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Jobs for Surplus Rural Labour





Yang Huai (second from right), deputy director of the bureau, on a working visit to a furniture workshop.



Picking edible fungus.

Wine made from wild fruit.

Plywood being produced.



Forest Region Diversifies Business

Apart from planting and felling trees, the Forest Bureau in Huanan County, Heilongjiang Province, now devotes much attention to developing a diversified economy.

SPOTLIGHT

A tree nursery.





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COVER: "Sprout."

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HIGHLIGHTS OF THE WEEK

Effective Solution to Surplus Rural Labour

■ To prevent rural labourers made redundant as a result of the contract responsibility system flooding into the big cities, efforts have been made to re-employ them locally (p. 16). In Luoyang Township diversifying the economy has allowed farmers and other workers to earn more there than workers in the city. Luoyang now suffers a shortage of labour (p. 18).

Higher Education by the Year 2000

■ Xue Huanyu, a member of the Central Education Science Research Institute, describes how China's higher education was, is and will be in the future. By the year 2000 the country should have established a structured and well balanced educational system, training qualified personnel needed for the country's development (p. 14).

The Force Behind China's Forward Movement

■ The CPC Central Committee's recent resolution on culture and ideology sets forth the "common ideal" which will be powerful in propelling the country forward both materially and culturally (p. 4).

No Award for Chinese, Nobel's Loss?

■ The question why has the Nobel Prize for literature evaded China was raised at a recent conference on Chinese literature in Shanghai. In a review of the history of the prize, a literary critic asks: was it language barrier, political reasons, bias or what? (p. 21).

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NOTES FROM THE EDITORS -

A Force Driving China Forward

by Dai Yannian

Where is China going? What is the spiritual force which propels the Chinese people forward, and what is its ethical code? The Resolution of the Central Committee of the Communist Party of China on the Guiding Principles for Building a Socialist Society With an Advanced Culture and Ideology adopted in September this year has provided an answer.

The resolution states: In building a socialist society with an advanced culture and ideology, the basic task is to help people to become well educated and self-disciplined socialist citizens with lofty ideals and moral integrity, and to raise the ideological and ethical standards of the whole nation as well as its educational and scientific levels.

What do lofty ideals and moral integrity mean? The resolution puts forward the concept of "common ideal" for the first time. It says: The common ideal of the people of all our nationalities at the present stage is to build socialism with Chinese characteristics and make China a modern socialist country with a high degree of democracy and an advanced culture and ideology. We shall try to make our country comparatively prosperous by the end of this century and to approach the economic level of the developed countries by the middle of the next.

Previously, the word "ideal" was often interpreted merely as aspiring to a communist society that applies the principle of "from each according to his ability, to each according to his needs." That is the ultimate ideal of Communists and other advanced people who account for only a small proportion of China's population.

It would be acting with undue haste to require now that people of all nationalities cherish such an ideal. But it is indeed their common aspiration that China build socialism with Chinese characteristics and become a modern socialist country. Setting forth the common ideal for the present stage can inspire the Chinese people, whether they are communists or non-Communists, Marxists or non-Marxists, atheists or believers, Chinese at home or abroad, to unite in the struggle for its realization.

The guidelines set in the Party's recent resolution will facilitate socialist ethical building and accelerate material modernization.

Similarly, imbuing the Chinese people with socialist ethics must begin with things as they stand. "Socialist ethics," put simply, means love of the motherland, the people, labour, science and socialism. China is still in the initial stage of socialism. It is developing the various sectors of the economy with the public sector dominant. It is promoting the socialist commodity economy and applying the principle of income distribution according to work. We shall encourage some of the people to become prosperous first, before the objective of common prosperity is achieved. To correspond with this, socialist ethics help people accept the justifiable differences in income. At the same time we should encourage people to develop socialist collectivism,

to help each other in the spirit of fraternity and take into consideration the interests of the state, the collective and individuals. On no account should we regard absolute egalitarianism as a socialist ethical principle. It is also unrealistic to require all people to exhibit selfless communist morality at the present stage.

Setting forth these common ideals and standards for the present stage does not mean that the Chinese Communist Party has abandoned the ultimate ideal of communism. As the resolution points out: For Communists and other advanced people, this ultimate ideal has been, and will always be, a source of strength and a pillar of morality. Building socialism with Chinese characteristics is a necessary stage on the way to our ultimate ideal. Communists and other advanced people should naturally be imbued with noble communist morality characterized by endeavour to achieve the common ideal and the ultimate goal, with selflessness, dedication and a pioneering spirit. Although today not everybody can have such noble morality, those who do exhibit it set a good example.

