches to read Beijing Review. Its articles are as difficult as mathematics for me. Please write in a popular style, because among your readers there are not only scholars, but also housewives like myself, a common person who wants to know China. I hope that your magazine will carry more clear and understandable articles.

Yukio Maekawa
Kakawa, Japan
HIGHLIGHTS OF THE WEEK

Spring Festival

Beijing residents spent their traditional lunar new year holidays in a relaxed, gay atmosphere. An ample market supply of foodstuffs plus rich, varied stage and TV programmes provided enjoyment for all (p. 5).

Policy Promotes Science and Culture

Thanks to the full implementation of the “Hundred Flowers” policy, rapid growth in science and culture is manifested in the quality and number of films, books, research institutes and scientific and technological research products (p. 6).

Economic Construction and People’s Livelihood

China’s experience over the last few years has shown that a proper balance must be maintained between accumulation and consumption in order to accelerate economic development and improve people’s standard of living (p. 12).

Story of a Nickel Complex

An eyewitness report on the birth and growth of the Jinchang Non-Ferrous Metal Company — China’s largest nickel industry complex in the Gobi Desert (p. 14).

An Ominous Signal

As the New Delhi non-aligned summit draws near, Moscow has been stepping up its manoeuvres to bring the movement into its own orbit. Pravda’s recent article warrants careful attention (p. 9).

US Court Ruling Rejected

Foreign Minister Wu firmly rejects a US court’s judgment on the so-called Huguang Railways bonds suit (p. 8).
Sihanouk and the non-aligned movement

The 7th non-aligned summit will soon be held in New Delhi. Up to now, Samdech Norodom Sihanouk of Democratic Kampuchea has not been invited. Would you like to comment on this?

It is irrational to exclude Samdech Sihanouk from the non-aligned movement. It will only impair the unity and the prestige of the movement if Sihanouk is not invited.

The decision made by New Delhi not to invite Sihanouk to attend the seventh non-aligned summit has evoked strong reactions in world public opinion. The ASEAN countries and many other non-aligned nations have all wanted to alter this decision.

It is fully reasonable that Samdech Sihanouk should be invited to attend the summit:

First, Samdech Sihanouk is the only founder of the non-aligned movement who is still living. It is irrational and incomprehensible for the non-aligned summit not to invite a founder of the movement to attend.

Second, Samdech Sihanouk is the President of Democratic Kampuchea. Last year, he attended the 37th United Nations General Assembly as head of the delegation of Democratic Kampuchea and was accorded a warm welcome. The United Nations General Assembly has in each of the last four sessions passed resolutions by an overwhelming majority to uphold the lawful seat of Democratic Kampuchea at the United Nations and demand the complete withdrawal of Vietnamese troops from Kampuchea. This shows that the Government of Democratic Kampuchea enjoys international recognition as the country's legitimate government.

Not long ago, Samdech Sihanouk returned to his country and presided over the successful second cabinet meeting of the Coalition Government of Democratic Kampuchea. The three patriotic forces of Kampuchea pledged to close their ranks and carry their struggle against Viet Nam through to the end. Samdech Sihanouk has not only played an important role in uniting various patriotic forces and promoting the struggle against Viet Nam, but will also play a major role in leading the Kampuchean people in rebuilding their motherland. Therefore, it is entirely legitimate for Samdech Sihanouk to participate in the non-aligned summit as a representative of his country.

Democratic Kampuchea has all along been a member nation of the non-aligned movement. Viet Nam, backed by the Soviet Union, invaded and occupied Kampuchea at the end of 1978 and imposed many hardships on the Kampuchean people. At the Havana summit in September 1979, Cuba took advantage of its chairmanship to manipulate the conference and deprive Democratic Kampuchea of its right to attend. This arbitrary act by Cuba evoked opposition and protest among many participating countries. Many delegates asked: Does it conform to the principles of the non-aligned movement to treat Democratic Kampuchea in such a way? Should aggression and expansion be rewarded or opposed?

Many member countries of the non-aligned movement hope that the New Delhi conference will correct the mistake made at the Havana conference so that the non-aligned movement may advance in the right direction. The Foreign Minister of Singapore pointed out that the vacancy of the Kampuchean seat at the Havana conference was in fact decided by Cuba, the host country. The Foreign Minister of Malaysia stressed that it was illegitimate for Cuba to exclude Democratic Kampuchea from the conference. How can India continue to unlawfully exclude Democratic Kampuchea? he asked. Other nations of the non-aligned movement also expressed the view that the invocation by India of the Havana decision is no justification for not inviting Sihanouk.

China always has a high evaluation of the contributions made by the non-aligned movement in upholding the rights and interests of the third world and safeguarding world peace, and supports the principles and positions of the non-aligned movement. It is only natural that we are concerned about the future and progress of the movement.

We are of the opinion that to invite Samdech Sihanouk to the New Delhi summit conforms to the principles of the non-aligned movement. Contrary to assertions from Moscow, his participation in the summit would enhance, rather than impair, the unity of the movement and the prestige of the host country.

—International Editor Mu Youlin
Spring Festival celebrated

It was New Year's Eve of the Chinese lunar calendar. The boom and crackle of fireworks resounded throughout Beijing. For hours the jet black winter night sky was turned into a colourful picture of exploding rockets. The Chinese people, whose ancestors invented gun powder, are still using traditional firecrackers to send off the old year and welcome the new.

Spring Festival this year fell on February 13, the beginning of a four-day holiday (including Sunday). Last year, China scored remarkable success in all fields of endeavour: this year, the reform in various fields will pick up momentum. Spring Festival this year was characterized by a sense of happiness and confidence in the future.

Spring Festival is an occasion for family reunion. Family members hurry home wherever possible for the family dinner on the festival's eve. There was more food on the dinner table this year.

To prepare for this lavish dinner people began shopping a week earlier. The markets were jammed and long lines were sometimes unavoidable, but this year residents of Beijing enjoyed a good supply of Spring Festival delicacies in years.

According to the Beijing municipal commercial department, the supply of sugar was double that of last year, and the supply of chickens rose 49 per cent. There were ample supplies of vegetables, pork, ducks and the season's specialties.

