• Deng Xiaoping's Works Published
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LETTERS

About Reform in the Mountainous Areas

following are my reflections after reading the article "Reform in the Mountainous Areas" in your issue No. 17.

Ancient experiences have taught us that planting trees helps make good use of mountains and water resources. Building terraced fields along the mountain slopes is an efficient way to increase grain production. Enclosing mountains to foster the growth of forest will alleviate the threat of drought. Moreover, a mountain without trees looks very unpleasant.

In 1938 I saw many bald mountains and hills in north China, and in 1980 I witnessed similar sights in Shandong Province. I wrote a short novel about planting trees.

I know from Beijing Review that China has established an Arbour Day. I hope you are able to keep it up and make north China green. In 1980 I also saw plenty of trees along both sides of the road and in village after village, a big increase over what I had seen in 1938.

I also think prevention of sand encroachment and protection of the fields can be achieved by planting trees in the desert. China has a vast desert area. If you are able to transform one-tenth of it into cultivated land, you shall have a big increase in grain production.

The reform in the mountainous areas is promising. If you carry out reform in a big way, you will certainly have effective results in urban as well as in rural areas.

Ryoichi Arai
Kitakyushu, Japan

The article "Use Natural Resources Thoughtfully" by Luo Hahxian under the title "Reform in the Mountainous Areas" in your issue No. 17 was very good. It talked about China's long-term plans for construction in the mountainous areas: One target is to increase the forest cover to 20 per cent by the end of the century, with 30 per cent as the country's long range target.

As part of rationalizing mountain lands, timber trees that require long growth periods will be planted in deep and remote areas, and hilly and more accessible areas will be used for fruit trees, tea plants or firewood forests. The plan and the measures deeply impressed me.

Hitoshi Osuga
Tibaraki, Japan

I was very much interested in reading the article "Reform in the Mountainous Areas" in issue No. 17, because it is about building a "great green wall." I was also impressed by your other articles about reforestation. The mobilization of all citizens from age 11 on to plant three trees a year demonstrates high socialist consciousness and is an excellent example for other peoples.

The articles "Building Socialist Spiritual Civilization" and "The Pillars of Tomorrow" in your issue No. 18 are very interesting. All well-informed people and people of good will know that communist ideas are for the good of all, and open their eyes to the decadence of capitalism. In my humble opinion, although the friends of China have confidence in the might of communist ideas, they feel anxious about the bad influences exercised by capitalism. This is because they love China. In this sense, the article demonstrates China's consciousness of the situation and reassures readers.

Pierre Letarte
Quebec, Canada

Opinions and Suggestions

Your magazine is not bad. The only shortcoming, it seems, is that you lack technical reports which we need badly.

Some of the topics you choose should be changed, such as speeches and articles like "Socialism and Inflation" (issue No. 44, 1982), which are of little help to the readers.

Finally, I wish you would send me your weekly as quickly as possible, because it takes two weeks to reach me.

H. Ciro Bautista
Guadalupe, Colombia

More Charts and Photos

The articles "China's Space Science and Technology" and "Achievements and Problems in China's 1982 National Economy" in issue No. 14 are good for people who want to know about recent events in China. But with more charts and photos, they would be easier to understand.

Your journal published the article "Reform of the Employment System" in issue No. 14. I wish you would explain the problem with some concrete examples.

Toshio Saio
Yamagata, Japan

Just released by CHINESE LITERATURE

A Small Town Called Hibiscus

by Gu Hua

Translated by Gladys Yang


One of the best novels to appear in China in recent years, in December 1982 it was awarded one of the first Mao Dun Literary Prizes. It covers almost two decades from the early 1960s, through the chaotic years of the "cultural revolution," to the return to normality after 1976.

For those interested in this complex period of modern Chinese history, this novel is a must.

Order directly from China Publications Centre (GUOJI SHUDIAN), P.O. Box 399, Beijing, China, or inquire at bookshops abroad.

The articles "China's Space Science and Technology" and "Achievements and Problems in China's 1982 National Economy" in issue No. 14 are good for people who want to know about recent events in China. But with more charts and photos, they would be easier to understand.
HIGHLIGHTS OF THE WEEK

Deng Xiaoping’s Works Published

Selected Works of Deng Xiaoping (1975-82), which contains 47 important speeches on politics, economics, science and education, is now on sale throughout the country.

Its publication is of historic significance as well as of immediate importance in guiding China’s socialist construction, today and tomorrow (p. 5).

An introduction to the main speeches of the selected works is published in this issue (p. 14).

Two Important Speeches at the 6th NPC

Full text of Vice-Premier Yao Yilin’s report to the First Session of the Sixth National People’s Congress on the 1983 plan for national economic and social development and full text of Minister of Finance Wang Bingqian’s report to the NPC session on the final state accounts for 1982 (supplement).

Education Emphasized

The Chinese Government is adopting measures to improve education and tailor it to the modernization drive by offering several forms of higher education, accelerating the structural reform of secondary education, strengthening workers’ education, popularizing primary education and wiping out illiteracy in the rural areas (p. 4).

Sixth Session of UNCTAD

This session has achieved only limited successes because a few industrialized countries lacked the “political will” to resolve the many economic problems the developing countries are facing (p. 10).

Small Businesses Re-open in Tianjin

China’s third largest urban centre is witnessing a rapid rebirth of small commercial enterprises in residential areas. Once characteristic of this bustling industrial city, small shops began to disappear in the late 50s, leaving many citizens without convenient shopping districts (p. 19).
The 12th National Congress of the Chinese Communist Party in 1982 designated three strategic areas for economic construction: (1) agriculture, (2) energy and transport, and (3) education and science.

At present, education remains the weakest link of the three. Deng Xiaoping said recently that a more knowledgeable populace is key to the success of the four modernizations. Developing intellectual resources should be one of our main investments.

The government has carefully studied this problem and is adopting various measures to accelerate the development of education.

First, we must speed up the higher education at various levels and in different forms. By 1985, the enrolment in colleges for professional training, which require 2-3 years of study, will increase from the present 17.11 per cent of the total enrolment in institutions for higher learning to 30 per cent or more and postgraduate education will also expand substantially.

The annual enrolment in regular colleges and universities is expected to increase from 315,000 in 1982 to 550,000 in 1987, and the number of students in school to rise from 1.153 million to 1.76 million or more.

The concept of "education in different forms" refers, apart from regular universities, to evening colleges, as well as correspondence, radio and TV universities.

The enrolment in such institutions for higher learning will increase from 290,000 in 1982 to 1.1 million in 1987 and the number of students in school will rise from 640,000 to 2.37 million.

Second, we must step up the structural reform of secondary education. We have too many regular academic middle schools but too few secondary vocational and technical schools. This structure fails to meet the needs of the economic construction for large numbers of primary and intermediate technical and managerial personnel as well as labourers with cultural and technical knowledge. As a result, some units have to assign such jobs to university graduates.

A recent government circular asked the cities to further reduce the number of regular senior middle schools by converting some into secondary vocational schools.

Senior middle vocational school students are expected to account for over 40 per cent of the total senior middle school enrolment by 1987.

Third, at present, we must especially strengthen workers' education. The 10 chaotic years of the "cultural revolution" robbed a generation of young people of any chance for a proper education. Now, most of them have been given jobs. In 1981, the government called on all departments and enterprises to complete the retraining of all their workers and staff before 1985. Those who had not graduated from junior middle school will receive equivalent education and one-third of those who are junior middle school graduates will attain the level of senior middle school graduates. Workers and staff members who have the equivalent education as senior middle school graduates are encouraged to raise their level to college graduates.

At present, 70 per cent of the enterprises and undertakings in the country have set up workers' schools and tens of millions of workers and staff members are receiving scientific and cultural training.

Fourth, we must strengthen education in the countryside. China's countryside is the home of 80 per cent of its population. The development of intellectual resources in the countryside affects not only the country's agricultural modernization but also the cultural and scientific level of the whole nation.

Two areas are crucial:

— We will strive to popularize primary education in the countryside before 1990, except a few remote and mountainous areas which are sparsely populated. In order to meet the peasants' urgent need to expand production and their thirst for cultural knowledge, various flexible measures will be adopted for rural primary schools. For example, some primary schools will offer all the courses designated by the Ministry of Education, while others will offer only Chinese language, arithmetic and ideological edu-
cation. In addition, half-day, every-other-day and itinerant teaching schools will also be set up. To ensure the quality of teachers, we must create conditions that encourage trained people to go to the countryside. The institutions for higher learning will adopt measures to enrol more students from the countryside and ensure that they go back to the countryside upon graduation.

—We will make efforts to ensure that in the countryside the number of students in vocational and technical schools is equal to or slightly surpasses the number of students in regular senior middle schools by 1990 so as to meet the needs of overall development of agriculture, forestry, livestock breeding, sideline occupations and fishery and the newly developed comprehensive management of agriculture, industry and commerce.

In addition, we will work hard to wipe out illiteracy, especially among adults.

Fifth, we must increase allocations for education. Early this year, economist Qian Jiaju wrote to Party leaders, suggesting that investments in educational undertakings should be increased. Great attention has been paid to the suggestion. The government has decided to gradually increase educational funding on an annual basis. Apart from state financial allocations, the various localities, departments, mines and enterprises as well as rural communes and production brigades are encouraged to set aside some funds for education.

—Cultural Editor
Xin Xiangrong

**EVENTS AND TRENDS**

‘Selected Works of Deng Xiaoping’ published

*Selected Works of Deng Xiaoping* (1975-82) put out by the People’s Publishing House went on sale nationwide July 1.

The book is edited by the Editorial Committee on Party Literature under the Central Committee of the Chinese Communist Party, contains 47 important speeches by Deng Xiaoping, one of the senior leaders of the Communist Party, state and army, between January 1975 and September 1982. Thirty-nine are published in this volume for the first time.

The talks cover politics, economics, science, education, art and literature, the united front, and the building of the army and the Party.

The publisher’s note by the editorial committee describes Deng Xiaoping’s speeches in 1975 as indications of the tremendous efforts he made to oppose the gang of four, to straighten out work in various fields, eliminate the chaos caused by the “cultural revolution” and promote stability, unity and development of the national economy.

The speeches after 1977, the publisher’s note says, show his policy-making role and outstanding contributions to Marxism and Mao Zedong Thought and called on the people to conscientiously study the works so as to enhance their theoretical level and understanding of policies and guide their current tasks.

Comments in the capital’s leading papers and radio hailed the publication as a “brilliant book marking a period of great historic change,” praised Deng Xiaoping’s outstanding contributions to Marxism and Mao Zedong Thought and called on the people to conscientiously study the works so as to enhance their theoretical level and understanding of policies and guide their current tasks.

A total of 12.21 million copies of the *Selected Works of Deng Xiaoping* were printed. Over 2 million copies of the book were sold out or ordered on July 1 alone in Beijing, Tianjin, Shanghai and five other cities.

The Nationalities Publishing House will circulate the works
in the languages of five minority nationalities in China—Mongolian, Tibetan, Uygur, Kazakh and Korean.

The English, French, Russian, Spanish and Japanese versions of Selected Works of Deng Xiaoping also are under preparation.

'Rejuvenating China' reading campaign

A good book can save a soul, said speakers from the Shanghai workers' "rejuvenating China" reading campaign during their nine-day stay in the capital.

One speaker, Dong Weimin, was a young worker from the Shanghai Film Carbon Rod Factory. He reviewed the road he had traversed from delinquency to being a model worker.

Dong said he was a pampered boy in the family. In 1968, after he graduated from the senior middle school, he was influenced by anarchism and believed that life was like a game and that the aim of life was to pursue stimulation. He worshipped Western life styles and became very fond of pornographic publications. After he became a worker he was slipshod in work and sank into vice which led him to be re-educated through labour.

Later, after he returned to his factory, his workmates and a former middle school teacher encouraged him to join the "rejuvenating China" reading campaign. Since then he has read many books, including The Poems of Revolutionary Martyrs, An Outline of China's Contemporary History and others which helped him acquire a new concept of value and lead a rewarding life.

The reading campaign was initiated by Shanghai workers in April last year to counter the fact that many young workers are poorly educated and lack spiritual ballast.

Spurred by the slogan that "China should be rejuvenated and the motherland should become strong and prosperous," many workers have joined this campaign and read famous Chinese and foreign works of philosophy, history, literature and economics as well as books on natural sciences, with the help of tutors from relevant departments.

On a voluntary and self-teaching basis, the activity now draws 350,000 Shanghai workers, compared with 200,000 when it began. A total of 11,495 reading groups have been founded in the city. Many other provinces and municipalities are following suit.

The reports by the Shanghai workers were welcomed by people of all circles in the capital. Hu Qiaomu, Member of the Political Bureau of the Party Central Committee, and Yuan Baohua, head of the All-China Workers Education Committee, received the group before it left Beijing, praising its reading campaign as a good form for workers' self-education.

The leaders called upon the whole nation to popularize this campaign and strive to help all Chinese workers become socialist builders with consciousness, ideals, moral integrity, general education and a sense of discipline.

New automotive products show

A display of new automotive products, the first of its kind since the founding of China's automotive industry, was held in Beijing in the latter half of June.

Among the 389 vehicles on display were coaches, minibuses, tractor-trailers, dump trucks, motor vehicles for use in commerce, construction, public security, fire fighting and public health as well as vehicles for the departments of agriculture, forestry, livestock breeding and fishery built by 163 auto-plants in various parts of China. Of
these, 288 were developed and manufactured in the first half of this year.

Many of the new products on display are much-needed vehicles.

The vehicles for shipping animals are well ventilated and are equipped with troughs. The tourist dining coaches made in Shanghai are equipped with complete sets of kitchen facilities, folding tables and chairs and parasols, and each can serve 60 tourists. One coach by the Lanzhou Motor Vehicle Plant supplies showers for people doing fieldwork.

Among the exhibits were also some birth control surgery vehicles which are equipped with complete sets of facilities and instruments for such operations as abortion and ligation for people living in the remote rural and pastoral areas.

In addition, the various varieties of well-designed coaches, boarding cars, microwave telecommunication vans and automatic loading-and-unloading trucks reflect the designing and manufacturing level of China's automotive industry.

China now has 73 motor vehicle plants including nine key plants: the No. 1 Motor Vehicle Manufacturing Plant in Jilin, the No. 2 Motor Vehicle Manufacturing Plant in Hubei, the motor vehicle plants in Shanghai, Nanjing, Jinan, Sichuan and Shaanxi, the Beijing Motor Vehicle Manufacturing Plant and the Beijing No. 2 Motor Vehicle Manufacturing Plant. There are also 130 refitting and special vehicle plants and 2,000 motor vehicle fittings plants. With a total employment of more than 700,000, China's automotive industry has an annual productive capacity of 250,000, with the record year attaining 223,000.

Gone are the days when China could only turn out few vehicles. The No. 1 Motor Vehicle Manufacturing Plant, which used to produce only the Jiefang (liberation) 4-ton trucks, the model CA30 cross-country trucks, Hongqi (red flag) limousines and first-class tourist coaches, has developed 30 other vehicles. The No. 2 Motor Vehicle Manufacturing Plant in Hubei now produces 28 varieties of products including vehicles for special use, in addition to its original 5-ton trucks and 2.5-ton cross-country trucks.

China's automotive industry enjoys a ready market at home. Its planned production of 200,000 motor vehicles this year will still fall short of the domestic demand.

Oil discovered in East China Sea

The first exploratory well to yield commercial oil and natural gas flow was drilled in mid-June in the East China Sea.

The well is 420 kilometres southeast of Shanghai and is 4,651 metres deep. It is China's deepest offshore oil well.