Most people celebrated the Spring Festival at home, eating and laughing and watching TV specials together. On the evening of February 12, the TV stations presented a rich repertoire of shows starring famous singers, dancers, movie stars and story-tellers, to the delight of TV viewers. Hot lines were opened, so that the audience could ring the stations for particular performances they would like to see.

There were only 9 million TV sets in China two years ago. Now the number has jumped to 20 million. In big and medium-sized cities and their suburbs, many families watched TV that evening.

On the morning of February 13, the Great Hall of the People in Beijing was the site of a happy 'get-together' of 4,500 people from all walks of life, including Zhao Ziyang and other Party and state leaders. In the evening, 20,000 people flocked to the hall for a joyous variety show celebrating the festival.

For thousands in Beijing, a big attraction during the Spring Festival was the Drum Tower where 500 festival lanterns were on display. Crafted in many designs, most portrayed animals, flowers and legendary figures from Chinese fairy tales.

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Festival lantern making in China dates back 1,500 years ago. During the Ming Dynasty (1368-1644), Spring Festival lantern exhibitions were held in Beijing's Dangshikou, meaning "Street of Festival Lanterns."

**Tibetan new year**

February 13 this year is also the New Year's Day in the Tibetan calendar. On the afternoon of February 9, some 1,600 Tibetans in Beijing had a get-together at the Cultural Palace for Nationalities to celebrate the occasion.

The government of the Tibet Autonomous Region sent 750 kilogrammes of butter and 1,000 kilogrammes of roasted qingke barley with which the cooks of the Nationalities Hotel prepared various kinds of Tibetan refreshments for the get-together.

**Science and culture blossom**

Since restoring the policy of "letting a hundred flowers blossom and a hundred schools of thought contend" in 1979, China's cultural undertakings and sciences have expanded greatly.

During the 17 years before the start of the "cultural revolution" in 1966, China produced an average of 36 feature films each year. During the "cultural revolution" (1966-76), this number fell to 10. But since 1979, the annual average has increased to 84. The variety and quality of films have also improved significantly.

Many films have been shown in various international film festivals and several have won prizes. For instance, *My Memories of Old Beijing*, a wide-screen colour feature film, recently won the Golden Eagle Prize for the best film in the Second Manila International Film Festival.

The numbers of book titles published and copies printed in 1981 were both nearly double those of 1976, with further increases in 1982. Many new and talented young and middle-aged writers have emerged and veteran writers who had not written for many years have published new works. The much greater diversity of themes and approaches is reaching a wider audience than ever before.

New achievements in science and technology have produced many important inventions that have received state awards and are playing crucial roles in China's economic construction. The Chinese Academy of Sciences fulfilled 92.8 per cent of the 2,063 scientific research projects planned for 1982. Of the 10 major 1982 scientific achievements in the world selected by eminent Chinese scientists and scholars, two were made by Chinese scientists. One was the successful synthesis of yeast alanine T-RNA and the other was a new method to measure DNA proposed by Hong Guofan, a Chinese scholar visiting Britain.

The social sciences in particular suffered badly during the "cultural revolution." Many scholars were persecuted and 14 research institutes of the Chinese Academy of Social Sciences and 37 provincial research institutions were closed. Today the academy has 31 institutes which publish 58 academic journals. A total of 189 social science research institutions have been established in 29 provinces, municipalities and autonomous regions. The number of national associations and societies for the social sciences has reached 198.

The policy of "letting a hundred flowers blossom and a hundred schools of thought contend" was put forward by the Party Central Committee in 1956. Its main content includes democratic academic debate and free artistic competition, promoting what is correct and progressive and correcting what is erroneous and backward through criticism and self-criticism. However, owing to "Left" influence in the guiding ideas, especially the cultural tyranny of the gang of four during the "cultural revolution," this policy had not been implemented for a long time.

**New experiments in colleges**

"Reforms" of people's communes and enterprises have been discussed in the Chinese press since the beginning of this
year. Colleges will also experiment with reforms in two fields.

In enrolment, according to Vice-Minister of Education Huang Xinbai, the reforms will follow four guidelines.

First, improve the accuracy of estimating society's needs for graduates and work out the college enrolment plans on that basis.

Second, open channels for qualified personnel to work in the rural areas.

Third, encourage employment units to establish direct contacts with colleges and entrust the colleges to train personnel for them.

Fourth, implement the principle of making all-round assessments of applicants' moral, intellectual and physical qualifications and selecting the best students.

Starting from this year, a lower standard will be set for entrance examination marks for students who want to study in teachers' colleges or in the fields of agriculture, forestry and medicine and are willing to work in the countryside. Preference will be given to students from rural areas who want to return to their native places upon graduation. The colleges will institute a system of enrolling students who must work in definite areas or counties after they finish their studies.

In addition to the annual enrolment quota, the colleges will be allowed to sign personnel training contracts directly with employment units. The expenses will be borne by the latter.

Huang Xinbai also suggested that some colleges open preparatory classes for model workers and those who have done meritorious services to the country to help them improve their scientific, technical and general knowledge.

Another major reform is in the distribution of graduates. China in the past has assigned graduates in accordance with the state plan. Generally speaking, the system worked satisfactorily, but there were also cases of assigning graduates to posts that are unrelated to their specialities.

A survey of more than 500 graduates in 1981 from Shanghai Jiaotong University showed that about 20 per cent had been assigned jobs unrelated to their studies.

Present-day China's religion

Mass and other religious services suspended during the "cultural revolution" have been revived in China.

Hymns can now be heard again from the many Protestant and Catholic churches, and church goers all over China are celebrating their regained freedom of religious belief.

The recently adopted Constitution of the People's Republic of China reaffirms freedom of religious belief—a consistent policy of the Communist Party of China, and supports China's religious believers to manage their religious affairs independently. Article 36 stipulates:

"No state organ, public organization or individual may compel citizens to believe in, or not to believe in, any religion; nor may they discriminate against citizens who believe in, or do not believe in, any religion.

"The state protects normal religious activities. No one may make use of religion to engage in activities that disrupt public order, impair the health of citizens or interfere with the educational system of the state.

"Religious bodies and religious affairs are not subject to any foreign domination."

China's religious believers now actively take part in the nation's economic construction and political activities. Three deputies to the National People's Congress and another 12 members of the National Committee of the Chinese People's Political Consultative Conference are Protestants or Catholics.