The discovery of oil there and the successful well mark a major breakthrough in China's prospecting of offshore oil resources in the East China Sea, according to some marine geologists.

The well, named after a scenic spot in Hangzhou, "Pinghu," has acquired varied and valuable geological data. The well was initiated on November 17, 1982 and completed on April 10 this year. It is the fourth exploratory well in the East China Sea. The first well drilled here in early 1981 found natural gas.

Over the past few years, China has discovered a succession of oil/gas fields with impressive reserves. Geophysical prospecting has discovered more than 400 oil-bearing structures in the northern part of the South China Sea and the south Yellow Sea. A num-

The Pinghu No. 1 well in the East China Sea.
ber of high-yield oil/gas exploratory wells have been drilled and some have a daily output of more than 1,000 tons of crude oil.

China also has worked in cooperation with some foreign oil companies in offshore oil exploitation. The first round of bidding for joint exploitation of China's offshore oil was announced in May this year. The international investment group of oil companies with the British BP Petroleum Development Ltd. as the operator gained the right to prospect and exploit oil in five contracting areas covering a total of 14,000 square kilometres in the South China Sea and the south Yellow Sea.

Peruvian Congress honours Peng Zhen

On behalf of the Peruvian Congress, Valentin Paniagua Corazao, President of the Chamber of Deputies, conferred the Grand Cross medal of honour on Peng Zhen, Chairman of the National People's Congress Standing Committee, on June 28.

In his speech, Paniagua said that the decision of the Peruvian legislative body to confer the medal of supreme honour on Peng Zhen was based not only on his position in China's supreme legislative body, but also on his outstanding revolutionary life. Paniagua expressed the hope that the friendship between the two countries, two peoples and two congresses will continue to grow.

Expressing his gratitude to the Peruvian Congress for the award, Peng Zhen said that the medal not only honours him but also serves as a symbol of friendship for the Chinese people and China's National People's Congress.

Paniagua came to China on June 26 at the invitation of the NPC Standing Committee for a goodwill visit.

Earlier, from June 11 to 19, Sandro Mariategui Chiappe, President of the Peruvian Senate, paid a goodwill visit to China at the invitation of the NPC Standing Committee.

During their visits, the leaders of the legislative bodies of both Peru and China expressed satisfaction with the co-operation in all fields between the two countries during the 12 years since the establishment of diplomatic relations and said that they would work for even closer ties of friendship between the two countries.

Chilean workers' struggle supported

China's Machinery and Metalurgical Workers' Trade Union sympathizes with and supports the just struggle of the Chilean workers and people, said a leading member of the union in an interview with the Beijing newspaper Gongren Ribao (Workers' Daily) on June 25.

He noted that many Chilean trade union leaders and about 1,000 workers were arrested, some were killed and a great number of workers laid off in their recent peaceful struggle for the restoration of democracy, respect for trade union rights and better working conditions.

"This is a brutal trampling on the rights of the trade union. We, therefore, demand that the Chilean authorities respect trade union rights, release the arrested trade union leaders and workers, and restore the right to work to the workers who are laid off," he said.

US ups hi-tech exports to China

China welcomes the US Government's decision to reduce the limits on high technology goods licensed for export to China.
At a news briefing on June 28, Qi Huaiyuan, Director of the Information Department of the Chinese Foreign Ministry, said: “We welcome this step taken by the US Government. We hope that this decision will be implemented in real earnest and lead to substantive changes in the regulation of US exports to China, thereby contributing to the relations between the two countries.”

Qi said this when commenting on an announcement made by US Commerce Secretary Malcolm Baldrige on June 21. Baldrige said in the announcement that China will be moved from country Group P to country Group V among more than 10 country groups under the US export administration regulations. The move is intended to emphasize that “sales to China should take place on a similar basis as to most other friendly countries,” he said.

This change will take effect in the coming months after an intensive technical review sets new technical guidelines for exports to China and after consultations with US allies. “The new guidelines will identify clearly the high technology items which can be licensed expeditiously for China,” the Commerce Secretary said.

However, the announcement says, the change will allow for restrictions on certain products and technologies which present “a national security concern” to the United States and export license applications for China will continue “to be reviewed under national security procedures.”

10 Vietnamese detainees to be freed

The Chinese Government has decided to release six captured Vietnamese servicemen and four Vietnamese spies, announced Zhang Dewei, Deputy Director of the Asian Affairs Department of the Foreign Ministry, meeting with Ho Han, Charge d’Affaires ad interim of the Vietnamese Embassy, on June 24.

Zhang said that Khong Van Ngoc and the five other Vietnamese armed servicemen were captured by Chinese frontier troops when they intruded into Chinese territory to carry out sabotage. Duong Tiung Thanh and the three other Vietnamese spies were captured by the Chinese public security departments and frontier troops when they stole into China’s Guangxi region for reconnaissance and intelligence gathering.

During their trials, Zhang said, they had pleaded guilty and confessed that, dispatched by the Vietnamese authorities, they had intruded into Chinese territory and conducted activities hostile to China.

Qi Huaiyuan, Director of the Information Department of the Foreign Ministry, said at a June 28 press briefing that at 9:00 a.m. Beijing time, July 6, 1983, the Chinese representatives from the border checkpoint at Youyi Pass, Pingxiang County, Guangxi, will escort the captured personnel to the border between Youyi Pass of China and the Dong Dang Highway of Vietnam.

To ensure the safe return of these personnel, Qi said, China has suggested that the two sides affirm that within the 48 hours from 9:00 a.m. Beijing time, July 5, 1983, neither side should shoot, shell or conduct any explosion in the area between Youyi Pass and Dong Dang Highway.

Chief negotiators on Xianggang issue announced

China and Britain have formed their delegations to the second phase of the talks on Xianggang (Hongkong) issue, Qi Huaiyuan, Director of the Information Department of the Chinese Foreign Ministry, announced at a press briefing in Beijing on July 5.

Vice-Minister of Foreign Affairs Yao Guang is the Chairman of the Chinese Government Delegation, Qi said.

Chairman of the British Government Delegation is Percy Craddock, the British Ambassador to China. The British Governor of Xianggang, Edward Youde, will participate in the talks as a member of the British Government Delegation, Qi added.

As agreed by the two sides, Qi said, the content of the talks will be confidential.

The communique issued by the spokesman of the Chinese Ministry of Foreign Affairs on July 1 reads, “Following the discussions between the leaders of the two countries in September 1982, and subsequent useful exchanges, it has been agreed that a second phase of the talks on the future of Xianggang will begin in Beijing on July 12, 1983.”
Belgrade

The sixth session of UNCTAD

The nearly month-long sixth session of the United Nations Conference on Trade and Development (UNCTAD) wound up on July 3 in Belgrade with the adoption of a statement on the world economic situation and other resolutions, following tense and sharp negotiations. However, no substantial progress was achieved on commodities, international trade, money, finance or development, about which are of vital concern to the developing countries.

Serious Differences

The serious world economic crisis and deadlock in the North-South dialogue formed the backdrop to this session’s debates. Hard hit by the economic crisis, the trade conditions of the developing countries have continued to deteriorate, their international payments deficits have increased and economic development has stagnated. Therefore, it is urgent that effective measures be adopted to help the developing countries overcome their present economic difficulties and promote sustained economic development.

The developing countries, however, tried every means possible to get out of their difficulties caused by stagnant production, skyrocketing inflation and growing unemployment. Thus, this UNCTAD session saw an intense struggle on solutions to world economic problems and the demand to establish a new international economic order.

Some of the developed countries, the United States in particular.

Paying lip service to the graveness of the developing countries’ economic problems, the developed countries claimed they hoped the session would proceed in an atmosphere of constructive cooperation. Actually, they made no compromises on the essential problems and even took an aggressive attitude towards the protectionism, demanding that protectionism, demanding that the developing countries share in the commitments and backing down from the agreements already arrived at.

The developed countries tried their best to argue that the economies of the major developed countries had begun to recover, that the economic development of the developing countries would be decided by their economic recovery. In fact they demanded that the developing countries make concessions and sacrifices in order to foster the economic recovery of the developed countries. To protect their own interests and the old international economic order, a few of the industrialized countries rejected any reform of the current international financial, monetary and trade systems established in the 1940s.

Struggle Continues

Speaking at the final plenary meeting, Chairman of the Group of 77 A.S. Osman of Somalia expressed deep disappointment at the conference’s “meagre substantive results.” “The responsibility rests squarely with the developed countries,” he said.
The UNCTAD session showed that resistance against the uprooting of the old international economic order is great and that the struggle for the establishment of a new international economic order faces many difficulties. The further development of this struggle will surely involve the basic interests of the developed countries, and they will not give in easily. This is especially true of those few industrialized countries that are not willing to give up their positions of monopoly and control, of plunder and exploitation of the developing countries.

Meanwhile, this session showed the importance of strengthening South-South cooperation. An African representative at the meeting stated that only by strengthening co-operation among themselves, by relying on their own efforts and increasing their own economic strength will the developing countries be able to overcome their economic dependence on the developed countries and expedite the process of establishing a new international economic order.

—Lu Mingzhu and Su Yuanchun

ASEAN

Principled stand on Kampuchea

The 16th ASEAN ministerial meeting in Bangkok came to a close on June 25. A joint communique issued at the end of the two-day annual meeting addressed the questions of Kampuchea, Indochinese refugees, international economic conditions and ASEAN cooperation.

Kampuchean Question

The foreign ministers reiterated their call for a comprehensive political settlement in Kampuchea that would provide for a total withdrawal of all foreign forces from Kampuchea and guarantee the right of self-determination of the Kampuchean people. They again demanded that Viet Nam consider the relevant sections of the Declaration of the International Conference on Kampuchea.

The foreign ministers fully endorsed the Thai foreign minister’s proposal for a withdrawal of Vietnamese troops 30 km from the Thai-Kampuchean border as an initial step towards total withdrawal and a political settlement.

The publication of the joint communique has foiled the scheme of the Vietnamese authorities to divide the ASEAN countries by their “diplomatic offensive.”

With this communique, which pointed out once again that the only correct way to solve the Kampuchean issue is for Viet Nam to withdraw all its troops from that country, the ASEAN countries have made another contribution to peace in the area.

Viet Nam’s invasion of Kampuchea has jeopardized the peace and security of Southeast Asia. The ASEAN countries, together with other peace-loving countries of the world, have consistently opposed the Vietnamese invasion of Kampuchea and its provocative activities in the Thai-Kampuchean border area, and supported the Kampuchean people’s anti-aggression struggle and the legitimate seat of Democratic Kampuchea in the United Nations. They stress the necessity of implementing the relevant UN resolutions on Kampuchea and demand the withdrawal of all Vietnamese troops from Kampuchea and the restoration of Kampuchea’s peace, neutrality and non-aligned status.

The ASEAN nations’ efforts to safeguard the peace of Southeast Asia and maintain the principles guiding international relationships have won the respect and appreciation of the international community.

—Zhong Tai

Middle East

PLO-Syria relations at low ebb

Differences between the Palestine Liberation Organization and Syria came to a head on June 24 when the Syrian Government expelled PLO Executive Committee Chairman Yasser Arafat from Damascus and denied his chief deputy, Abu Jihad, re-entry into Syria. The Syrian action was the culmination of a week-long exchange of recriminations between the two sides and came only hours after Arafat accused Syria of supporting a rebellion in Arafat’s Fatah faction of the PLO.

Arab World’s Concern

The deterioration of Syria-PLO relations and the fratricidal fighting within Fatah, the
biggest of eight guerrilla groups in the PLO, have caused grave concern in the Arab world, particularly among Palestinians.

Many Arab countries have reacted strongly to Arafat's expulsion and there have been several attempts by various countries and Palestinian organizations to mediate the crisis.

Lebanese Prime Minister Shafiq Wazzan warned that the crisis in PLO-Syria ties would divert people's attention from the crisis in Lebanon.

The Kuwait Minister of State for Cabinet Affairs said the Kuwait cabinet held a special meeting on June 25 to discuss the situation. The cabinet, he said, regretted the split within Fatah and the tension between Syria and the PLO. It called on all parties concerned to put aside their minor differences and concentrate their efforts on fighting the common enemy.

Tunisian Foreign Minister Beji Caid Essebsi said that President Habib Bourguiba had appealed to the "Palestinian brothers" to safeguard the unity of their ranks and defend the organization and, at the same time, had called on all "Arab brothers" to spare no efforts to establish fraternal co-operation in fighting the threat to the Palestinian revolution and to the future of the Arab nation as a whole.

On July 1, the leaders of the seven other guerrilla groups in the PLO issued a joint statement declaring their support for Arafat and calling for an end to the armed conflict within Fatah.

Long-Standing Differences

It was no secret that for a long time differences existed between Syria and the PLO. These differences, emanating from the differences within the PLO, had grown visibly more acute following the Israeli invasion of Lebanon last June.

The PLO felt that Syria had left them in the lurch to fight the Israelis alone. Syria was offended by Arafat's decision to relocate the PLO headquarters in Tunis instead of Damascus, where the other seven factions in the PLO had their headquarters, when the PLO withdrew from Beirut. Syria's displeasure became more obvious when last October Arafat began talks with King Hussein of Jordan on the establishment of a Jordan-Palestine confederation.

From the Jordan-Palestine confederation talks till May 3, Syria's President Assad did not once meet with Arafat although the latter was in the Syrian capital on a number of occasions. When the two finally did meet, Arafat's Fatah faction of the PLO was split a week later by a rebellion which Arafat said was supported by Syria and Libya. The two countries denied the accusations.

After the PLO's withdrawal from Beirut, Arafat had changed to a policy of stressing political struggle as the main form of struggle. As time went on and the new policy showed very little progress there appeared a more radical tendency among some members of the PLO of stressing armed struggle. However, despite their differences, most leaders in the PLO and the masses of Palestinian people are against a split. Palestinians feel that external influences had aggravated the PLO's internal contradictions.

China's Deep Concern

Speaking at a press briefing on June 28 in Beijing, Qi Huaiyu, Director of the Information Department of the Chinese Foreign Ministry, said that China is deeply concerned about the differences that have recently occurred within Fatah and the resultant complex situation.

He said that the Arab countries and the PLO are faced with the strenuous tasks of fighting against Israeli aggression and expansion, of recovering lost territories and regaining their national rights.

He expressed the sincere hope that the parties concerned would take to heart the fundamental interests of the Palestinian and of all Arab people, and strengthen their unity in a common fight against the enemy, so as to prevent the occurrence of incidents that sadden friends and gladden the enemy.

— Duan Ping

Greece-US

Dispute over military bases

RELATIONS between Greece and the United States have become more strained in recent months. Greek Premier Andreas Papandreou said in a televised statement that "it is the Greek Government's inalienable right to suspend some or all activities of US bases when the nation's vital interests call for it." Tens of thousands of Greek people have gathered to press for the dismantling of US bases and to support the government's stand in the base talks.
US Assistant Secretary of State for Europe Richard Burt visited Turkey in late April and made pro-Turkish speeches which infuriated Greek leaders. Burt had to suspend his Athens trip because of Greek objections.

**Differences**

Greece and the United States signed a long-term defence agreement in 1953. Washington then began to use these military bases and facilities as refuelling stations, for communications, patrol or information gathering centres. Some 3,300 US troops are still stationed on these bases which are used by the US Sixth Fleet in the Mediterranean for aerial reconnaissance and anti-submarine activities. These bases are also important components of NATO's facilities in southern Europe. Therefore, US-Greek negotiations on military bases concern not only bilateral relations between the two countries, but also NATO's southern defences.