In recent years, the government helped the various faiths to regain churches that had been occupied by non-religious organizations and solve their other difficulties.
At present, China's Christian population includes some 2 million Protestants (with 5,800 clergy) and 3 million Catholics (with 3,000 clergy). Currently, more than 200 Protestant churches and an equal number of Catholic churches are offering services.

For the convenience of religious people living in remote areas, the churches set up some meeting centres and sent clergy to lead religious activities in these places. Apart from regular religious services and mass, the churches also perform baptisms, weddings, requiems and other services.

In the last two years, the Bible, a separate New Testament and other religious books in Chinese have been published, totalling more than one million copies.

There are two theological institutes and three monasteries in major cities (Beijing, Nanjing, Shanghai and Shenyang) and another Catholic theological and philosophical institute will be open soon.

China's churches are financed by their own estates and donations from their believers.

YMCA's and YWCAs in China also offer many social services such as foreign language, sewing and speech therapy classes.

China rejects US court ruling

During US Secretary of State Shultz's visit to China, Foreign Minister Wu Xueqian reiterated the consistent position of the Chinese Government and handed over to the US Secretary of State an aide memoire of the Ministry of Foreign Affairs of the People's Republic of China with regard to a US district court's "default judgment" in a suit against the People's Republic of China concerning the so-called Huguang Railways bearer bonds.

The so-called Huguang Railways bearer bonds were issued by the Qing government in 1911 with a view to obtaining loans from a consortium of foreign banks on the pretext of constructing the Guangdong-Hankou Railway, so as to reap windfall profits and thus maintain its reactionary rule. In November 1979, nine Americans holding the above-mentioned bonds filed a suit against the People's Republic of China in the United States District Court for the Northern District of Alabama, demanding repayment of the principal and interest of the bonds.

In this connection, the Chinese Government has made representations to the US Government on a number of occasions and stated that in accordance with international law, China enjoys sovereign immunity from the jurisdiction of any foreign court: that the Chinese Government recognizes no debts incurred by the past reactionary governments of China and has no obligation to repay them.

Nevertheless, the US court arbitrarily made a "default judgment" on September 1, 1982, demanding that the Chinese Government pay the plaintiffs more than US$41.3 million.

The aide memoire said that it is a long-established principle of international law that odious debts are not to be succeeded to. The so-called Huguang Railways bearer bonds were one of the means by which the traitorous Qing government, in collusion with the imperialist powers who were carving out spheres of influence in China, intensified its oppression and plunder of the Chinese people to bolster its reactionary rule and repress the people. It stands to reason that the Chinese Government refuses to recognize such old external debts. This position of the Chinese Government fully conforms to the principles of international law and has a sound basis in jurisprudence.

The aide memoire noted that sovereign immunity is an important principle of international law. It is based on the principle of sovereign equality of all states as confirmed by the Charter of the United Nations.

As a sovereign state, China incontestably enjoys judicial immunity. It is in utter violation of the principle of international law of sovereign equality of all states and the UN Charter that a district court of the United States should exercise jurisdiction over a suit against a sovereign state as a defendant, make a judgment by default and even threaten to execute the judgment.

Should the US side, in defiance of international law, execute the above-mentioned judgment and attach China's property in the United States, the Chinese Government reserves the right to take measures accordingly.

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Moscow

‘Alliance’ with non-aligned states

An ominous signal has come from Moscow to the 7th Non-Aligned Summit Conference to be held in New Delhi next month.

The Soviet newspaper Pravda, in an article on January 28, urged the non-aligned summit to regard the Soviet Union as "a natural ally" instead of "keeping an equal distance" from both the Soviet Union and the United States and following a policy of opposition to both superpowers.

The article said the forthcoming summit should not take up the issues of Afghanistan and Kampuchea. Otherwise, it argued, the attention of the conference would be focused on individual and deliberately exaggerated questions instead of superpowers.

Soviet Motives

Moscow’s intentions are quite obvious:

First, it wants the non-aligned countries to give up their principles of independence, self-determination, and non-alignment.

For more than 20 years, most non-aligned countries have upheld these principles and refused to join any military bloc or depend on the two superpowers. As a result, the non-aligned movement has increased from 23 to 95 in membership, making it a strong political force to be reckoned with. Therefore, the Soviet Union wants to make the non-aligned countries its allies.

Second, it wants the non-aligned countries to oppose only one of the two hegemonist countries.

As contentions between the two superpowers over the third world countries have intensified since the beginning of the 1970s, many victim countries have proposed that the non-aligned movement should be aimed mainly at opposing the two hegemonist powers — the United States and the Soviet Union. It was especially after the invasions of Kampuchea and Afghanistan that more non-aligned countries came to realize that besides US hegemonism, Soviet hegemonism must also be opposed if world peace and the interests of the third world countries are to be protected.

Now, with its demand that the non-aligned movement give up its policy of opposing both superpowers, the Soviet Union is trying to draw the non-aligned movement to its side in its rivalry with the United States for world hegemony. This is actually an attempt to undermine the very basis of the non-aligned movement.

Third, it intends to prevent the forthcoming summit from discussing the Kampuchean and Afghan problems. The Soviet Union’s invasion of Afghanistan and its backing for Viet Nam’s occupation of Kampuchea have not only violated these two countries’ sovereignty, national independence and non-aligned status, but have also undermined the security and stability of the Asian and Pacific region. This is by no means what Moscow has called “an individual and deliberately exaggerated question.” Moscow’s endeavour to prevent the summit from discussing these problems shows its fear of being condemned at the summit. It also shows its obstinate adherence to its policy of aggression and expansion in defiance of the just demand of the non-aligned countries.

Challenge to Basic Principles

Reviewing its historical development, the non-aligned movement has often faced challenges to its aims and principles from the Soviet Union and its proxies. Moscow has used various means to influence the non-aligned movement. It has attempted to keep the non-aligned countries from discussing the gap between the poor and the rich, from using the terms “superpowers” and “two imperialisms.” It has also divided the non-aligned nations into two categories, the so-called “progressives” and the “conservatives,” maligning some of these nations as “reactionary” regimes. At the same time the Soviet Union instigated its two proxies, Viet Nam and Cuba, to promote the notion of a “natural ally” within the non-aligned movement and to oppose the independence of the movement from the two military blocs and prevent the Afghan and Kampuchean questions and its hegemonist and expansionist acts from being discussed.

At the 6th Non-Aligned Summit in 1979, Cuba, taking advantage of its chairmanship of the conference, deprived Demo-

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cratic Kampuchea of the right to participate in the summit, thus keeping its seat vacant. This not only established a bad precedent for the non-aligned movement, it also set up obstacles for the 7th summit to be held in New Delhi next month. The ASEAN countries have made every effort to remove these obstacles, but Moscow has slandered all these efforts as a "discredited farce." Any tricks which Moscow and its proxies may attempt during the 7th summit must be scrutinized with vigilance.

—Tang Tianri

Nigeria

Massive expulsion of illegal aliens

An estimated total of 500,000 Ghanaians have recently returned home from Nigeria since the announcement of the expulsion order for illegal aliens by the Nigerian Government on January 17. More illegal immigrants in Nigeria are leaving for home by air, land and sea.

Nigerian Minister of Internal Affairs Ali Baba announced on Jan. 17 that all aliens staying and working illegally in Nigeria were ordered to leave the country within two weeks. Speaking at a press conference on Jan. 25, the minister said that the deadline for skilled foreign workers to leave Nigeria had been extended until the end of February because some West African countries appealed to the Nigerian Government to extend the expulsion deadline.

Reason for the Order

Nigeria explained that the expulsions were legal under Nigerian law, and that the expulsion order was made because many illegal immigrants contravened the protocols on the free movement of people and goods within the Economic Community of West African States (ECOWAS), which stipulated that citizens of one ECOWAS member state are allowed to stay in another member country for 90 days without a visa. But many immigrants entered Nigeria illegally and stayed there for over three months without valid travel documents or visas.

According to Western news agencies, the expulsions were made because of rising unemployment, galloping inflation, less petrodollar income, tribal frictions, and because the national election of Nigeria is near. Nigerian President Alhaji Shehu Shagari said that the illegal immigrants increased crime rates in his country.

Among 3 million immigrants who came to Nigeria when it was in the midst of an oil boom in the 1970s, about 2 million of them are illegal aliens subject to the expulsion order. The majority of the illegal immigrants are Ghanaians, others come from Chad, Cameroon, Togo, Benin, Upper Volta and other countries.

Wide Concern

The expulsion order is applauded by the Nigerian public but it is opposed by employers who want cheap immigrant labour. Some 80 per cent of Nigeria’s construction workers are illegal immigrants. As they leave the country, a lot of construction will be forced to halt.

Many West African countries have expressed great concern about the expulsion of Africans from Nigeria. Leaders of three countries (Liberia, Guinea and Sierra Leone) have jointly sent a telegram to President Shagari demanding that the Nigerian Government reconsider its expulsion order. They have also demanded that an ECOWAS conference be held to discuss this issue.
On Feb. 3, the Liberian Government donated 20,000 US dollars to the Ghanaian Government for resettling those Ghanaians expelled from Nigeria. The Ghanaian Government sent large numbers of vehicles to bring its people back across the Togo-Ghana border which Ghana opened on Jan. 29. Both countries have done much to help their citizens return. Some international organizations and communities have provided emergency assistance such as food, tents, medical equipment to the immigrants expelled from Nigeria.

The Nigerian Government has now adopted relaxed measures to deal with those illegal immigrants who had not yet left the country by the deadline. Officials of the Nigerian Ministry of Internal Affairs have stated that illegal immigrants who are willing to leave the country as soon as possible will not be arrested or harassed. The Nigerian Government has extended the deadline for its expulsion order.

— Xin Ping

Hungary

Small enterprises favoured

The Hungarian Government in recent years has promulgated a number of new decrees and modified others to promote the development of many different kinds of small enterprises.

This represents a break away from the practice of the past. Beginning in the 1960s, Hungarian industry and agriculture underwent a period of drastic consolidation in which smaller businesses merged to become ever bigger enterprises.

Reasons for Change

The change came when Hungarian economists found that although consolidation promoted specialization, it was not conducive to overall economic growth. The main drawbacks were that inflexible management and administration, low productivity, and a lack of competition made it difficult to improve products to meet the needs of domestic and foreign markets. Furthermore, as business administrations grew in size, they became less responsive to democratic procedures.

In order to overcome these problems, Hungary has turned its attention to developing small enterprises which are highly efficient, sensitive to market demands and suited to the country's productive forces. This has started to change the popular belief that the larger the enterprise, the better it is.

The present policy encourages the development of small, medium-size and large enterprises which complement each other.

Another stimulus to this change is provided by the success of the policy for agriculture, applied for many years, that small-scale production supplements large-scale production and helps boost the national economy and fulfil the people's needs. Today, while small-scale enterprises and specialized production teams in agriculture are being consolidated and expanded, their successful experience has been introduced into industry and commerce.

Main Measures

The main ways Hungary encourages small businesses and co-operatives are:

Setting up small state-owned specialized enterprises which operate independently, free from outside interference, but which will close down if they become insolvent.

Consolidating and expanding small- and medium-sized collectively owned enterprises, while encouraging and supporting privately owned small co-operatives engaged in production or services, as well as special agricultural or animal husbandry teams.

Turning poorly run small state-owned co-operative enterprises into privately owned ones by leasing or contracting to private individuals.

Expanding small private enterprises and legally guaranteeing handicraftsmen and private small businessmen social welfare benefits equal to those of workers in state-owned enterprises.

Hungary has attained a certain measure of success in developing small enterprises under a variety of ownership system and has gained some experience in boosting various forms of small agricultural enterprises and auxiliary agricultural units. At present, privately owned enterprises comprise only 2 per cent of Hungary's gross income. They still are subordinate to the state-owned and collective sectors of the country's economy.

— Meng Chuande

February 21, 1983
Standard of Living and Economic Construction

We have corrected our undue emphasis on economic construction to the neglect of improving the people's standard of living. Now it is necessary to maintain a proper balance between these two fields of endeavour. This requires appropriate ratios in some major sectors of the economy.