Since taking office in 1981, Premier Papandreou has not insisted on his proposal to remove US bases, but has expressed his willingness to hold talks with the United States. Nevertheless, there still exist the following differences between the two sides:

1. Since the dispute over sovereignty rights in the Aegean Sea between Greece and Turkey has not yet been solved, Greece has demanded that Washington ensure the balance of forces in the Aegean and prevent Turkey from invading Greece. The Greek Government has suggested that the ratio of US assistance to Greece and Turkey should be 7 to 10. Washington has refused this proposal.

2. Greece has said that a new agreement should include a terminal date, that is, a timetable for dismantling US military bases. However, the United States is trying to assure long-term use of these bases under the pretext that they have a bearing on the defence interests of both sides and on NATO's needs.

3. On the issue of the actual control and the use of these military bases, the Greek Government has reiterated that the bases can only be used by the two parties to the agreement, that they do not belong to NATO, and can never be used against countries friendly to Greece. The United States is attempting to use these military bases to check Soviet southward expansion and pursue US strategic interests in the Persian Gulf and the Middle East.

These disputes reflect the differences between Greece and the United States regarding their sovereignty rights and foreign policies.

**Background**

The military bases have recently become a knotty problem because of the turmoil in the region and Greece's internal political shuffle. The Greek military junta's intervention in the coup d'état in Cyprus in 1974 led to the Turkish Government's dispatch of troops to Cyprus. Dissatisfied with the United States' pro-Turkish policies, Greece withdrew from NATO's Integrated Defence System and at the same time raised objections to the US military bases, obliging Washington to hold formal negotiations with Athens on the bases in 1975.

In 1976, the United States and Turkey signed a new military agreement and two years later Washington lifted its arms embargo and resumed arms supplies to Turkey. Greece protested these US actions and once again raised the question of removing the US military bases. The Greek Government has refused to implement the revised military agreement signed with Washington in 1977.

In light of Greece's strong demand, Washington has made some concessions. Three of seven bases which the United States began to use in the 1980s were closed before PASOK (Greece's Panhellenic Socialist Movement) came to power and agreed to the Greek Government's annulment of the extraterritorial right of the US troops stationed on these bases.

Although Washington has made some concessions and increased its military aid to Greece, the contradiction between the two countries has not been solved. Tensions between them have been increasing.

Despite these disputes, Greece and the United States are willing to continue their negotiations. Greece has close economic and military relations with the United States and is worried that, once the US military bases are removed, Washington may strengthen its co-operation with Turkey and increase its military aid to that country. From the US point of view, the military bases located in Greece are strategically important to NATO's southern flank, and so Washington does not want to abandon them.

Many believe that US-Greek negotiations on US military bases which began last October will continue and that a new agreement may be signed after repeated consultations. But the dispute between Washington and Athens will continue to be related to the rivalry between the United States and the Soviet Union in Europe.

*Ping Ping*

*July 11, 1983*
Introduction to ‘Selected Works of Deng Xiaoping’

Selected Works of Deng Xiaoping features 47 important speeches and talks delivered by Comrade Deng Xiaoping during the period from 1975 through 1982, the year the 12th National Congress of the Communist Party of China was convened, 39 of which were published for the first time. The following is an introduction to some of the major speeches.

1975, Year of Struggle Against The Gang of Four

Supported by Comrade Mao Zedong, Comrade Deng Xiaoping took care of the day-to-day work of the Party Central Committee in 1975, while Comrade Zhou Enlai was seriously ill. Upholding the Party’s correct leadership and waging a sharp struggle against the gang of four, Deng Xiaoping called a number of important meetings to solve problems in industry, agriculture and the army and made great efforts to straighten things out in various fields. He worked hard to eliminate the chaos created by the “cultural revolution” and promote stability and unity of the nation and growth of the national economy, bringing about a significant improvement in the situation. Eight of his speeches that year are included in the Selected Works. Among them:

The Army Needs Consolidation was delivered at a meeting of cadres of the headquarters of the General Staff of the Chinese People’s Liberation Army in January 1975 after Deng Xiaoping was appointed Vice-Chairman of the Central Committee’s Military Commission and Chief of the General Staff. In view of the serious sabotage of army building by Lin Biao and the gang of four, Deng Xiaoping pointed out that the army should be consolidated, Party spirit enhanced, factionalism eliminated and discipline strengthened. This was one of his earliest proposals to set things in order, which was followed by efforts to this end.

The Whole Party Should Take the Overall Interest Into Account and Push Forward the National Economy was presented in March 1975 at a meeting of secretaries in charge of industry from the provincial, municipal and autonomous region Party committees. Deng Xiaoping urged the whole Party and nation to strive for the ambitious goal of making China a powerful socialist state with modern agriculture, industry, national defence, and science and technology by the end of the century, which represented the nation’s overall interest. Deng Xiaoping sharply criticized the erroneous view that “it is safe to make revolution but dangerous to engage in production.” Pinpointing railroad transportation as a weak link in the national economy, he proposed such effective measures to straighten up the railroad service as strengthening centralized and unified leadership, establishing necessary rules and regulations and opposing factionalism. At the same time, the Party Central Committee made a de-

“Selected Works of Deng Xiaoping” are on sale.
Report on the 1983 Plan for National Economic and Social Development
(Excerpts)
Delivered at the First Session of the Sixth National People’s Congress on June 7, 1983
Yao Yilin
Vice-Premier of the State Council and Minister in Charge of the State Planning Commission

Fellow Deputies,

In November 1982, the State Council drew up the 1983 Plan for National Economic and Social Development, which was approved after examination by the Fifth National People’s Congress at its Fifth Session.

Entrusted by the State Council, I now submit for examination and approval by this session a report on the implementation of the 1982 plan and on the main content of the 1983 plan and how it was carried out in the first five months.

I. Implementation of the 1982 Plan

Actual implementation of the 1982 Plan for National Economic and Social Development was more satisfactory than anticipated.

• Agriculture. Bumper harvests were brought in. Total agricultural output value came to 278.5 billion yuan, 11 per cent over 1981 and far exceeding the planned growth rate of 4 per cent. Although the sown acreage was reduced slightly, total grain output reached 353.43 million tons, an increase of 8.7 per cent over 1981, or 6.4 per cent over the peak figure achieved in 1979. On the basis of a large increase for two years running, total output of cotton went up by 21.3 per cent, totalling nearly 3.6 million tons. Total output of oil-bearing crops reached 11.82 million tons, an increase of 15.8 per cent over 1981. The output of both cotton and oil-bearing crops hit all-time highs, and that of sugar-bearing crops, mulberry silkworm cocoons, tea, pork, beef and mutton and aquatic products all surpassed the planned targets, registering substantial increases over 1981. The output of jute and ambarary hemp was down by 15.9 per cent compared with 1981.

• Industry. There was an all-round growth in industrial production. Its total value came to 550.6 billion yuan, registering a 7.7 per cent increase over 1981 and exceeding the scheduled growth rate of 4 per cent. Of the 100 major industrial products, 91 reached or surpassed the state output plan. The value of light industrial production went up by 5.7 per cent, failing to reach the planned target of 7 per cent. This was due mainly to reduction in the output of synthetic polyester-cotton fabrics in line with the changes in market demand. The production of other light industrial goods, however, grew rather substantially. In heavy industry, the stagnation and decline of the previous two years ended, and output value rose by 9.9 per cent, far exceeding the planned target of 1 per cent. The output of coal reached 666 million tons, up 7.1 per cent over 1981. The output of crude oil was 102.12 million tons, up 0.9 per cent, and that of electricity, steel products, cement, glass, acids, alkalis, plastics, power-generating equipment, mining equipment and walking tractors all increased considerably. The departments of railway, water and road transport, civil aviation and post and telecommunications all overfulfilled their plans; and the needs of transporting major goods and materials and passengers were basically met.

Construction projects and projects for equipment renewal and technical transformation of enterprises. A total investment of 84.5
billion yuan in fixed assets of state-owned enterprises was carried out; of that sum 55.5 billion yuan was for capital construction and 29 billion yuan for equipment renewal, technical transformation and related programmes. A total of 116 large and medium-sized projects was completed and put into operation, 37 more than in 1981. Also completed were 48,000 projects, each with an investment of 50,000 yuan or more, for equipment renewal, technical transformation and related programmes. This was 13,000 more than in 1981. Efforts were redoubled in geological work, and a number of oil and natural gas fields and over 300 mineral deposit sites were discovered and assessed.

Market. There were plenty of commodities for the market. The total volume of retail sales came to 257 billion yuan, up by 9.4 per cent over 1981, which means a real increase of 7.3 per cent after adjustment for price rises. The supply of foodstuffs, clothing and other daily consumer goods was for the most part fairly adequate, and varieties and designs increased. Market prices remained basically stable.

Foreign trade. Foreign trade continued to expand. Customs statistics show the total volume of import and export to be 77.2 billion yuan, 5 per cent over 1981, which means a real growth of 3.4 per cent after adjustment for price and foreign exchange rate fluctuations. Of this figure, the total volume of export was 12.7 per cent over 1981, a real growth of 6.5 per cent after adjustment for price and foreign exchange rate fluctuations; total value of import went down by 2.7 per cent, or a real growth of 0.3 per cent after adjustment for price and foreign exchange rate fluctuations.

Science, education, culture, public health and physical culture. There were new advances in these fields. Good results were obtained in a number of major scientific and technological research projects. Progress continued in technology transfer and scientific-technical advisory services. The successful underwater launching of a submarine-based carrier rocket indicated a new rise in the level of our science and technology. Total new enrolment in institutions of higher education was 315,000, or 36,000 more than in 1981. There was further readjustment and reform of secondary education. In the secondary agricultural and vocational schools there were 704,000 students, or 223,000 more than in 1981. The number of hospital beds added throughout the country came to 37,000.

Living standards of the people. The living standards of the urban and rural population continued to rise. A sample survey of family income showed that annual per-capita net income of peasants averaged 270 yuan, an increase of 15.2 per cent over 1981 after leaving aside incomparable factors; annual income per member of the families of workers and functionaries used for living expenses averaged 500 yuan, up by 7.9 per cent, and real income rose by 5.8 per cent after adjustment for the rise in the cost of living index. The overwhelming majority of personnel in government, scientific, cultural, educational and public health institutions got wage increases. Some 6.65 million more people were employed in cities and towns. Housing conditions for the rural and urban population continued to improve. (See "Communique on Fulfilment of China's 1982 National Economic Plan" in issue No. 19 for detailed figures. —Ed.)

Some problems calling for attention and prompt solution arose in the national economy in 1982. The major problems are as follows:

— The increase of investment in fixed assets was too rapid, far exceeding the target set by the state plan. Total investment in capital construction throughout the country surpassed the plan by 11 billion yuan, 11.2 billion yuan over the previous year. The main reasons for this were that capital construction investment in the form of funds collected by localities, departments and enterprises themselves and investment financed by domestic bank loans exceeded the plan. The overextension of capital construction and excessively decentralized use of the investment funds meant that some planned projects had to give way to those outside the plan and key projects to ordinary ones. Energy and transport projects, in particular, were adversely affected by a lack of funds, materials and construction workers. In addition, the proportion of total capital construction investment for non-productive purposes rose still higher, reaching 45.5 per cent. Investment in equipment renewal and technical transformation of enterprises was 4 billion yuan above the planned figure.

— There was a strain on the supply of energy and raw and semi-finished materials and a pronounced shortage of the transport capacity.

— Many units still one-sidedly pursued output value. Consequently, economic results in the areas of production, construction and circulation had not risen significantly, and a good
number of related plan targets continued to be unfulfilled. Owing to poor economic results and overdecentralized use of financial resources, state revenue did not show an increase commensurable to the rapid growth of production, and the basic balance between the revenue and expenditure remained vulnerable.

II. Tasks and Main Targets  
Set by the 1983 Plan

The main tasks for economic and social development in 1983 are: to continue applying the policy of readjusting, restructuring, consolidating and improving the national economy; to give top priority to raising economic results in all fields of work; to further consolidate and enhance what we have achieved in stabilizing the economy; and to solve the problems in our present work—all in order to ensure continuous advance by all our economic and social undertakings.

The following is the general outline of the plan for 1983:

Agricultural production is to increase by 4 per cent over 1982.

Industrial production is to increase by 4 per cent over 1982, while efforts will be made for a 5 per cent increase in the course of carrying out the plan. Light industry is to grow by 4.1 per cent, and heavy industry by 3.9 per cent.

Investment in fixed assets is to be 74.7 billion yuan, or 9.8 billion yuan less than in 1982. Of this, investment in capital construction will be 50.7 billion yuan, and in equipment renewal and technical transformation of enterprises, 24 billion yuan.

The total volume of retail sales is to amount to 276 billion yuan, 7.8 per cent over 1982.

Student enrolment in regular institutions of higher learning is to total 360,000, or 45,000 more than in 1982.

Now, I would like to give some explanation about a few major questions in the plan.

The growth rate of industrial and agricultural production.

The planned growth rate in 1983 of agriculture and light and heavy industries is lower than that actually attained in 1982. The growth rate of agriculture is so planned because weather conditions have a strong impact on agricultural production and we have to leave some leeway in planning. Besides, agricultural growth must take into account changes in market demands. The output of rapeseed and cured tobacco increased too fast in the past two years. There will be appropriate controls over rapeseed and tobacco production in 1983.

Why, then, does the 1983 plan for industrial production still call for "ensuring a 4 per cent increase and striving for a 5 per cent increase," and not a higher rate? The State Council proceeded from the following considerations:

First, we must still do a lot of work in readjusting and restructuring the economy and in consolidating enterprises. Throughout the period of the Sixth Five-Year Plan (1981-85), we shall have to concentrate a lot of effort on such work and readjust the relationships between various departments, improve the product mix and the pattern of enterprises and do enterprise management work better in order to prepare for long-range growth.

Second, since quite a few localities and units are still going exclusively after output value and neglecting improved quality of products, reduced input of materials and the products' suitability to market demands, targets that are set too high would hamper the reorientation of economic work to the aim of better economic results.

Third, since the excessive increase in 1982 in fixed asset investment and in heavy industrial production strained energy and transport still more, it is imperative to exercise appropriate control in 1983 over the growth rate of investment in fixed assets and of heavy industrial production.

Fourth, our plan must leave some leeway.

The volume of investment in fixed assets.

We have experienced a few major setbacks in economic construction since the founding of our People's Republic. Apart from political factors, the chief reason was the overextended scale of capital construction, which went beyond the country's financial ability. Capital construction investment rose by 11.2 billion yuan in 1982. We must take effective measures in 1983 to control its volume.

Of the total investment in fixed assets set out in the 1983 plan, the portion for capital construction is 50.7 billion yuan, 4.8 billion yuan...
less than in 1982. The breakdown is as follows: direct budgetary investment, 26.1 billion yuan, 6.9 billion yuan over 1982; investment with locally collected funds, 10.75 billion yuan, 6.25 billion yuan less than in 1982; investment via bank loans, 3.2 billion yuan, 4 billion yuan less than in 1982.

While controlling total investment in capital construction, we have readjusted the investment pattern for 1983 by allocating more funds for key construction projects. The amount for energy and transport projects is to increase from 15.8 billion yuan in 1982 to 19.9 billion yuan for 1983, accounting for 39.4 per cent of all investment in capital construction, as against 28.6 per cent in 1982. The State Council has decided to collect some fund for key energy and transport projects from the extra-budgetary income of the localities, departments, enterprises and institutions, and to collect some materials for centralized use. The whole nation should support the key construction projects.