FIRST, feed the people and second, build the country"—this is a fundamental principle for China's economic work announced at the 12th National Congress of the Chinese Communist Party. This principle gives expression to the relationship between improving the people's livelihood and economic construction in socialist China. The former is the goal and the latter the means; due consideration should be given to these two interrelated aspects within an overall plan.

However, our economic work deviated from this principle in the two decades following 1958. Economic construction was favoured over the people's livelihood, resulting in seriously lop-sided development of the national economy. In 1978, gross national industrial and agricultural output value was 7.8 times that of 1952, but average per-capita consumption level rose by only 77 per cent in this period. The ratio between the two was not normal even considering that certain statistics on the output value were exaggerated and that the population was growing.

In the last few years, the Chinese Government has scored remarkable success in improving the people's standard of living by such means as raising the purchasing prices for farm produce, encouraging rural household sideline occupations, creating more jobs in urban areas, increasing wages for workers and staff members and instituting bonus systems.

In 1981, the net income for peasants was 66 per cent higher than that in 1978 and the total volume of wages for workers and staff members increased by 44 per cent. Both these increases surpassed the 22 per cent rise in the gross national industrial and agricultural output value during this period and the 35 per cent growth in agricultural and light industrial output value. Virtually all of the 87,000 million yuan of increased national income in these three years were used to raise the consumption level, with negligible sums allocated to the accumulation funds.

Although it was necessary to adopt these methods of rapidly boosting chronically low living standards and thus stimulating the enthusiasm of the masses for production, they are practicable for only a brief period under unusual conditions.

In our future economic work, we should map out plans that facilitate a balance between improving living standards and developing economic construction. To do so, the following relations must be handled correctly:

Improving the People's Livelihood on the Basis of Expanded Production. China's gross annual industrial and agricultural output value is expected to quadruple between 1981 and 2000 while steadily working for more and better economic results. This means an average annual increase of 7.2 per cent in the intervening years. Meanwhile, the national income (i.e., net output value of material production) will also nearly quadruple, provided that it rises at an average annual rate of 7 per cent. Given that the Chinese population will be 1.200 billion by the end of the century, the average per-capita national income then will reach a well-to-do 1.200 yuan. In other words, this per-capita figure will grow by 6 per cent annually in the two decades.

However, the yearly per-capita rise in consumption will be kept below 6 per cent because the accumulation funds needed for developing the economy should also be expanded.

Striving for Proportionate Development Between Agriculture, Light Industry and Heavy Industry. The rise in the people's level of con-
sophistication is circumscribed by the growth rates of both the national income and the consumer goods. All this, in the final analysis, hinges mainly on the growth of agriculture and light industry.

With a huge population and limited farmland, China is still relatively backward in agriculture. Therefore, agriculture will assume top priority in the national economic development by the end of this century. Increases in per-unit farm yields and diversification of economic undertakings are expected to expand the total agricultural output value at a progressive rate of 4 per cent annually. The average per-capita growth in the consumption of farm produce will be about 3 per cent a year, taking into consideration the needs resulting from population growth.

Light industry will forge ahead at a relatively high speed. While paying more attention to the rural markets and satisfying the 800 million peasants' general needs, we shall also map out plans to develop the production of durable consumer goods. Heavy industry should continue reorienting its services so as to provide sophisticated equipment for the technical transformation of the various economic sectors and particularly to supply the necessary means of production to agriculture and light industry. It will develop in co-ordination with the latter.

Defining an Appropriate Accumulation Rate in the Distribution of National Income. For many years China's rate of accumulation was too high, reaching 36 per cent in some years. It dropped to 28.3 per cent in 1981 after some adjustments. A large portion of the national income was used to offset past inadequacies in improving living standards. This was necessary, but there should also be a limit, or else economic construction will be adversely affected.

Our past experiences and those of foreign countries suggest that it is feasible to keep the accumulation rate between 25 and 29 per cent. In this way due consideration can be given to the needs of both accumulation and consumption. Needless to say, it is even more important to correctly use the accumulation funds and raise the economic results.

Appropriately Centralizing State Financing. As part of our efforts to restructure the economic systems in the last few years, we have remedied the practice of overconcentrating the state's power over finances and keeping them under strict control; and in its place we developed a division of power between the central and the local authorities and granted enterprises bigger decision-making power. This has helped stimulate the national economy. The problem now is that the power is a bit too decentralized.

In 1978, state revenue accounted for 37.2 per cent of the national income, which obviously was somewhat high. In 1981 it plummeted to a low 27 per cent. In the last few years, while localities and enterprises have had more money, the state incurred large sums of deficits and had to issue treasury bonds to "borrow money" from local authorities and enterprises.

(Continued on p. 17.)
Eyewitness Report

Jinchang—A Nickel City on the Gobi Desert

by Our Correspondent Han Baocheng

Only the newest maps of China show this mining centre on the northwest plateau, built around a vulcanized nickel deposit second in size only to Canada's. Our correspondent describes life in Jinchang.—Ed.

Some 1,000 kilometres west of Xian on the edge of the Gobi desert, on a site along the ancient "Silk Road" lies a new industrial city. In February 1981, Jinchang, Gansu Province, was expanded around the state-owned Jinchuan Nonferrous Metal Company, producing nickel and other rare metals. It is China's largest nickel industry complex today.

The nickel mine in Jinchuan has been constructed on a scale rarely seen in the world; its deposits are rich, its products are of high grade and its associated metals are numerous. It has many points in common with the famous Daqing Oilfield in the northeast: Both are key projects that were discovered and opened at the end of the 1950s. With the exploitation of Daqing Oilfield, China was no longer oil poor; the development of the Jinchuan nickel mine has put an end to China's history of nickel shortage. Like Daqing Oilfield, the Jinchuan nickel mine was built through self-reliance and hard work.

Jinchang city proper has a population of over 70,000, most of whom are workers and staff members of the metal company and their families. While the city was under construction, the work force comprising 11 nationalities was drawn from 28 provinces, municipalities and autonomous regions.

Feeder rail lines link the city with the Lanzhou-Xinjiang Railway, the main artery of communications in northwest China. Inside Jinchang, 10 asphalt and cement avenues connect the residential and commercial areas to the factories and mines. The city has two hospitals with 600 beds, five primary schools, five middle schools and two secondary technical schools, with a total enrolment of over 10,000 students.

Wang Rudong, secretary of the city Party committee, said: "As the city develops, we plan to build more facilities. Our first priorities are a children's playground and a workers' cultural palace."

The city government has also emphasized afforestation. In 1981 alone, 1.08 million trees
were planted in the city proper, creating an oasis-like atmosphere in this new city on the desert.

All workers and staff members in Jinchang receive special benefits for volunteering to be the city's pioneers. They are paid regional allowances, so that their wages are generally two grades higher than those workers and staff members of the same skill in the hinterland. Judging by the colour TV sets and nice furniture, these preferential measures allow many families to live better than many urban residents in the hinterland.

Under Economic Blockade

Wang Wenhai, chief manager of the Jinchuan Nonferrous Metal Company, described the area's history. The construction of the nickel mine began while China was cut off from outside help by an economic blockade. Although it meant that an unusually long time was spent on exploration, "We built the mine by relying on our own efforts," he said.

In 1959, a geological prospecting team discovered the nickel deposits and further exploration showed that the area had 14 other metals worth exploiting, including cobalt, copper, gold, silver and platinum. Many of these are indispensable to the production of metal alloys and high-grade steel. Shortly thereafter, building and production contingents poured in from all over the country to begin work.

The hydro-electric power on the upper reaches of the Huanghe (Yellow) River, the water resources from the Qilian Mountains and the location of Jinchang near the Lanzhou-Xinjiang Highway and the Lanzhou-Xinjiang Railway—all provided favourable conditions for the development of the project.

The construction also faced immense difficulties on the desolate Gobi desert in matters of funds, technology, supplies and the livelihood of workers and staff members. But the builders were not cowed by these difficulties.

In 1964, a mine and a nickel-smelting workshop of the first mining area were built and put into operation. In 1965 the first group of platinum system metals (platinum, palladium, rhodium, iridium, osmium and ruthenium) was produced. In 1967, the first phase of the ore-dressing and smelting plants was put into operation.

But the second phase of the project, centring on the exploitation of the second mining area, ran into difficulty in 1966. The development of this mining area is of great significance to improving the Jinchuan Nonferrous Metal Company's production capacity and technology. Geological conditions here are complicated: the ores lie deep underground and ground stress is strong. Most of the newly built tunnels quickly twisted and collapsed for lack of suitable supports. During the tumultuous "cultural revolution" (1966-76), the construction and development of the mine was seriously affected due to political and technological factors.

Major Technological Breakthrough

Chief Manager Wang said that the new development began in 1978 when the Jinchuan nickel mine was listed as one of the nation's three bases for multi-purpose use of paragenesia. (The other two are in Sichuan's Panzhihua and Inner Mongolia's Baotou).
With the support and guidance of the State Council, the State Science and Technology Commission and the Ministry of Metallurgical Industry organized hundreds of experts, professors, engineers and other scientific and technological workers from over 30 research institutes, design units, enterprises and institutions of higher learning throughout the country to tackle in a planned and systematic way the thorny technical problems encountered in the course of exploiting the nickel mine. The commission and the ministry convened five conferences on scientific and technological work and conducted special studies on 128 projects. Major findings have been made over the last five years. Research on some of the projects is of worldwide significance and has received international commendation.

Today, the worst problems impeding the mine construction have been resolved. Thanks to the concerted efforts of nine construction, production, design units and scientific research institutes, the second mining area's problematic tunnels where poorly formed rock strata caused repeated collapses have now been successfully reinforced.

The old technology for metal smelting has been renovated and the recovery rate and output have been greatly raised. Twelve out of the 15 kinds of elements worth exploiting can be recovered directly from the ores. Nickel output in 1981 was 50 per cent greater than that of 1977, accounting for 85 per cent of the nation's total. It is estimated that when all the scientific research achievements are applied in production, the present annual output will be doubled by 1985.

**Intellectuals Display Their Talents**

An important factor in the profound change in research methods was the role played by intellectuals in production, management and scientific research, said Wang Wenhai. "The lesson we learnt was that 10 years ago the managerial personnel, for lack of professional knowledge, blindly exploited rich ores, thus causing unbalanced exploitation of the first mining area and seriously damaging production and construction," he said.

The Third Plenary Session of the 11th Party Central Committee in late 1978 recognized intellectuals as part of the working class. Formerly regarded as members of the bourgeoisie, they were not eligible to be cadres. After the session, the company set out to improve the composition of its leading bodies. Since then, 235 engineers and technicians in production departments have been promoted to leading posts at various levels. At present, 40 per cent of the company and factory leaders are engineers and technicians. In the past few years, 766 of
the 1,600 technical personnel have been promoted to be engineers, 84 to be technicians, 126 to be economists and statisticians and 10 have been recommended to the higher departments and evaluated as advanced engineers. Now that they are trusted in work and the leaders are showing concern for their well-being, those intellectuals are really happy that they can make greater contributions to the development of the company.

Sun Changru, 41, is an ore-smelting engineer who graduated from the Northeast China Engineering Institute in 1966. Since his arrival at Jinchuan in 1968, he has been working at the nickel-smelting workshop. He began as a worker and later was promoted to be a technician, so he was quite familiar with the technological processes. In 1981 he became a deputy chief of the workshop. To improve the electrolytic capacity of the existing equipment, he organized and headed an experimental group to renovate the technological processes. The group read a lot of technical data published at home and abroad, made repeated experiments and comparisons and eventually discovered the optimum technological process. This innovation resulted in a 30 per cent increase in the production capacity of electrolytic cells and a marked rise in output.

Yan An, 47, a mechanical engineer, graduated from a machine-building industry school in northeast China's Shenyang in the early 1950s. During the 1957 political movement, he was wrongly designated as a bourgeois Rightist. In spite of this, he studied hard and conscientiously fulfilled his tasks. After 1978, the Party organization re-examined his case and exonerated him. In 1980, he was admitted to the Chinese Communist Party. Since then, he has worked with even greater fervour.

Early last year, Yan An was appointed director of a metal processing plant in the assembly company. This enterprise with more than 2,000 workers and staff members had suffered losses for a number of years. He found that few orders were placed for the plant's goods because of their poor quality but that the main problem was poor management. Therefore, he first worked out a series of measures to strengthen management and then instituted a responsibility system to improve quality and reduce costs. He then began to find outlets for the plant's products. By the first half of 1982, this plant had turned deficit into surplus and Yan An was cited as an advanced worker and an outstanding Party member.