Of the planned investment in fixed assets for 1983, 24 billion yuan — 5 billion yuan less than in 1982 — is allocated for equipment renewal and technical transformation of existing enterprises. This is done in order to maintain an appropriate balance in financial and material resources, and to curtail funds not really used for equipment renewal or technical transformation.

The market.

There was a 9.4 per cent increase in 1982 in the total volume of retail sales, by no means a small increase. With growing supplies, now the customers can have their choice with regard to some commodities. Generally speaking, however, the supply of commodities was inadequate. As the income of people in town and country grows, their purchasing power will continue to rise markedly in 1983.

The 1983 plan calls for total volume of retail sales to go up by 7.8 per cent, and this goal must be reached without fail. To do this, we must above all strive for the continued all-round growth of agriculture and persist in the policy of giving planned priority to light industry in the following six fields: supply of energy and materials; bank loans; potential tapping, equipment renewal and technical transformation; capital construction; use of foreign exchange and imported technology; and transport. Energetic steps should be taken to turn out more good-quality industrial goods for daily use that are urgently needed.

While increasing the supply of commodities, we must properly control the increase in funds for consumption to prevent them from swelling beyond the level of increased production. We must stabilize the purchase prices of the main farm and sideline products and control the price subsidies for farm produce and agricultural means of production. Beginning in 1983, we shall increase the wages and salaries of workers and staff members in enterprises.

Market prices affect every household and social stability. Some enterprises and peddlers arbitrarily raise prices either openly or in a disguised way. This is detrimental to the people's interests and must be checked by resolute measures. It is true that we should invigorate the economy, but this must never be used as an excuse to impair the interests of the state and the consumers. The industrial and commercial administrative departments and the price-control and tax departments should tighten control over the market with a view to protecting the legitimate interests of the producers, those who transport goods for sale and consumers.

Personnel training and crucial research projects and application of science and technology.

We must now adopt effective measures to speed up the development of education and science and technology so that we can carry out this major policy decision of strategic importance.

The State Council has recently decided to increase the new enrolment in regular universities and colleges to 360,000, a 14 per cent increase over the 1982 figure. This is an important measure taken by the state to speed up the training of personnel. While regular universities and colleges are expanded, it is necessary to train more personnel by running more radio and TV courses, correspondence courses, evening classes and other college-level courses for the in-service training of cadres. Existing institutions of higher learning should further readjust their faculties and specialities, and provide more specialities, particularly those that are badly needed, so as to better serve the needs for development of our various undertakings. New enrolment by secondary vocational schools is presently far too small, resulting in a disproportion between the number of graduates from tertiary institutions and that of graduates from secondary vocational schools. We must encourage more secondary vocational education and increase its enrolment. Proper arrangements are also made in the 1983 plan for primary and secondary school education and for
the structural reform of secondary school education.

Our main task in 1983 in the field of science and technology is to tackle crucial research projects and disseminate the results, all done according to the needs of the major research projects in the Sixth Five-Year Plan. At the same time, we must engage scientists, engineers and technicians in assessing the economic effectiveness and technological feasibility of key construction projects and in the technical transformation of enterprises and whole trades. We must quickly work out a long-term scientific and technological development programme.

III. Implementation of the 1983 Plan in the First Five Months

The situation in the first five months of 1983 shows that our national economy has been performing well. Except for some southern regions where production suffered from windstorms, the summer crops are growing well in most parts of the country and promise good harvests. Total cumulative output value of industry between January and April was 7.6 per cent greater than for the corresponding period of last year. Output of energy rose steadily: the output of coal went up by 4.9 per cent over the corresponding 1982 period; and the output of electricity rose by 6 per cent. Production of such materials as sulphuric acid, soda ash, caustic soda, cement and plate glass and such agricultural means of production as chemical fertilizers and walking tractors all showed increases over the same period of last year. Production of most of the 37 major light industrial products went ahead as planned. The total volume of retail sales went up by 10.8 per cent.

The main problem in national economic growth is that the volume of investment in capital construction has not yet been effectively controlled. The figure for the January-April period totalled 18.3 per cent higher than for the same period of last year. This aggravated the shortage of steel products, timber and cement, and now heavy industry is growing too quickly in some places at the expense of light industry. Overcentralized use of funds is still very serious in spite of increased investment for key construction projects. Economic results in the fields of production, capital construction and circulation have not yet improved significantly. Some industrial products have become poorer in quality and less marketable, while production costs in industrial enterprises and the costs of commodity circulation have gone up so that, compared with the corresponding period of last year, less profits have been earned and delivered to the state.

In order to fulfil the 1983 plan in an all-round way, we should at present concentrate our effort on the following three aspects:

First, strictly control the volume of investment in fixed assets and ensure the completion of the key construction projects and the technical transformation of enterprises on schedule. It is necessary to quickly slash anything in excess of the state plan that is not approved by the State Council or the State Planning Commission. All investments in capital construction shall be under the centralized control of the Bank of Construction of China, which is to supervise their use according to plan. All loans for capital construction shall be administered in the same way as investments covered by the state budget and be incorporated into the state plan. No financial or tax departments or other departments not authorized by the State Council may extend loans for investment in fixed assets. Building projects for the purpose of equipment renewal and technical transformation shall be controlled in the same way as capital construction.

Second, continue to consolidate and reallocate existing enterprises and so restructure the economy and improve economic results in an all-round way. Over 1,000 large and medium-sized key enterprises will be consolidated in 1983. The main economic and technical norms and the composite economic results of such consolidated enterprises should be better than before and than other similar enterprises as well. Enterprises which use a lot of fuels and materials, turn out poor-quality products and have long run at a loss and enterprises whose production exceeds demand and which overstock commodities must definitely close down, suspend operation, merge with others or switch to the manufacture of other products if they show no improvement after consolidation within a specified time. No new factories can be set up without first obtaining approval and a business license from the departments for industrial and commercial administration, so as to prevent the unwarranted opening of a new group of factories after some old ones are closed down. Factories operating without business licenses shall be closed down according to law. In the course of enterprise consolidation and reallocation,
we should pay close attention to, and make a success of the major reform of taxing state-owned enterprises instead of letting them deliver profits, if any, to the state. This work should reduce cost of production and circulation of industrial and commercial enterprises, while tax payments and profit delivery to the state should increase by a fairly wide margin, thus ensuring a basic balance in state revenue and expenditure.

Third, keep the rate of growth of heavy industry at an appropriate level and develop light industry faster. While boosting energy production, we should distribute it first to meet the needs of light industry and the market and cut the supply to certain branches of heavy industry to a proper extent. Light industrial production should ensure first of all the manufacture of famous-brand and new-type products of good quality and in short supply.

Report on the Final State Accounts
For 1982
(Excerpts)
Delivered at the First Session of the Sixth National People's Congress on June 7, 1983
Wang Bingqian
Minister of Finance

Fellow Deputies,

Entrusted by the State Council, I shall make a report on the final state accounts for 1982 for your examination.

The Chinese people continued in 1982 to implement the policy of readjusting, restructuring, consolidating and improving the national economy and made new economic and social achievements. The country's financial situation continued to improve on the basis of the growth of industrial and agricultural production. The decline in state revenues was arrested, and expenditures increased, compared with the preceding year. A basic balance was maintained between state revenue and expenditure.

State revenues in 1982 totalled 112.397 billion yuan, or 101.8 per cent of the budgeted figure; total expenditures reached 115.331 billion yuan, or 101.7 per cent of the budgeted figure. The state deficit was 2.934 billion yuan, a slightly lower figure than that envisaged in the budget. The financial deficit in 1982 will be made up by an overdraft from the People's Bank of China.

Domestic receipts amounted to 108.394 billion yuan of all revenue in the final state accounts for 1982; foreign loans came to 4.003 billion yuan. The essential breakdown follows:

(1) Tax receipts came to 70.002 billion yuan, or 108.4 per cent of the budgeted figure, surpassing it by a fairly wide margin. This was due mainly to increased production, expanded commodity circulation and strengthened tax administration.

(2) Receipts from enterprises totalled 29.647 billion yuan, or 86.2 per cent of the budgeted figure. Receipts from such enterprises as railway, transport, civil aviation, post and telecommunications and the building trades met the target fairly well, but those from industrial and commercial enterprises fell somewhat below the budgeted figure. On the one hand, the unsatisfactory results in the latter case were due to the poor economic effectiveness of industrial and commercial enterprises and failure to meet their plans for reducing cost of production and eliminating losses. On the other hand, such as lowering the sales prices of wrist
watches, TV sets, transistor radios and polyester fabrics, selling some overstocked commodities at reduced prices, and raising the interest rate on bank loans, all of which led to a drop in enterprise profits.

(3) Receipts from state treasury bonds totalled 4.383 billion yuan, or 109.6 per cent of the budgeted figure.

(4) The portion of basic depreciation funds of enterprises turned into the central financial authorities amounted to 2.584 billion yuan, about the same as in 1981.

Of all expenditures in the 1982 final state accounts, 111.328 billion yuan, or 102.7 per cent of the budgeted figure, was appropriated from domestic funds; appropriations for capital construction from foreign loans amounted to 4.003 billion yuan, or 80.1 per cent of the budgeted figure. The essential breakdown follows:

(1) Budgetary appropriations for capital construction totalled 30.915 billion yuan, or 104 per cent of the budgeted figure. Of this, investment using domestic funds came to 26.912 billion yuan, and that using foreign loans, 4.003 billion yuan. Budgetary appropriations for capital construction somewhat exceeded the estimated figure mainly because of increased investment in infrastructure in energy, transport and so on.

(2) Funds to tap the potential of existing enterprises, finance their technical transformation and subsidize trial manufacture of new products amounted to 6.902 billion yuan, or 127.3 per cent of the budgeted figure.

(3) Allocation of circulating funds for enterprises totalled 2.363 billion yuan, or 98.5 per cent of the budgeted figure.

(4) Allocations for geological prospecting amounted to 2.305 billion yuan, or 100.2 per cent of the budgeted figure.

(5) Expenditures for aiding rural people's communes and other operating expenses for agriculture totalled 7.988 billion yuan, or 105 per cent of the budgeted figure.

(6) Operating expenses for culture, education, science and public health services totalled 19.696 billion yuan, or 109.4 per cent of the budgeted figure.

(7) Expenditures for national defence accounted for 17.625 billion yuan, or 98.7 per cent of the budgeted figure.

(8) Administrative expenses came to 8.16 billion yuan, or 104.6 per cent of the budgeted figure.

(9) Expenditures for repaying the principal and interest on foreign loans totalled 4.962 billion yuan, or 139.8 per cent of the budgeted figure. Part of the foreign loans was repaid ahead of time because there was a favourable balance of foreign trade payments last year.

Generally speaking, the state budget for 1982 was implemented satisfactorily. Execution of the 1982 state budget shows that a basic balance was maintained between state revenue and expenditure. We note the following salient features:

The continued trend of decline in state revenues was reversed. From 1979 to 1981, the state allocated huge funds to readjust the national economy and solve a host of economic problems left outstanding over the years, as well as improve the well-being of the people. All this entailed a temporary reduction for three years in state revenues. Beginning in 1982, however, the downward trend began to change. Although this was not a significant increase, it marked the continued improvement of the country's financial situation.

State expenditures rose above the previous year's figures. The decline in state revenues in 1979 and 1980 caused huge financial deficits for two years running. The state had to reduce its expenditures drastically in 1981. State expenditures covered by domestic revenues began to rise in 1982 by more than 7.1 billion yuan, while a basic balance was maintained between total revenue and expenditure.

The portion of state expenditures for production and construction increased in 1982. Compared with 1981, appropriations for domestic capital construction; funds for tapping the potential of present enterprises, financing their technical transformation and subsidizing trial manufacture of new products; allocations for geological prospecting; expenditures for aiding rural people's communes and other operating expenses for agriculture; and expenses for urban development and maintenance—these items alone accounted for a combined increase of 2.625 billion yuan, or 36.8 per cent of all additional state expenditure for 1982.

Operating expenses for culture, education, science and public health services increased; the continued improvement of the life of the population ensured. Compared with the pre-
vious year, expenses for culture, education, science and public health services in 1982 went up by 2.56 billion yuan, 35.9 per cent of all additional state expenditure for 1982, an increase of 14.9 per cent. The amount for educational undertakings rose by 1.32 billion yuan, an increase of 12.9 per cent. In 1982 the state also allocated 230 million yuan as a special fund for improving medical and public health facilities and for strengthening disease prevention and treatment and family planning. Culture, physical culture and radio and television also made new advances. In 1982 the state continued to create jobs for large numbers of people in cities and towns and gave a pay rise to a section of the workers and staff members in government offices and institutions. The payroll for workers and staff members increased by 5 billion yuan over 1981. Meanwhile, the state increased its investment in urban housing projects, building more than 110 million square metres of floor space in 1982. Peasant income continued to rise. A sample survey showed that the annual per-capita net income of peasants was 270 yuan in 1982, an increase of 46.7 yuan over the previous year.

Although the 1982 state budget was carried out well, there still was no marked improvement in the low economic effectiveness in production, circulation and construction; use of funds was still seriously overdecentralized; the increase of state revenue still lagged far behind the growth in production; and the basic balance between state revenue and expenditure was not yet stable. In the field of capital construction, key projects badly needed by the state were affected by a lack of funds while investment by various localities, departments and units using their own funds or bank loans increased tremendously. This overextended capital construction. We must speedily change this state of affairs by keeping to the policy of readjusting, restructur- ing, consolidating and improving the national economy. And we must adopt necessary and feasible measures to improve the financial situation of the country still more.

The 1983 state budget sets total revenue at 123.2 billion yuan and total expenditure at 126.2 billion yuan, the difference being 3 billion yuan.

This budget was examined and approved by the Fifth Session of the Fifth National People's Congress and is now being implemented.

Up to the end of April, state revenues reached 32.678 billion yuan, which was 26.5 per cent of the total budgeted figure for the whole year and represented an increase of 3.2 per cent over the same period of last year; state expenditures came to 30.981 billion yuan, which accounted for 24.5 per cent of the annual budgeted figure and represented an increase of 9.7 per cent over the same period of last year. On balance, revenues were 1.697 billion yuan over expenditures. We should pay attention to the fact that the growth rate of revenue failed to reach the annual budget target while expenditures were above the specified figures, and particularly that more and more requests for additional funds are coming in. All this means that it will be fairly difficult to fulfill the 1983 state budget and keep a basic balance between revenue and expenditure.

In regard to the financial work of 1983, I already dealt with it in my report to the Fifth Session of the Fifth National People's Congress. We have been working hard to reform the financial and tax systems. The State Council has decided on overall trial implementation of the system that state-owned enterprises pay income tax instead of turning their profit over to the state, beginning from June 1 this year, and it has made known the specific methods and detailed rules. This is a major change in distribution between the state and enterprises, and it is an important aspect of the structural reform of China's economic administration. It will be of significance in continuing to expand the decision-making power of enterprises and refining the system of responsibility in management and operation, gradually eliminating the situation of "everybody eating from the same big pot," promoting the growth of the national economy and ensuring steady increase in state revenues. We plan to sum up, at an opportune moment, the overall experience in this trial reform and then draw up formal regulations to replace profit delivery with tax payments and submit them to the National People's Congress for examination and approval.
Biographies of New Leaders

Vice-President

Ulanhu

Born 1906; native of Tumd Left Banner, Inner Mongolia Autonomous Region; Mongolian nationality.

He joined the Chinese Communist Youth League in December 1923 and became a member of the Communist Party of China in September 1925. He is now Member of the Political Bureau of the CPC Central Committee.