Nevertheless, he said modestly: "I've just done what a Party member should. There are plenty of people in our company who have made greater contributions than I."

Chief Manager Wang summarized the city's advances by saying, "Now that China has adopted a policy of opening to the outside world, the situation has changed. On the basis of equality and mutual benefit, we are, of course, willing to engage in economic and technical exchanges with foreign countries so as to learn from others' strengths to make up our deficiencies and speed up our industrial development. But in the long run, we must rely on our own efforts to achieve socialist modernization, and self-reliance is a principle we will continue to act upon."

(Continued from p. 13.)

This is hardly a long-term solution. Necessary adjustments, therefore, must be made in future distribution of the national income. Only when the state possesses the necessary funds can construction of key economic projects proceed smoothly.

Properly Handling State Subsidizing. Recent years have witnessed drastic increases in state subsidies with their equivalence to the state revenue up from 14.3 per cent in 1978 to 42.7 per cent in 1981. This caused heavy financial burdens for the state.

The major part of these subsidies has gone to price support. This is a necessary hedge against reduction in living standards at a time when we are still not in a position to drastically adjust all irrational prices. But, such subsidies should be controlled and their scope should on no account be arbitrarily expanded.

Some state subsidies have been used to support enterprises that suffered economic losses, some of them caused by mismanagement. Granting such subsidies is tantamount to allowing backward enterprises to live off the national income created by advanced enterprises. It is certainly irrational. Therefore, such subsidies should be reduced in the future consolidation of enterprises.

(Compiled from recent press accounts.)

February 21, 1983
OPINION

Proposal to develop apiculture

The "Proposal on Developing and Modernizing Apiculture" by the science and technology group of the Secretariat of the Party Central Committee reported that the number of bee colonies in China has risen from 3 million in the mid-60s to 6.33 million owing to the implementation of rural policies. Annual output of commercial honey and royal jelly have reached 100,000 tons and 300 tons respectively. In the past few years, China has exported about 60,000 tons of honey annually, one-third of the world's total honey exports.

China is rich in nectar resources, but most are far from being fully utilized, especially in north China.

China now has an average of less than one colony per square kilometre, as against four to seven in some European countries.

The proposal called for developing apiculture in places with rich nectar resources and proposed a law to protect these resources.

Quality standards for honey and royal jelly must be enacted to guarantee the quality of all honey products and purchasing prices must be readjusted to encourage people to raise better strains of bees and produce better quality honey.

The proposal also suggested strengthening the apicultural institute of the Chinese Academy of Agricultural Science with more scientists, funds and instruments. Beekeeping research centres should be set up in agricultural colleges and technical institutes should offer apiculture training courses.

The proposal also urged that nectarous plants like linden trees in northeast China and wild osmanthus trees in the south be protected.

— "Jingji Ribao" (Economic Daily)

COMMENT

Miners invite writers

A delegation of four miners headed by Zhang Chao, former vice-minister of the Coal Ministry, recently invited members of the Chinese Writers' Association to visit and write about the mines.

The delegation said it represented 4 million miners in 80 coal fields throughout China.

In the 33 years since liberation, China has produced only a few works on the lives of miners, such as the novel Chief Engineer and His Daughter, the famous short story Coal and several pieces about the misery of the miners in old China and their improved lives in the new society. A miner also appeared in a book by veteran writer Xiao Jun.

Miners need culture and literature just as they need air and light when they are working underground. But few writers or theatrical troupes cater to the mining areas. For years, playing cards was the miners' main form of entertainment. They are not satisfied with this and want more books, films, operas, plays and other literary items. At the same time, they want writers to

Feng Wenhao and his three brothers in Deqing County, Guangdong Province, make 10,000 yuan each year raising bees.
help other people understand the new generation of miners.
— "Wenzxue Bao" (Literary Gazette)

LIFE

Story of an old man's marriage

"Huang Yunwu has got married" was the news on the village grapevine in Yichang County, Hubei Province.

Last spring, widower Huang, 57, met and fell in love with widow Zhang Zhiying. Zhang proposed marriage on many occasions, but Huang was undecided. One day, Zhang stopped at Huang's house and found him lying in bed with a cold. She was deeply concerned and said, "If we were married, I could be taking care of you now."

"I'd like to marry you at once. But I'm still worried about it."

"Why? Will my four children and my 1,400-yuan debt be too much for you?"

"No. I'm afraid I'll bring you trouble."

Huang recalled his younger days when he and his first wife earned 1,000 yuan a year from sideline occupations. During the gang-of-four holocaust he was criticized as the county's biggest "nouveau riche." His property was confiscated and his wife, who was childless, fell ill and died, angry and humiliated.

"Remember Huang Yunwu's lesson, so don't try to make extra money" became a local saying in the county for a long time.

After 1979, Huang was encouraged by the county to once more set the pace for sideline production. At first, he hesitated. "But," he thought, "I'm alone. If I'm criticized again, I've no one to worry about." So he decided to plant more than 400 fruit and other trees and bamboo around his house and to raise poultry and some other livestock.

In 1982, he produced and sold 400 kilogrammes of honey to the state and marketed one ton of fruit and other sideline products to earn more than 1,900 yuan.

Huang told the widow, "Let's wait and see, and if the policy doesn't change I'll marry you."

Some people in his team said, "The ages of you two already add up to 100. You should get married and waste no more time." Huang replied, "I must wait and see whether the Party's rural policies change after its 12th Congress."

When the Party's 12th Congress opened last September Huang listened to the radio carefully and was very happy over the affirmation of the responsibility system in Comrade Hu Yaobang's report. But then he decided he had better postpone marriage again, for fear that the local cadres wouldn't implement the Party's policies correctly.

Then one day, he saw the commune and brigade leaders going from house to house to explain the Party's policies and the responsibility system that had been implemented in nearby communes and brigades. He said to himself: "The old practices are gone for ever. It is time to marry Zhang."

— "Hubei Ribao"

TIDBITS

Rare monkey-faced eagles

Scientists captured six monkey-faced eagles in the forests of Shexian County in southern Anhui Province this winter.