After 1922, he was engaged in the student movement and worked as a translator at Sun Yat-sen University in Moscow and the Communist University of the Toilers of the East there. After 1929, he served as secretary of the Western Inner Mongolia Working Committee of the CPC and secretary of the Party Committee of the independent brigade of a banner in Inner Mongolia. After 1942, he became chairman of the Minority Nationality Affairs Committee of the Shanxi-Gansu-Ningxia Border Region Government. After 1945 he served as secretary of the Inner Mongolia Autonomous Region Committee of the CPC and chairman of the Inner Mongolia Autonomous Region Government, and commander and political commissar of the Inner Mongolia Military Area. After 1949, he served successively as member of the State Council; Chairman of the Nationalities Affairs Commission; Vice-Premier of the State Council; first secretary of the Inner Mongolia Autonomous Region Committee of the CPC and chairman of the Inner Mongolia Autonomous Region Government, Vice-Chairman of the Standing Committee of the Fourth and Fifth National People’s Congress; Standing Committee member of the First National Committee of the Chinese People’s Political Consultative Conference (CPPCC), and Vice-Chairman of the Fifth National Committee of the CPPCC. He was elected Alternate Member of the CPC Seventh Central Committee and Alternate Member of the Political Bureau of the CPC Eighth Central Committee. He served as Director of the United Front Work Department under the CPC Central Committee; Member of the CPC Tenth Central Committee and Member of the Political Bureau of the CPC Eleventh Central Committee.

Vice-Chairmen of the NPC
Standing Committee

Chen Pixian

Born 1916; native of Shanghang County, Fujian Province.

He joined the Communist Youth League in 1929, and the Communist Party of China in 1931. He is now Member of the Secretariat of the Central Committee of the CPC.

After 1929, he served as secretary of the bureau for children’s work at the central level. After 1935, he served as secretary of the Southern Jiangxi provincial League committee and secretary of the youth work committee of the Southeast China Bureau of the CPC Central Committee. After 1941, he served as political commissar of the 7th Column of the East China Field Army and secretary of the Party’s Central China Working Committee. After 1956, he served as secretary of the Shanghai municipal Party committee, and first secretary of the Shanghai municipal Party committee. After 1977, he served as secretary of the Yunnan provincial Party committee, first secretary of the Hubei provincial Party committee, and political commissar of the Wuhan Units of the PLA. He was elected Alternate Member of the CPC Eighth Central Committee and Member of its Eleventh Central Committee.

Wei Guoqing

Born 1913; native of Donglan County, Guangxi Zhuang Autonomous Region; Zhuang nationality.

He joined the Chinese Communist Youth League in 1929 and became a member of the Communist Party of China in 1931. He is now
Member of the Political Bureau of the CPC Central Committee.

After 1929, he served in the Red Army successively as battalion and regiment commander. During the War of Resistance Against Japan (1937-45), he was political commissar and then commander of the 9th Brigade of the New Fourth Army, and deputy commander of its 4th Division. During the War of Liberation (1946-49), he served as commander and political commissar of the 2nd Column of the East China Field Army, and political commissar of the 10th Army of the Third Field Army. After the founding of the People's Republic of China in 1949, he served successively as head of the military advisory group to Viet Nam; first secretary of the CPC Guangxi Zhuang Autonomous Region committee, chairman of the region people's council; first secretary of the CPC Guangdong provincial committee and chairman of the Guangdong Provincial Revolutionary Committee; first political commissar of the Guangzhou Units of the Chinese People's Liberation Army; Director of the General Political Department of the PLA; member of the Standing Committee of the Military Commission of the CPC Central Committee and the Commission's Deputy Secretary-General. He was elected Member of the CPC Ninth and Tenth Central Committee, and Member of the Political Bureau of the CPC Eleventh Central Committee.

During the Second Revolutionary Civil War (1927-37), he was a regiment commander and then chief of staff of the 9th Division of the Third Army of the Red Army, and chief of staff of the Fourth Army of the Red Fourth Front Army. He took part in the Long March. During the War of Resistance Against Japan (1937-45), he became deputy commander and deputy political commissar of a brigade of the Eighth Route Army. During the War of Liberation (1946-49), he was chief of staff of the Shanxi-Qahar-Hebei Field Army, and deputy commander and concurrently chief of staff of the 19th Army. Following the founding of the People's Republic of China in 1949, he served successively as ambassador to Sweden, Denmark, Finland and then Pakistan; Vice-Minister of Foreign Affairs; ambassador to Burma and then Albania; Director of the International Liaison Department under the CPC Central Committee; Vice-Premier of the State Council; member of the Standing Committee and Secretary-General of the Military Commission of the CPC Central Committee; and Minister of National Defence. He was elected Member of the CPC Ninth and Tenth Central Committee, and Member of the Political Bureau of the CPC Eleventh Central Committee.

Geng Biao

Born 1909; native of Liling County, Hunan Province; member of the Communist Party of China since 1928.

He is now Member of the Standing Committee of the Central Advisory Commission of the CPC.

Hu Juewen

Born 1895; native of Jiading County, Shanghai.

He is now Chairman of the Central Committee of the China Democratic National Construction Association.

After graduating from Beijing Industrial College, he founded Xinmin Machinery Works, and Changcheng Brick and Tile Company. After the Japanese imperialist attack on Shanghai on August 13, 1937, he left the city and established some machinery works in Chongqing and Guilin, and served as council chairman of the Central-South China Industrial Association. After the victory in the War of Resistance Against Japan (1937-45), he returned to Shanghai where he served as the general manager of Xinmin Machinery Works. Following nationwide liberation, he served as vice-chairman of the
Shanghai Municipal Committee of the Chinese People's Political Consultative Conference, deputy mayor of Shanghai, chairman of the Shanghai Municipal Committee of the China Democratic National Construction Association, Vice-Chairman of its Central Committee, and member of the Standing Committee of the All-China Federation of Industry and Commerce. He was elected Member of the Standing Committee of the Second and Third NPC, Vice-Chairman of the Fourth and Fifth NPC Standing Committee, Member of the First through the Fourth National Committee of the CPPCC, and Member of the Standing Committee of the CPPCC Fifth National Committee.

Xu Deheng

Born 1890; native of Jiujiang City, Jiangxi Province.

He is now Chairman of the Central Committee of the Jiu San Society.

In his youth he took part in the Revolution of 1911 and expedition against warlord Yuan Shikai. He went to study in France after graduating from Beijing University. In 1919, he took part in the May 4th Movement. During the period of the First Revolutionary Civil War (1924-27), he was instructor at the Huangpu (Whampoa) Military Academy, professor at Sun Yat-sen University, and secretary-general of the General Political Department of the National Revolutionary Army. During the War of Resistance Against Japan (1937-45), he served as member of the People's Political Council and initiated the Jiu San Society in Chongqing. He was a professor at Beijing University during the War of Liberation (1946-49). After liberation, he served as Member of the First National Committee of the Chinese People's Political Consultative Conference (CPPCC), Standing Committee Member of the Second and Third National Committee of the CPPCC, Vice-Chairman of the CPPCC Fourth and Fifth National Committee, and Minister of Aquatic Products. He was elected Standing Committee Member of the First National People's Congress and Vice-Chairman of the Standing Committee of the Fourth and Fifth NPC.

Peng Chong

Born 1915; native of Zhangzhou City, Fujian Province.

He joined the Chinese Communist Youth League in 1933 and became member of the Communist Party of China in 1934. He is now Member of the Central Committee of the CPC.

In the early 1930s, he engaged in underground Party work, and served as director of the organization department of the CPC's Zhangzhou area working committee. During the War of Resistance Against Japan (1937-45), he was director of regimental political department under the 6th Division of the New Fourth Army and then political commissar of an independent brigade. During the War of Liberation (1946-49), he was political commissar of a regiment under the East China Field Army and deputy political commissar of one of its divisions. After the founding of the People's Republic of China in 1949, he served successively as secretary-general of the Fujian provincial Party committee and director of its united front work department and concurrently secretary of the Longxi prefectural Party committee; member of the standing committee of the Jiangsu provincial Party committee, first secretary of the Jiangsu provincial Party committee, second political commissar of the Nanjing Units of the Chinese People's Liberation Army; first secretary of the Shanghai municipal Party committee, and mayor of Shanghai; Vice-Chairman of the Fifth National Committee of the CPPCC; and Vice-Chairman of the Standing Committee of the Fifth National People's Congress. He was elected Alternate Member of the Ninth and Tenth Central Committee of the CPC, Member of the Political Bureau and of the Secretariat of the CPC Eleventh Central Committee.

Wang Renzhong

Born 1917; native of Jingxian County, Hebei Province; member of the Communist Party of China since 1933.
He is now Member of the CPC Central Committee.

He engaged in underground Party work after 1933. During the War of Resistance Against Japan (1937-45), he served as member of the standing committee of the Southern Hebei Area Party committee and director of its propaganda department. During the War of Liberation (1946-49), he was director of the administrative office of the Southern Hebei Area. After the founding of the People's Republic of China in 1949, he served as Vice-Chairman of the Hubei Provincial People's Government, first secretary of the Hubei provincial Party committee and first political commissar of the Wuhan Units of the Chinese People's Liberation Army. After 1978, he became first secretary of the Shaanxi provincial Party committee and chairman of the Shaanxi Provincial Revolutionary Committee; Vice-Premier of the State Council, Chairman of the State Agricultural Commission and secretary of its leading Party members' group, and Chairman of the Central Committee for Patriotic Sanitation Campaign; Member of the Secretariat of the CPC Central Committee and concurrently Director of its Propaganda Department. He was elected Alternate Member of the Eighth Central Committee of the CPC and Member of its Eleventh Central Committee.

Shi Liang

Born 1900; native of Changzou City, Jiangsu Province.

She is now Chairman of the China Revolutionary Committee of the Kuomintang, and Vice-President of the Association for International Understanding of China.

During the period of the First Revolutionary Civil War (1924-27), he took part in the workers' armed uprisings in Shanghai and served as standing committee member of the Shanghai Postal Workers' Union, president of the Shanghai Trade Union Council, and standing committee member of the All-China Postal Workers' Union. During the War of Resistance Against Japan (1937-45), he served as council chairman of the China Association of Labour. In 1944 he was elected member of the governing body of the International Labour Organization. In September 1945, he was elected Vice-President of the World Federation of Trade Unions. In 1947, he attended the first General Council meeting of the WFTU and an Executive Bureau session. In 1948, he went to the North-
east Liberated Area to attend the Sixth All-China Congress of Labour at which he was elected Vice-President of the All-China Federation of Trade Unions. After 1949, he became Minister of Posts and Telecommunications. He was elected Vice-Chairman of the Standing Committee of the Fifth NPC, and Standing Committee Member of the Second through the Fourth National Committee of the CPPCC.

Ngapoi Ngawang Jigme

Born 1911; native of Lhasa City, Tibet Autonomous Region.

He is now Chairman of the Nationalities Committee of the National People’s Congress and chairman of the Standing Committee of the Tibet Autonomous Region People’s Congress.

After 1936, he worked as financial officer for Qamdo of the Tibet local government, judge of its civil court, and chief administrator of Qamdo. In 1951, he was senior representative of the Tibet local government for negotiations in Beijing and signed the “Seventeen-Article Agreement on the Peaceful Liberation of Tibet” with the Central People’s Government. After 1952, he served as deputy commander of the Tibet Military Area, and vice-chairman of the Preparatory Committee of the Tibet Autonomous Region. After 1965, he was chairman of the People’s Council of the Tibet Autonomous Region, and vice-chairman of the region’s revolutionary committee. After 1979, he became chairman of the Standing Committee of the Tibet Autonomous Region People’s Congress and chairman of the People’s Government of the region. He was elected Vice-Chairman of the Standing Committee of the Third through the Fifth NPC, and Vice-Chairman of the Third National Committee of the Chinese People’s Political Consultative Conference.

Bainqen Erdini Qoigyi Gyaincain

Born 1938; native of Xunhua County, Qinghai Province; Tibetan nationality.

He is now one of the leaders of the “Gelugpa” (or Yellow Sect) of Tibetan Lamaism. After the Ninth Bainqen died in 1937, the Bainqen Kanpolija (the highest administrative organ and Bainqen), by religious procedures, chose Goinbo Cedian in 1941 as the Tenth reincarnation of Bainqen and sent him to the Gumbum (Ta-er) Monastery in Qinghai Province for workshop. He was approved as the Tenth Bainqen on June 3, 1949 by the then central government. On October 1, 1949, Bainqen cabled Chairman Mao Zedong and Commander-in-Chief Zhu De his congratulations on the founding of the People’s Republic of China, pledging his support to the People’s Government and expressing his wish for the early liberation of Tibet. He returned to Tibet in 1952. After liberation, he served successively as Member of the Standing Committee of the First National People’s Congress, Vice-Chairman of the Standing Committee of the Second and Fifth NPC, Vice-Chairman of the Second National Committee of the Chinese People’s Political Consultative Conference (CPPCC), Member of the Standing Committee of the Third and Fourth National Committee of the CPPCC, Vice-Chairman of the CPPCC Fifth National Committee, standing committee member of the Preparatory Committee of the Tibet Autonomous Region, and its first vice-chairman and then its Acting Chairman.

Seypiden

Born 1915; native of Artux County, Xinjiang Uygur Autonomous Region; Uygur nationality.

He is now Member of the Central Committee of the Communist Party of China.

In 1944 and afterwards, he took part in the revolution in the Illi-Tacheng-
Altay area and served as member of the Xinjiang coalition government council and director of its education bureau; and Chairman of the Xinjiang People’s Democratic Alliance. After 1949, he served as member of the Central People’s Government Council; member of the National Defence Council; Vice-Chairman of the Nationalities Affairs Commission; vice-chairman and then chairman of the Xinjiang People’s Government; first secretary of the Xinjiang Uygur Autonomous Region Party committee, and first political commissar of the Xinjiang Military Area. He was elected Alternate Member of the CPC Eighth Central Committee, Member of the CPC Ninth Central Committee, Alternate Member of the Political Bureau of the CPC Tenth and Eleventh Central Committee, and Vice-Chairman of the Standing Committee of the First through the Fifth NPC.

Zhou Gucheng

Born 1898; native of Yiyang County, Hunan Province.

He is now Vice-Chairman of the Central Committee of the Chinese Peasants’ and Workers’ Democratic Party and chairman of its Shanghai municipal committee, and professor at the Department of History, Fudan University, Shanghai.

After graduation from the Beijing Normal College in 1921, he taught in the First Provincial Normal School in Changsha, Hunan. In 1926, he was adviser to the Hunan Provincial Peasant Association, and concurrently instructor at the Hunan Provincial Institute of the Peasant Movement, and propaganda worker at the National Peasant Association. He went to Shanghai in the autumn of 1927, where he wrote for the periodicals run by the Shanghai Commercial Press, and gave lectures at China College. After 1930, he was professor at Sun Yat-sen University; professor at Jinan University; and professor at Fudan University and head of its Department of History and dean of studies. After liberation, he was elected Member of the Standing Committee of the CPPCC Fifth National Committee, and deputy to the First, Second, Third and Fifth National People’s Congress. After 1979, he became Vice-Chairman of the Standing Committee of the Shanghai Municipal People’s Congress, Executive President of the China Society of History and president of its Shanghai branch.

Yan Jici

Born 1900; native of Dongyang County, Zhejiang Province.

He is now Executive Chairman of the Presidium of the Chinese Academy of Sciences, and President of China Science and Technology University and of its graduate school.

After graduating from Nanjing Normal College in 1923, he went to study in Paris where he received his master’s degree and his doctor’s degree in science conferred by the state. After returning to China in 1927, he worked as professor at four universities in Shanghai and Nanjing. He again went to Paris to do research work in November 1928 and, after his return in February 1931, became director of the Institute of Physics and concurrently of the Radium Research Institute under the Academia Sinica. After October 1949, he served successively as director of the General Office of the Chinese Academy of Sciences, Secretary-General of the All-China Federation of Natural Sciences Societies; and Vice-President of the China Science and Technology Association; deputy to the First and Second National People’s Congress, and Member of the Standing Committee of the Third through the Fifth NPC.

Hu Yuzhi

Born 1896; native of Shangyu County, Zhejiang Province.

He is now Vice-Chairman of the Central Committee of the China Democratic League.

After the September 18th Incident of 1931, he
worked as editor-in-chief of The East. He joined the China League for Civil Rights in 1933. After 1935, he took part in the movement of the Shanghai cultural circles for resisting Japan and saving the nation and was one of the founders of the Association for National Salvation. In 1940, he ran the Nanyang Shang Pao in Singapore. After the victory of the anti-Japanese war, he founded the Nan Chiao Jih Pao together with Tan Kah-kee and established the Singapore branch of the China Democratic League. After liberation, he served as Director of the Press Administration, Vice-Minister of Culture, editor-in-chief of the Guangming Ribao (Guangming Daily), and Vice-Chairman of the Committee for Reforming the Written Chinese Language. He was elected member of the Standing Committee of the First through the Fifth NPC, member of the Second through the Fourth National Committee of the CPPCC, and Vice-Chairman of the CPPCC Fifth National Committee.

**Rong Yiren**

Born 1916; native of Wuxi City, Jiangsu Province.

He is now Vice-Chairman of the All-China Federation of Industry and Commerce, Standing Committee member of the Central Committee of the China Democratic National Construction Association, and chairman of the board of directors of the China International Trust and Investment Corporation and its general manager.

After graduating from St. John’s University in Shanghai, he served as assistant manager and then manager of Mow Sing Flour Mill in Wuxi, member of the board of directors of He Feng Company in Shanghai and member of the board of directors and manager of Sanxin Bank, also in Shanghai. After 1950, he became general manager of the head office of Shexin Textile Company, deputy mayor of Shanghai, deputy head of the Shanghai branch of the All-China Federation of Industry and Commerce, Vice-Minister of Textile Industry, and Adviser to the State Administrative Commission of Import and Export Affairs. He was elected deputy to the First through the Third National People’s Congress, member of the Standing Committee of the Fourth and Fifth NPC; and member of the Second National Committee of the Chinese People’s Political Consultative Conference (CPPCC), member of the Standing Committee of the CPPCC Third and Fourth National Committee, and Vice-Chairman of the CPPCC Fifth National Committee.

**Ye Fei**

Born 1914; native of Nanan County, Fujian Province.

He joined the Chinese Communist Youth League in 1928 and became member of the Communist Party of China in 1932. He is now Member of the Central Committee of the CPC.

After 1928, he served successively as member of the Fujian provincial committee of the Communist Youth League and its acting secretary. After 1933, he was secretary of the special Party committee for eastern Fujian, and political commissar of the Red Army’s independent division in that part of Fujian. After 1938, he was a regiment commander and then a brigade commander in the New Fourth Army; commander and political commissar of a column of the New Fourth Army. After 1945, he served as commander and concurrently political commissar of the 1st Column of the East China Field Army and commander of its 10th Army. After 1949, he served successively as governor of Fujian Province and first secretary of the Fujian provincial Party committee; commander and first political commissar of the PLA’s Fuzhou Units. After 1975, he was Minister of Communications. After 1979, he became commander and first political commissar of the Navy of the PLA. He was elected Alternate Member of the CPC Eighth Central Committee and later served as one of its full members; Alternate Member of the CPC Tenth Central Committee and Member of the CPC Eleventh Central Committee.

**Liao Hansheng**

Born 1911; native of Sangzhi County, Hunan Province.
He joined the Communist Party of China in 1933, and is now Member of the Central Committee of the CPC.

After 1929, he was deputy commander of the 4th Guerrilla Detachment of Hefeng County. After 1934, he served as political commissar of a Division of the Red Army. After 1937, he was deputy commander and political commissar of a regiment of the 120th Division of the Eighth Route Army. After 1939, he was deputy political commissar and acting commander of a brigade of the 120th Division of the Eighth Route Army. After 1945, he served as an army political commissar. After 1949, he was secretary of the Party committee of Qinghai Province, vice-chairman of the provincial government and political commissar of the provincial military area. After 1954, he became Vice-Minister of National Defence, president of a military academy and political commissar of the Beijing Units of the Chinese People's Liberation Army. After 1973, he served as political commissar of the PLA's Academy of Military Science, first political commissar of the Nanjing Units of the PLA and then first political commissar of its Shenyang Units. He was elected Alternate Member of the Eighth Central Committee of the CPC and Member of its Eleventh Central Committee.

Han Xianchu
Born 1913; native of Hongan County, Hubei Province.

He joined the Chinese Communist Youth League in 1929 and became a member of the Communist Party of China in 1930. He is now Member of the Central Committee of the CPC.

After 1929, he served successively as battalion, regiment and division commander of the Red Army. After 1939, he served as deputy brigade commander and brigade commander under the 115th Division of the Eighth Route Army. After 1946, he was deputy column commander and column commander under the Northeast Democratic Allied Army. After 1949, he served as deputy commander of the 12th Army, Deputy Commander of the Chinese People's Volunteers in Korea, commander of the 19th Army. After 1954, he was Deputy Chief of the General Staff of the Chinese People's Liberation Army, commander and first Party secretary of the Fuzhou Units of the PLA, and first secretary of the Fujian provincial Party committee. After December 1973, he was appointed commander of the Lanzhou Units of the PLA. After 1979, he became member of the Standing Committee of the Military Commission of the CPC Central Committee. He was elected Alternate Member of the Eighth Central Committee of the CPC and later became a full member. He was also Member of the Ninth through the Eleventh Central Committee of the Party.

Huang Hua
Born 1913; native of Cixian County, Hebei Province.

He joined the Communist Party of China in 1936, and is now Member of the Central Committee of the CPC.

After 1936, he served successively as secretary of the leading Party members' group in the Beijing Association of Students, interpreter at the Red Army's general headquarters in the Northern Shaanxi Soviet Area, personnel functionary in the Organization Department of the CPC Central Committee, secretary of the leading Party members' group in the All-China Federation of Students, and section chief in the Foreign Affairs Group under the CPC Central Committee. After 1946, he served as secretary of Comrade Ye Jianying, who was CPC representative at the Beijing Executive Headquarters for Military Mediation; head of the press division of the Executive Headquarters. After 1949, he served successively as head of the Foreign Affairs Office under the Tianjin Military Control Commission, the Nanjing Military Control Commission, and the Shanghai Military Control Commission.
Control Commission; Chinese representative at the political negotiations for armistice in Korea, and director of the Department of European and African Affairs of the Ministry of Foreign Affairs. Later, he served successively as China’s ambassador to Ghana, Egypt and Canada and China’s permanent representative at the United Nations. After 1976, he became Minister of Foreign Affairs, Vice-Premier of the State Council and concurrently Foreign Minister, and State Councillor and concurrently Foreign Minister. He was elected Member of the Tenth and Eleventh Central Committee of the CPC.

Vice-Chairmen of the Central Military Commission

Ye Jianying

Born 1897; native of Meixian County, Guangdong Province.

He joined the Communist Party of China in 1927, and is now Member of the Standing Committee of the Political Bureau of the Central Committee of the CPC and Vice-Chairman of the Military Commission of the Central Committee.

During the First Revolutionary Civil War (1924-27), he participated in two eastern campaigns against the warlords, and served as deputy director of the Instruction Department of the Huangpu (Whampoa) Military Academy, and chief of staff at the general command of the First Army of the National Revolutionary Army and commander of its 2nd Reorganized Division. He was one of the leaders of the Guangzhou Uprising. Later, he studied in Moscow. After his return, he became chief of staff at the Military Commission of the CPC Central Committee and President of the Red Army College. During the Long March of the Red Army, he was commander of the 1st Column and chief of staff at the front headquarters. During the War of Resistance Against Japan (1937-45), he served as chief of staff of the Eighth Route Army. During the War of Liberation (1946-49), he served as CPC member at the Beijing Executive Headquarters for Military Mediation, president of the North China Military and Political College, chairman of the Beijing Military Control Commission and mayor of Beijing. After the founding of the People’s Republic of China in 1949, he served as first secretary of the South China Sub-bureau of the CPC Central Committee, commander of the South China Military Area, chairman of the Guangdong Provincial Government, mayor of Guangzhou, Vice-Chairman of the National Defence Council, Member of the Secretariat of the CPC Central Committee, Secretary-General and Vice-Chairman of the Military Commission of the CPC Central Committee, Minister of National Defence, and Chairman of the Standing Committee of the Fifth National People’s Congress. He was elected Member of the CPC Seventh Central Committee, Member of the Political Bureau of the CPC Eighth and Ninth Central Committee, and Vice-Chairman of the CPC Tenth and Eleventh Central Committee.

Xu Xiangqian

Born 1901; native of Wutai County, Shanxi Province.

He joined the Communist Party of China in 1927, and is now Member of the Political Bureau of the Central Committee and Vice-Chairman of the Military Commission of the Central Committee.

He studied at the Huangpu (Whampoa) Military Academy in 1924. In 1925, he became political instructor and staff officer with the rank of major in the 2nd Army of the National Revolutionary Army, and then deputy regiment commander. In 1927, he took part in the Guangzhou Uprising in December of the same year, serving as leader of the 6th Detachment of the Workers’ Red Guards. Then he became chief of staff and commander of the 4th Division of the Red Army, deputy commander of the 11th Army. In November 1931, he became commander-in-chief of the Fourth Front Army of the Red Army, and later took part in the Long March. During the War of Resistance Against Japan (1937-45), he was deputy commander of the 129th Division of the Eighth Route Army, commander of its 1st Column in Shandong, and acting president of the Anti-Japanese Military and Political College in Yanan. During the War of Liberation (1946-49), he served as deputy commander of the North China Military Area,
and an army commander and concurrently political commissar of the People's Liberation Army. After the founding of the People's Republic of China in 1949, he served successively as Chief of the General Staff of the Chinese People's Liberation Army, Vice-Chairman of the National Defence Council, Vice-Chairman of the Standing Committee of the National People's Congress, and Vice-Premier of the State Council and concurrently Minister of National Defence. He was elected Member of the Seventh and Eighth Central Committee of the CPC and elected additional Member of the Political Bureau of the Eighth Central Committee at its Eleventh Plenary Session. He was also Member of the CPC Ninth and Tenth Central Committee and Member of the Political Bureau of the Eleventh Central Committee.

Nie Rongzhen
Born 1899; native of Jiangjin County, Sichuan Province.
He joined the Communist Party of China in 1923, and is now Member of the Political Bureau of the Central Committee of the CPC and Vice-Chairman of its Military Commission.

He went to France on a work-study programme in 1919, and studied in the Soviet Union in 1924. He joined the Northern Expeditionary War, serving as special representative of the Military Commission of the Guangdong-Guangxi Committee of the CPC. He took part in the Nanchang Uprising of 1927, serving as head of the provisional military commission in charge of preparation for the uprising. After participating in the Guangzhou Uprising, he became secretary of the military commission of the Guangdong provincial Party committee. After 1930, he worked in Tianjin, Shanghai and other Kuomintang-controlled areas. After 1932, he served as deputy director of the General Political Department of the Red Army. During the War of Resistance Against Japan (1937-45), he was successively deputy commander of the 115th Division of the Eighth Route Army, secretary of the Shanxi-Qahar-Hebei Sub-bureau of the CPC Central Committee, and commander and concurrently political commissar of the Shanxi-Qahar-Hebei Military Area. During the War of Liberation (1946-49), he served as second secretary of its North China Bureau of the CPC Central Committee, and commander of the North China Military Area. After 1949, he served as commander of Beijing-Tianjin Garrison, mayor of Beijing, Acting Chief of the General Staff of the Chinese People's Liberation Army, Vice-Chairman of the National Defence Council, Vice-Premier of the State Council and concurrently Chairman of the State Science and Technology Commission and of the PLA's Science and Technology Commission for National Defence. He was elected Vice-Chairman of the Standing Committee of the Fourth and Fifth National People's Congress, and Member of the Seventh through the Tenth Central Committee of the CPC. He was elected additional Member of the Political Bureau of the CPC Eighth Central Committee at its Eleventh Plenary Session. He was also Member of the Political Bureau of the CPC Eleventh Central Committee.

Yang Shangkun
Born 1907; native of Tongnan County, Sichuan Province.
He joined the Chinese Communist Youth League in 1925, and became a member of the Communist Party of China in 1926. He is now Member of the Political Bureau of the Central Committee of the CPC, and Executive Vice-Chairman and concurrently Secretary-General of the Military Commission of the CPC Central Committee.

After 1925, he took part in the student movement in Sichuan and Shanghai. In 1927, he began his studies at Sun Yat-sen University in Moscow. After 1931, he served successively as Director of the Propaganda Department of the CPC Central Committee, director of the political department of the First Front Army of the Red Army, Deputy Director of the General Political Department of the Red Army, and
political commissar of the 3rd Army Group of the Red Army. He took part in the Long March and attended the Zunyi Conference as a non-voting participant. After reaching northern Shaanxi, he served as Director of the Political Department of the Field Army of the Red Army. He became Secretary of the Northern Bureau of the CPC Central Committee in 1937 and Secretary-General of the Military Commission of the CPC Central Committee in 1945. After the founding of the People's Republic of China in 1949, he served as Vice-Minister of Building, Minister of Urban Construction, secretary of the Beijing municipal Party committee, deputy mayor of Beijing, and Minister of Railways. After 1977, he served successively as first secretary of the Anhui provincial Party committee, and first political commissar of the Anhui Military Area, Chairman of the State Agricultural Commission, Chairman of the Central Afforestation Commission, and Vice-Premier of the State Council. He was elected Member of the CPC Eleventh Central Committee and Member of its Secretariat.

Yao Yilin

Born 1917; native of Guichi County, Anhui Province.

He joined the Communist Party of China in 1933, and is now Alternate Member of the Political Bureau of the Central Committee of the CPC, and Member of its Secretariat.

After 1934, he served as secretary of the leading Party members' group in the Beiping Students' Association, assistant at the Propaganda Department of the Northern Bureau of the CPC Central Committee and then head of the Propaganda Department of the Tianjin municipal Party committee. During the War of Resistance Against Japan (1937-45), he worked as secretary of the Tianjin municipal Party committee, secretary-general of the Hebei provincial Party committee and head of its Propaganda Department. During the War of Liberation (1946-49), he served as director of the Industrial Bureau of the Shanxi-Qahar-Hebei Border Area People's Government and head of the Industry and Commerce Department of the North China People's Government. After the founding of the People's Republic of China in 1949, he became Vice-Minister of Commerce and Minister of Commerce. After 1973, he served as First Vice-Minister of Foreign Trade, Minister of Commerce, Director of the General Office of the CPC Central Committee, Secretary-General of the Committee of Financial and General of the Party committee of the Hebei-Shandong-Henan Area. After the founding of the People's Republic of China in October 1949, he served as Vice-Minister of Building, Minister of Urban Construction, secretary of the Beijing municipal Party committee, deputy mayor of Beijing, and Minister of Railways. After 1977, he served successively as first secretary of the Anhui provincial Party committee, and first political commissar of the Anhui Military Area, Chairman of the State Agricultural Commission, Chairman of the Central Afforestation Commission, and Vice-Premier of the State Council. He was elected Member of the CPC Eleventh Central Committee and Member of its Secretariat.