The birds belong to the sea eagle family and resemble both bird and beast, with monkey faces and bird bodies. They have sharp hooked beaks, strong hooked claws and spotted dark yellow feathers. The powerful eagles subsist on mice.

Monkey-faced eagles are rare and only a few have been found in China.

— "Xinmin Wanbao"
China's Top 10 Sports Stars of 1982

Li Ning, 19, captured gold medals in six of seven men's events at the Sixth World Cup Gymnastics Competition.

Zhu Jianhua, 20, improved the Asian high jump record three times in 1982 and cleared 2.33 metres to set the 1982 world record at the Ninth Asian Games.

Lang Ping, 22, nicknamed “iron hammer” by her teammates for her powerful spikes, was instrumental in Chinese volleyball victories at important international tournaments. At crucial moments her formidable spiking brought the Chinese team from behind.

Song Xiaobo, 25, captain of the Chinese women's basketball team, is a top scorer because of her speedy passes and shooting. She scored 21 points in the finals at the Ninth Asian Games where her team defeated south Korea.

Zou Zhenxian, 28, is Asia's first triple jumper to surpass 17 metres (17.34). His record in 1982 was 16.93 metres. He is now among the 12 best in the world.
Sun Jinfang, 28 was the captain and a setter of the national women's volleyball team. Her mobile tactics were essential to her team's victories against strong opponents in the Third World Cup Women's Volleyball Tournament in 1981 and the Ninth World Women's Volleyball Championship in 1982.

Badminton star Han Jian, 26, bested Indonesia's Liem Swie King to help China capture the title at the 12th World Badminton Men's Championship (Thomas Cup). Han also won the individual title at the Ninth Asian Games in a match against Liem Swie King.

Liu Shilan, 21, placed third at the Interzonal Women's Chess Tournament in the Soviet Union in 1982 and is now the first woman chess grand master in China. She has fought her way to join the top eight masters in the world.

Guo Yaohua, 26, was listed as the world's number one 1982 seeded player by the International Table Tennis Federation. The victor of many international tournaments, he is among those who have won the largest number of gold medals in China's table tennis history.

Wu Jiant, 16, was the runner-up in the balance beam event at the Sixth World Cup Gymnastics Competition and captured two gold medals at the balance beam and uneven bars at the Ninth Asian Games. She was also a member of the Chinese team that won the team title.
SPORTS

The fans choose

The results of a nationwide pool of 1982's 10 best sport stars were announced on January 28. The winners were Li Ning (261,016), Zhu Jianhua (260,992), Han Jian (252,420), Sun Jinfang (201,354), Lang Ping (198,553), Song Xiaobo (182,401), Zou Zhenxian (163,068), Wu Jiani (127,661), Liu Shilan (118,979), Guo Yuehua (104,483).

The year of 1982 saw major progress in China's sports. The Chinese athletes captured 13 world championships, improved 11 world records, and won 415 gold medals in international sports meets. The elected 10 are all winners or members of the champion teams in 1982's world or Asian competitions.

More than 16,000 sports fans attended the awards ceremony held in Beijing's Shoudu Gymnasium on the evening of January 28. Representatives of the sponsor organizations awarded each of the best athletes a bronze statue and a stereo cassette-recorder. Chinese literary and art workers as well as athletes gave varied performances at the ceremony.

The pool was co-sponsored by 20 journalist organizations in Beijing. The election committee received 263,656 valid ballots, the highest figure since such competition first began. The ballots came from people across the land as well as Chinese students now studying abroad.

THEATRE

'Warning Signal'

Chinese dramatists are experimenting with new ways of expression. Warning Signal, performed by members of the Beijing People's Art Theatre, has captured the capital's attention because of its relevant story and means of portrayal.

This experimental drama is performed in a small hall seating 200 people who surround the actors on three sides. There is no curtain, no make-up. The set is the caboose of a freight train. The play, which lasts about one and a half hours, is not artificially divided into scenes or acts and the cast is only five. The audience is so intimate with the performers that they nearly forget it is a play, but of it as real life.

The plot is simple, an attempted robbery on a freight train. Heizi, a job-waiting youth, yearns for money so he can marry Mifeng (Little Bee), his former classmate. Instigated by a professional thief, he boards the train and prepares for the robbery. On the train, there are the old guard and Xiaohao (Little Bugle), Heizi's another former classmate, who is working as a guard-in-training. By coincidence, Heizi's fiancee Mifeng is also on the same train, transporting some of her bees to a new location. Xiaohao, who is unaware of Mifeng's relationship to Heizi, is also in love with Mifeng.

The play unfolds subtle contradictions among the five. The thief tries to prepare Heizi for his part in the robbery but Heizi is wavering and the old guard is vigilant. Xiaohao, who realizes Heizi's criminal intent and also discovers his relationship with Mifeng, does not know what to do, and is caught between ethics and loyalty to a friend. Mifeng slowly comes to perceive the dangerous road her boy friend is taking.... Finally, Xiaohao gives the warning signal, Heizi jumps to help the old guard in his fight against the professional thief, and the robbery is aborted.

China's drama developed in the 1920s and was strongly influenced by the realism of Ibsen, Chekhov and Gogol. Most of its past successes could be characterized as belonging to the Stanislavsky system of acting.

Warning Signal is a breakthrough. Flashbacks and imaginations are woven in, though the main line of development is clear and in chronological order.

In order to focus on the inner world of a particular character, a single spotlight is directed on a performer who acts out his or her thoughts. Helped by soliloquy, the views and psychology of characters become visible.

While the play is characterized by natural realistic movements, stylized gestures of traditional operas are seen. Without altering the stage the audiences can see the site of action becoming a wedding hall or a dark prison through the lighting techniques and the artists' symbolic gestures.

The sound effects, the music in particular, help create the moods.

The director Lin Zhaohua is one of the youngest directors of the Beijing People's Art Theatre. He co-directed The Red Heart and Just Opinion. His independent works For Happiness and Who Is Powerful have already won renown.
Folk Toys

Anhui Province cloth tiger.

Hebei Province clay figurine "Wu Song Killing a Tiger."

Shandong Province cloth donkey.

Shandong Province clay toys.

Shaanxi Province clay lions.
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