Vice-Premiers

Wan Li

Born 1916; native of Dongping County, Shandong Province.

He joined the Communist Party of China in 1938, and is now Member of the Political Bureau of the Central Committee of the CPC and Member of its Secretariat.

During the War of Resistance Against Japan (1937-45), he served as secretary of a county Party committee, and prefectural Party committee. During the War of Liberation (1946-49), he served as member and secretary-
Li Peng

Born 1928; native of Chengdu City, Sichuan Province.

He joined the Communist Party of China in 1945, and is now Member of the Central Committee of the CPC.

After 1941, he studied at schools in Yanan and Zhangjiakou. After 1946, he served as technician at the Shanxi-Qahar-Hebei Electric Company, assistant manager and Party branch secretary of the Harbin Oils and Fats Corporation. After 1948, he studied at Moscow Power Institute and was elected president of the Association of the Chinese Students in the USSR. After 1955, he served successively as deputy director and chief engineer of the Fengman Power Station, deputy chief engineer of the Northeast China Electric Power Administration and director of its distribution department, and director of the Fuxin Power Plant in Liaoning Province. After 1966, he served as acting secretary of the Party committee of the Beijing Power Supply Bureau, its deputy director and then its director. After 1979, he served successively as Vice-Minister and then Minister of Power Industry; and First Vice-Minister of Water Resources and Electric Power.

Tian Jiyun

Born 1929; native of Feicheng County, Shandong Province.

He joined the Communist Party of China in 1945, and is now Member of the Central Committee of the CPC.

After 1947, he was head of a land reform work team. After 1949, he served as confidential secretary of the Financial Takeover Department of the Guiyang Military Control Commission, class instructor at Guiyang People’s Revolutionary University and at the Guizhou Provincial Training Centre for Financial Cadres. After 1953, he served as deputy head and then head of the secretarial section under the Guizhou Provincial Department of Finance, director of its general office, head of its budgetary division and then the deputy director. After 1969, he served in Sichuan Province successively as deputy director and then director of the Provincial Bureau of Finance, director of the Provincial Department of Finance, and Deputy Secretary-General of the State Council.
cision to improve the railroad service. The speech exerted a great impact throughout the country. The breakthrough scored in solving the problems in the railroad system sparked efforts to straighten things out in all industry, including iron and steel, coal mining and national defence industry, with good results.

Things Must be Straightened Out in All Fields was delivered at a rural work meeting in September and October 1975. In his speech, Deng Xiaoping touched on agriculture, industry, science, education, art and literature, all of which, he said, had serious problems that needed to be solved. Consolidation of the Party and leading bodies at various levels should be the centre of the effort. He also criticized Lin Biao’s practice of vulgarizing and fragmenting Mao Zedong Thought, pointing out that this problem was yet to be solved. This criticism was actually aimed at the gang of four. The effort initiated by Deng Xiaoping to straighten things out in all fields was aimed at systematically correcting the errors of the “cultural revolution,” and Mao Zedong found this unbearable. An erroneous movement to criticize Deng Xiaoping thereafter again plunged the country into chaos.

The First Two Years After the Smashing of the Gang of Four

During the two years following the smashing of the gang of four, the Party’s work advanced hesitatingly. Hua Guofeng, then Chairman of the Party Central Committee, persisted in the errors of Mao Zedong in his late years by pursuing the line of “two-whatever’s” (i.e., whatever policy decisions Chairman Mao made should be firmly upheld and whatever instructions Chairman Mao gave should be unswervingly adhered to). In these circumstances, Deng Xiaoping energetically opposed the personality cult, advocated emancipation of the mind and seeking truth from facts, and waged an arduous struggle to re-establish the Marxist ideological line in the Party. He volunteered to take charge of science and education, making a breakthrough in setting distorted things to rights in this area. Deng Xiaoping and other proletarian revolutionaries of the older generation jointly made full preparations for the successful convening of the Third Plenary Session of the 10th Party Central Committee in July 1977. He again expounded the necessity of having an all-round and accurate understanding of Mao Zedong Thought and of being good at studying and mastering Mao Zedong Thought as a system and applying it to guiding work in various fields.

Respect Knowledge and Able People and Some Views on Work in Science and Education were two talks given in May and August of 1977. Deng Xiaoping pointed out in these talks that the political line represented by Comrade Mao Zedong had predominated scientific and educational work during the 17 years after the founding of the People’s Republic of China and that the overwhelming majority of intellectuals had served socialism with great successes under the correct leadership of the Party. He thus refuted the erroneous assessments of scientific and educational work during the 17 years and of the intellectuals. He emphasized that respect for knowledge and able people should be fostered as an established practice within the Party, that mental workers should be regarded as part of the working people and that the erroneous notion of looking down on intellectuals should be opposed.

Speech at the Opening Ceremony of the National Science Conference was made in March 1978. Deng Xiaoping pointed out that mastery of modern science and technology is the key to achieving the four modernizations. He called for tremendous efforts to develop scientific research and education and to bring into full play the revolutionary enthusiasm of scientific and educational workers. He dwelt at length on the
Marxist concept that science and technology are part of the productive forces. He declared that in socialist society, those who labour, whether by hand or by brain, are all working people. He affirmed that the overwhelming majority of brain workers have become intellectuals of the working class and the labouring people, and therefore can be regarded as part of the working class.

Speech at the All-Army Political Work Conference was made in June 1978, at a time when the debate on the criterion for judging what is truth had just started. Deng Xiaoping stated that seeking truth from facts, proceeding in all cases from reality and integrating theory with practice are basic viewpoints and methods of Marxism-Leninism and Mao Zedong Thought. Running counter to these viewpoints will only lead to idealism and metaphysics, as well as losses in work and failure of the revolution. He said it was a serious task to get rid of the pernicious influence of Lin Biao and the gang of four, set to rights what had been distorted, throw off mental shackles and bring about a great emancipation of thinking. The speech provided important ideological and theoretical preparations for re-establishing the ideological line of seeking truth from facts and in bringing about a great strategic shift at the Third Plenary Session of the 11th Party Central Committee.

The Period From the Third Plenary Session of the 11th Party Central Committee to the 12th Party Congress

The Third Plenary Session of the 11th Central Committee of the Party put an end to the difficult situation in which the Party's work has advanced hesitatingly since October 1976, and began a conscientious and comprehensive correction of the "Left" errors of the "cultural revolution" and earlier. During the period from that session to the 12th Party Congress, Deng Xiaoping played an even more outstanding policy-making role in the work of the Party and the state in various fields. The many theories and policies he set forth or elaborated on for building socialism with Chinese characteristics in accordance with the basic principles of Marxism-Leninism and Mao Zedong Thought and China's conditions are very important for guiding the triumphant progress in China's socialist modernization. The 26 works of this period contained in the selection include:

**Emancipate the Mind, Seek Truth From Facts, Unite as One and Look Forward**, a speech in December 1978 at the closing session of a work conference of the Party Central Committee in preparation for its Third Plenary Session. Deng Xiaoping summed up the previous two years' criticism of the "two-whatever's" and discussions on the criterion for judging what is truth and set the task of continuing to emancipate the mind in the future. The article said emancipation of thinking is an important political question at present. Only when one's thinking is emancipated can one correctly use Marxism-Leninism and Mao Zedong Thought as the guide in solving the problems left over from the past and new ones, correctly reform those aspects of the relations of production and the superstructure that are not in harmony with the rapid growth of the productive forces, and determine the concrete road, principles, methods and measures to achieve the four modernizations in the light of China's conditions. Unless the fossilized way of thinking was broken and the minds of the cadres and the people were fully emancipated, there could be no hope of achieving the four modernizations. The speech also stressed that democracy is an important condition for emancipating thinking and that the handling of leftover problems is aimed at
going forward and smoothly shifting the focus of the Party’s work to socialist construction. The speech served as the keynote for the Third Plenary Session.

Adhere to the Four Cardinal Principles, a speech at a conference on the Party’s theoretical work in March 1979. The article clearly sets modernization as a major task for the present and a considerably long period in the future and calls for blazing a path for modernization with Chinese characteristics. This requires ideological and political adherence to the four cardinal principles of upholding the socialist road, the dictatorship of the proletariat, leadership by the Communist Party, and Marxism-Leninism and Mao Zedong Thought. As the fundamental pre-requisites for ensuring stability and unity and carrying out the four modernizations, these principles conform to the spirit of the Third Plenary Session. The four cardinal principles were later written into the Constitutions of the Party and the State, becoming the common political foundation for the unity of the whole Party and the people of all nationalities in China.

The Tasks of the United Front and the People’s Political Consultative Conference in the New Period, which was the opening address to the Second Session of the Fifth National Committee of the Chinese People’s Political Consultative Conference in June 1979. Deng Xiaoping made a scientific analysis of the changes in the social classes in China over the 30 years since the People’s Republic was founded. He pointed out that China’s united front had become a broad alliance of socialist workers and patriots who support socialism. He also described that alliance as one led by the working class and based on the worker-peasant alliance.

The Organizational Line Is the Guarantee for Implementing the Ideological and Political Lines, a talk to people attending an enlarged meeting of the standing committee of the navy’s Party committee in July 1979. Deng Xiaoping said that, once the ideological and political lines are established, the most urgent question to be solved is the organizational line, of which the most important and pressing issue is selection of worthy successors. The problem should be solved while the veteran cadres are still active and in good health. The two major criteria for choosing cadres are: 1) They should support the political and ideological lines of the Third Plenary Session, and 2) They should uphold Party spirit instead of factionalism.

Greetings to the Fourth National Congress of Chinese Writers and Artists, delivered in October 1979. The article refutes the slanders spread by Lin Biao and the gang of four that China’s literature and art in the 17 years up to the “cultural revolution” was “a field in which the sinister line exercised dictatorship.” While urging Party committees at all levels to provide good leadership on literature and art, Deng Xiaoping pointed out that Party leadership does not mean issuing orders nor requiring literature and art to be subordinated to temporary, concrete and specific political tasks. It means providing writers and artists with the conditions to enrich socialist literature and art according to their characteristics and inherent laws of development.

The Present Situation and Our Tasks, a speech at a cadres’ meeting called by the Party’s Central Committee in January 1980. Deng Xiaoping listed three major tasks for China in the 1980s: Combating hegemonism and defending world peace in international affairs; getting Taiwan back to the motherland and reunifying the country; and intensifying the four modernizations programme. The core of the tasks is modernization, which is the most essential condition for China’s efforts to solve both internal and international problems. It is imperative to uphold and improve Party leadership, tighten Party discipline and raise the Party’s combat worthiness if these tasks are to be accomplished.

Opinions on Drafting the “Resolution on Certain Questions in the History of Our Party Since the Founding of the People’s Republic of China,” a collection of excerpts from nine talks Deng Xiaoping made between March 1980 and June 1981. In these talks he repeatedly stressed that the three focal points in the draft should be: defining the place of Comrade Mao Zedong in history and upholding and developing Mao Zedong Thought; analysing the major historical events in the 30 years since the founding of the People’s Republic of China by seeking truth from facts and giving them fair appraisals; and making a basic summation of the past so as to encourage people to look forward in unity. He said that the first point is the most important and fundamental, the very core of the issue. Explaining Mao Zedong Thought is not just a theoretical issue but, above all, a major political issue internally and internationally. These views were instrumental to unifying the understanding of the entire Party membership and to summing up historical experiences correctly.
An Important Principle for Handling Relations Between Fraternal Parties, which was part of a talk in May 1980 with senior personnel working in the Party Central Committee. The situation in various countries differs in a thousand ways, and revolution in different countries cannot proceed according to a set model, Deng Xiaoping said. There must be respect for the Party and people of each country to find their own way, and they must not be subject to commands by a self-appointed paternal Party. The major points of the talk laid the foundation for formulating the Party's correct principles of “independence, complete equality, mutual respect and non-interference in each other's internal affairs” in handling relations between fraternal parties.

Reforms in Party and State Leadership Systems, a speech in August 1980 at an enlarged meeting of the Political Bureau of the Party Central Committee. The speech raised the point that the system of leadership of the Party and the state must be reformed in order to give full play to the superiority of the socialist system and speed up the progress of modernization. Efforts must be made in the following aspects: economically, expanding the productive forces rapidly and improving the material and cultural well-being of the people step by step; politically, fully developing people's democracy and building up a socialist legal system; organizationally, training large numbers of qualified people needed by China's socialist modernization who adhere to the four cardinal principles, whose average age is relatively young and who have professional knowledge.

Implement the Principle of Readjustment and Ensure Stability and Unity, a speech in December 1980 at the Central Committee work conference. It analyses the need to carry out the principle of readjustment, which is to provide a solid basis for steady advance so that China will reach its goal of the four modernizations with a greater certainty of success. The speech stresses the importance of consolidating and increasing political stability and unity as the key to the success of this readjustment. The policy advanced by Deng Xiaoping for “furthering the economic readjustment and enhancing political stability” has since guided China's economy on to the path of healthy development.

On Opposing Erroneous Ideological Tendencies and on Questions on the Ideological Front, containing the main points of talks by Deng Xiaoping in March and July of 1981, on separate occasions with leaders of the People's Liberation Army General Political Department and Central Propaganda Units, pointed to the tendency at the time towards bourgeois liberalization that deviates from the socialist path and leadership by the Communist Party. Slackness and weakness shown by Party organizations in exercising leadership over the ideological front and their timidity in criticizing erroneous tendencies at present call for particular attention. This problem must be dealt with seriously.

Build a Powerful, Modern and Regular Revolutionary Army, a speech delivered by Deng Xiaoping in September 1981 when he reviewed the troops participating in military exercises in north China as Chairman of the Central Committee's Military Commission. Taking into consideration the situation at home and abroad and the army's glorious mission of defending the socialist motherland and the modernization programme, he raised a higher demand on the army, requiring it be built into a powerful, modern and regular revolutionary army.

Resolutely Strike at Criminal Activities in the Economic Sphere, a speech to a meeting of the Political Bureau of the Party Central Committee in April 1982. Analysing criminal activities in the economic sphere after adoption of the policy of opening to the outside world and taking flexible measures to invigorate the economy domestically, Deng Xiaoping pointed out that, unless the Party took firm steps to check
such activities, the problem might arise as to whether or not there would be a "change of political colour." He said. the Party must pay attention to two aspects: persisting in the policy of opening to the outside world and invigorating the economy domestically, and resolutely striking at criminal activities in the economic sphere.

Opening Speech to the 12th National Congress of the Communist Party of China, delivered in September 1982. Deng Xiaoping listed the tasks of the Congress which he described as the most important meeting since the Party's Seventh National Congress in 1945. While the Seventh Congress laid the foundation for the nationwide victory of the new-democratic revolution, he said, the 12th Congress would create a new situation in all fields of socialist modernization and guide it towards victory. The basic conclusion China has reached in summing up its long historical experience is, he said, to integrate the universal truth of Marxism with the concrete realities of China, to blaze China's own path and build socialism with Chinese characteristics.

Report From Tianjin

Small Shops Coming Back

by Our Correspondent Han Baocheng

The readjustment and reform of commerce in the past few years has spawned an increasing number of small shops throughout the cities and the countryside run by collectives or individuals. These enterprises stimulate the markets, make daily life easier and increase the number of wage-earners.

Ministry of Commerce statistics indicate that in 1982 China had 1.47 million commercial, catering service centres and establishments, a 7.7-fold increase over 1978. Of these, 210,000 were large state-owned shops, a 2.5-fold increase; 340,000 were collectively owned, a 5.9-fold increase; and 920,000 were individually run businesses, a 77.7-fold increase.

Here is a close-up of the development of the small shops in China's third largest city, Tianjin. — Ed.

TWO thousand collectively owned retail shops were opened last year in Tianjin's densely populated residential areas. These small shops which are convenient and provide many services are described by the residents as "getting a supply of charcoal in snowy weather."

Services Difficult to Find

Tianjin, 120 km to the southeast of Beijing, is one of the largest commercial ports in China. It has an urban population of 3.1 million. Its volume of commodity sales is third in the nation after Shanghai and Beijing.

However, for a considerable period of time, it did not have sufficient restaurants, tailors, repair shops or other services.

Yan Zhen, deputy secretary-general of the municipal government explained that in 1956 when the nationwide socialist transformation of
private industry and commerce was completed, Tianjin had 57,000 retail shops.

However, after 1958 many of these shops were amalgamated into big state-owned shops due to the influence of erroneous “Left” ideas—one-sidedly seeking ownership by the whole people to the neglect of market demands or the needs of the people.

The city’s restaurants and snack shops dropped from 7,856 in 1956 to 1,034 in 1978; the total floor space of the restaurants and snack shops was cut by half—from 300,000 sq.m to 150,000 sq.m. Other service trades suffered more or less the same fate.

In the same period, the city’s population jumped by 300,000.

After the “cultural revolution” (1966-76) ended and especially since 1979, the erroneous “Left” ideas were corrected.

In the last few years, the Tianjin municipal government has attached particular importance to city construction so as to meet the most urgent needs of the people.

When the neighbouring city of Tangshan was hit by a devastating earthquake on July 28, 1976, about 70 per cent of the houses in Tianjin were damaged to varying degrees. In the course of reconstruction, the municipal government decided that great efforts should be made to improve commerce, in part by encouraging the establishment of collectively owned and individual shops to complement the state shops.

Accelerating Commerce Construction

Last year, the municipal government set up a special organization headed by Mayor Li Ruihuan, 48, in charge of the construction of commercial networks and establishments. The building materials and funds for the enterprises were appropriated by the government, while the circulation fund and fixed assets were raised by the collectives. The goods were supplied by state wholesale departments or were purchased by the shops. The shops also were allowed to produce and sell their own products. The municipal government asked state wholesale departments to give equal treatment to the small shops and the state shops (as opposed to previous preferential regard for the state shops).

To promote the collectively owned commercial establishments, the government stipulated that they would be exempted from income tax and rent for the first three years after opening. These measures have spurred the establishment of a growing number of small shops.

In China, the opening of a shop must be stamped by many administrative departments. Previously it took at least one year to set up a shop—from the time the shop submitted its first application to the day it opened for business. Sometimes it took several years.

To speed up this process, Mayor Li called 10 impromptu meetings in the latter half of 1982 for authorities from the departments concerned. Many commercial centres and establishments were soon set up.

Within half a year, 1,336 collectively owned shops sprang up, with a total business area of 82,822 sq.m. The largest shop covers 100 sq.m and the smallest only 9 sq.m.

Most of them were set up by the district government sub-division (equivalent to county government) which used funds pooled by the collectives and employed job-awaiting youth and other unemployed people.

A New Shopping Street

One typical area is under the jurisdiction of the Jianshan district government sub-division in Hexi District on the southern border of Tianjin. It has become a busy, crowded residential industrial district since the 50s when a large number of factories and apartment houses were constructed there. However, far too few retail shops were located in the area and services for its 70,000 residents were extremely poor. In contrast, 44 collectively owned shops have been opened during the past few years. Today, 16 shops line a 240 metre street that has not yet been named. They have all opened since last September.

Zheng Bingduo, 33, is in charge of the service centre. Appointed by the district government sub-division, he is enthusiastic about the potential for the new commercial enterprises.

“The tall building far to the east is the state-owned Hexi Department Store. It has a floor space of 2,600 sq.m and is staffed with 440 shop assistants. It sells all kinds of goods,
but somehow it is too far from here. It is not convenient for the residents when they want to buy small articles like buttons or soap.

"To the west there is a state vegetable and produce market, but the supply always fell short of demand and often people had to stand in long queues.

"Now the situation is different. The 16 new shops include the tailors', snack bars, repair shops, and shops that sell produce, sea food and household goods. These shops plus a nearby peasants' market are a great supplement to the state shops," he said.

"For People's Convenience"

Huangshan Repair Shop is on the east end of the unnamed street. Its manager is 50-year-old retired worker Wang Zhaolin. The staff of 14 includes watch and bicycle repairers, plumbers and lock-smiths.

"Generally speaking, repair shops require skilled workers but earn small profits. So often there are fewer repair shops than other shops. Ours is the only one in this neighbourhood," Wang Zhaolin said.

"Last December, a resident lost his wardrobe key. He looked all over half Tianjin but found no repair shop that was willing to send a man to his house to make a mould for the key. Finally he turned to us. We fixed his key in half an hour and charged him 10 cents," he said.

The manager is not worried that such low fees will undercut the shop's profits. "The purpose of our shop is to offer a service to the people. Of course, we're trying to get profits.

"One of our service teams does repairs for enterprises, government offices, schools and rural people's communes. We charge them more than we charge individual customers. With these profits we try to keep the budget balanced and ensure that the repairers earn a reasonable income and even bonuses."

"This situation is more or less the same as in the other shops," added general manager Zheng. "In our neighbourhood we have a primary school attended by a large number of children who have two working parents and no one to take care of them during the lunch break. Our restaurant serves meals for them in their school. This service is non-profit."

Zhang Fengying, the woman manager of the Hongxin Native Produce Shop, said, "Before our shop opened, we investigated and found out that household goods were in great demand. We surveyed the neighbourhood to determine which products people needed most urgently. We always have new commodities."

Since 1979, 4,800 such small-scale collectively owned shops have opened in Tianjin. Business is good on the whole because all the shops are closely geared to meeting the people's demands.

By the end of last year, Tianjin had 8,000 state and 8,000 collectively owned shops. The 15,000 individual businesses and the 33 large peasants' markets have made local residents' lives easier.

Deputy secretary-general Yan Zhen added, "The municipal government decided that this year, in addition to developing state-run commerce, it will encourage collectively and individually run businesses and will issue permits for another 1,000 collectively owned shops. Many traditional Tianjin goods and foods that disappeared for some time are expected to reappear."
Facts and Figures

Economic Achievements In 1978-82

Industry (An average annual increase of 7.2% for its total output value)

Education

Regular institutions of higher learning

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
</tr>
</thead>
<tbody>
<tr>
<td>1978</td>
<td>598</td>
</tr>
<tr>
<td>1982</td>
<td>715</td>
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</table>

Number of students

<table>
<thead>
<tr>
<th>Year</th>
<th>Number</th>
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</thead>
<tbody>
<tr>
<td>1978</td>
<td>0.856 million</td>
</tr>
<tr>
<td>1982</td>
<td>1.154 million</td>
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</table>

Postgraduates

A total of more than 43,000 from 1978 to 1982

Total Volume of Retail Sales

(An average annual increase of 25,300 million yuan)

<table>
<thead>
<tr>
<th>Year</th>
<th>Total Volume</th>
</tr>
</thead>
<tbody>
<tr>
<td>1978</td>
<td>155,900</td>
</tr>
<tr>
<td>1982</td>
<td>257,000</td>
</tr>
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</table>
Portion of Agriculture, Light Industry and Heavy Industry in the Total Industrial and Agricultural Output Value

Accumulation Rate

Agriculture (An average annual increase of 7.5% for its total output value)

Urban and Rural Savings Deposits

The Living Standards of the People

Total Volume of Import and Export

July 11, 1983
INDUSTRY is flourishing in a commune in Jinjiang, Fujian Province, the birthplace of many overseas Chinese.

In addition to operating commune- and brigade-run enterprises, Chendai Commune also encourages its members to invest in smaller industrial undertakings. Thanks to these efforts, 309 families now earn an annual income of 10,000 yuan each.

Xiang Nan, first secretary of the Fujian Provincial Committee of the CPC, praised Chendai’s experience and said it should be popularized throughout the province.

The commune has little arable land but a large population. The commune began to operate and encourage industry in 1979 to supplement its grain production.

At this time the commune has 399 small factories, 72 of them run by the commune or brigades and 327 run by commune members with collective funds. The industries turn out hundreds of nationally popular products including foodstuffs, leather goods, plastics, bamboo ware, plaited articles, arts and crafts, building materials, machinery and metal ware.

Some products such as royal jelly tremella, instant roselle beverage, bamboo ware, plaited articles and nailed climbing boots are sold to more than 10 countries and regions in Europe, America, Africa, Southeast Asia and Xianggang (Hongkong) and Aomen (Macao).

-- “Zhongguo Xinwen” (China News)

Personnel training tips

To accelerate the training of qualified personnel for industrial construction, four things are essential, according to Professor Qian Weichang, the new President of the Shanghai Polytechnic University.

First, teachers must help students develop effective self-education methods. Since modern science and technology is constantly changing, knowledge is quickly outdated, so that individuals must continually study new findings if they are to follow the trend of development. Therefore, students must learn how to use reference materials and think independently.

Second, the country must improve the training of teachers and offer them more opportunities to further their studies.

Third, the universities shall provide intellectual services to the society, such as setting up classes on the latest developments in science and technology for engineering, technical and management personnel.

Fourth, scientific research must be integrated with education, thereby raising the teaching standards.

I encourage teachers to give lectures about their own research to post-graduates.

-- “Zhongguo Xinwen” (China News)

An important measure for rural population control

In the rural areas, the root cause of such concepts as early marriage, needing several children and disdaining girls is “to have sons in order to be looked after when one grows old.” Therefore, an important measure for rural population control and for reducing China’s population as a whole is to solve the problem of “looking after the elders.”

A survey of 198 persons in Songjiang County on the outskirts of Shanghai showed that 108 wished to have sons to ensure financial support for old age; 80 said they wished to have sons as labour power for increased income and 10 were not willing to express their views. Solving labour problems is also an issue of financial security.

“To have sons to look after one when one grows old” is a practical as well as ideological expression. The survey shows that elderly people who have more children live better and that raising children doesn’t
With the institution of pension system in the rural areas in Yuxi County, Yunnan Province, family planning work is going more smoothly.

Cost much in the countryside. It also shows that with the institution of the production responsibility system, families have become production units, so labor power has gained importance. Furthermore, it found that generally speaking, old people with more children receive better medical care.

In a Shanghai suburban area where retirement pensions have been instituted in some communes and production brigades, family planning work meet with less resistance. For instance, Guo, a commune member who intended to have a second child after her first was a girl, saw that her mother- and father-in-law had a combined pension of 45 yuan a month. Thus she happily pledged herself to have only one child.

— “Shehui” (Society)

Coiffure exhibition in Beijing

A NEW hair style called the “seagull cut” drew the most favourable comments at a coiffure exhibition held last April in Beijing’s Zhongshan Park.

The new hair style features a curved, fringed cut, slanting to one side, with short hair turning outwards on both sides and a soft look in the back. The whole style is reminiscent of a seagull that is ready to fly. The “seagull” makes woman look younger and is also easy to care for.

The nearly 100 hair styles on display (in photographs) were mostly women’s, although some men’s and children’s were included. They were designed by 600 hair stylist after consulting ancient Chinese and contemporary foreign hair styles.

Qin Baoqing, 45, the sponsor of the exhibition said, “The aim of this exhibition is to make the people look more beautiful and to give hairdressers a chance to improve their skills.”

The “seagull” was designed by 45-year-old Liu Wenhua of the Caishikou Hairdresser’s, who was the first-prize winner at the citywide hairdress contest.

“This hairstyle is suitable for women between 20 and 30. The wavy style many women are now wearing is more suitable for middle-aged women,” he said, adding that hairdressers should reflect the spirit of the Chinese who love beauty and are full of vitality.

The Chinese people have a long tradition of hair styling. But during the “cultural revolution” it was considered bourgeois to perm one’s hair and artificially curled hair was almost non-existent in Beijing. Permanent waves became fashionable again in 1977. Today more and more people are seeking styled coiffures. Plastic rollers and implements for perms are enjoying brisk sales.

Most visitors to the exhibition were young women. Some came with their boyfriends to choose suitable styles for their weddings. Foreigners also attended the exhibition.

At present the capital has more than 300 state and collectively-owned hairdressers’ staffed with 5,000 workers. Recently more individuals have taken up hairdressing as a career. The city’s hairdressers often hold competitions and conferences.

— “China Daily”
MUSIC

'Mayflower'

When Beijing residents talk about the mayflower, they mean neither the ship that carried pilgrims across to the New World in 1620 nor the spring-blooming hawthorn in Britain. Mayflower in this city means music.

This past May, blossoming flowers and plants in Beijing were eclipsed by, or, to do them justice, added to the chorus of a month-long song festival which attracted more than one-fifth of the capital's nine million people.

The festival's sponsors were the Beijing municipal trade unions, Communist Youth League committee, women's federation and six other organizations. It was named after a popular patriotic song of the 1930s, 'Mayflower', aiming both at carrying on the revolutionary tradition and promoting the socialist cause of the motherland.

The Mayflower Song Festival was Beijing's largest mass singing activity in recent years. It included people from all walks of life, old and young. Even retired elders in their eighties and nineties and five- and six-year-olds made their debuts. They sang about themselves — their work, their study and their life. Quite a few songs were composed by the singers themselves.

Workers who participated in the festival gave up leisure time and days off for rehearsals and performances. The Beijing No. 2 Woollen Textile Mill organized a 120-member choir which gave five vigorous concerts. Its members did equally well in their work because they wanted to prove that the relationship between singing and production is anything but incompatible.

On the capital's outskirts, farmers who were tasting the joys of flourishing production were able to spice their routine life by taking part in the festival. Eighty young people from a commune in Tongxian County formed a singing group. Their distinctive singing style brought them countless invitations to the theatres within the city proper.

During the "cultural revolution," intellectuals were excluded from all kinds of mass activities. But in this festival they stole the spotlight. For example, 78 professors and lecturers from the mechanics department of the Qinghua University performed pieces such as Ode to the Motherland and Vitalize China. Although their voices were not always entirely agreeable, they showed sincerity and loving emotion. Prof. Luo Yuanxiang described his experience in these performances by saying: "As a member of the labouring class of New China, I caught sight of the hope and future of China from these songs."

Seventy old people of the Hui nationality from Beijing's Niujie Street sang praises of national solidarity. Ten elderly women from the Xicheng District, accompanied by bamboo clappers, sang their own ballad of Happy Old Age.

At one concert, a well-known blind woman singer, Li Xiaomei, 33, performed the popular song On the Promising Open Country. Li was born blind and spent her childhood listening to the radio, immersing herself in music. She has given more than 500 performances and won two awards at Beijing municipal amateur artists' gatherings.

To tens of thousands of students in the capital, this festival turned out to be the best music class they had ever had. By participating in its performances, they learnt many melodious revolutionary songs and some musical techniques.
Cui Zifan’s Traditional Chinese Paintings

Born in 1915 in Shandong's Laiyang County, Cui Zifan is now President of the Beijing Flower-and-Bird Painting Research Society, a member of the Chinese Artists' Association and one of the council members of its Beijing branch.

He combines freehand expressionistic techniques with succinct composition, simple strokes and striking colours.

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