In the course of its revolution and construction, China has accumulated a wealth of experiences, both positive and negative. During the 1930s and 1940s, in the light of China's social conditions and in accordance with the wishes of the majority of the Chinese people, the Communist Party of China regarded democratic revolution, the establishment of an independent, united, democratic and prosperous China as its first revolutionary goal. Motivated by that ideal, the Chinese people fought to drive out



imperialists, overthrew the reactionary regime and founded the People's Republic of China in 1949. In the course of the democratic revolution, many people raised their level of understanding and later joined the ranks of the socialist revolution. For a period after the founding of New China, influenced by "left" ideology, an attempt was made to effect the communist society overnight. So, economic development targets were too high, transition to public ownership was carried out in disregard of actual circumstances. absolute egalitarianism was enforced and people were required to exhibit communist ideas and morality. As a result, economic development was hampered, people's enthusiasm was dampened, empty talk abounded, lies were rampant and haste caused waste.

The recent resolution grew out of an assessment of both positive and negative experiences. It draws a distinct line between the two different stages of development socialism and communism; it sets clear ideological and moral goals for the socialist stage and elaborates on how they relate to our ultimate ideal. It is within the ideological range of the majority of the people and challenges the more advanced. Because these guidelines are realistic scientific, they will facilitate the building of an advanced culture and ideology and accelerate the material modernization.

Financial Reform Escalates

China's financial reform, intended to complement the restructuring of the economic system, is to be carried out over the next five years, said State Councillor Chen Muhua in an interview with *Renmin Ribao* (People's Daily) in Beijing on Nov. 10.

Chen, a woman, and the president of the People's Bank of China (PBC), said that the financial reform will focus on the following:

— improving the functions of the central bank—the PBC, which will mainly take care of overall financial control, such as the issuing of currency and setting general lending limits;

—encouraging specialized banks and other financial institutions to operate as independent economic entities and to be responsible for their own profits and losses:

—establishing money markets that meet the needs of economic co-operation between different regions of the country.

Chen said China has made some progress in reforming its financial system in the last few years. New banks have been set up, banking business expanded and international business promoted.

Shanghai, China's largest industrial city, for example, has broken the 30-year-old monopoly over monetary business. The first non-governmental enterprise — the Aijian Company— was established not long ago. A variety of specialized banks, overseas funded branch banks, insurance companies, trusts, joint-venture leasing companies, etc,— several dozen organizations in all—together form a brand new financial system for the city.

Statistics collected by the Guangdong Provincial Branch of



the PBC show that more than 500 million yuan had been invested by the end of last year in shares and securities issued by 850 enterprises. Though just a beginning, this indicates the vitality of the financial reform.

But, China's capital markets have so far dealt only in short-term loans, similar to money markets in the West. The reason for this is that marketable securities are few and shares and long-term bonds are fewer still, according to Liu Hongru, vice-president of the PBC.

Liu said at a press conference that the Bank of Communications will resume operation at home. Services in both renminbi and foreign exchange are planned. It will also issue shares.

As the financial reform goes deeper, theoretical research about it has been stepped up.

Fan Di and Sun Yongjian, of the financial research institute of the PBC, published an article on the subject in *Economic Daily* claiming that China's financial life will become more vigorous only when its banks are fully independent economic entities. The safe way to achieve this is to let regional governments, enterprises and individuals buy bank shares.

Although some conservative economic critics denounce this idea as "cheap imitation of the West," the World Economic Herald, a young but influential paper, describes the changes in the pattern of investment as "a quiet revolution."

Copyright Law — A Step Nearer

A copyright law, the first of its kind since the founding of New China, is among 10 draft laws under consideration by the National People's Congress (NPC), according to Qiu Anman, chief of the Copyright Division of the National Copyright Administration of China (NCAC). He said that it was submitted to the NPC and the State Council last spring

It will be discussed at the plenary session of the NPC early next year, if all goes smoothly, according to reliable sources. "We will consider joining international conventions when conditions are ripe," Qiu said.

The forthcoming copyright law is designed to protect rights and interests of authors. Some antique records show that copyright claims had come to exist in China as early as the 11th century, about 400 years earlier than it did in Europe. But the idea remained stagnated until the first Chinese copyright law was issued in 1910, two centuries later than that of Britain.

After the establishment of the People's Republic, the authors and translators have been paid with remunerations once for all. But their works have not been protected as property of their own. With this incomplete protection writers of best sellers and poorly written ones are equally paid. And the increasing number of copyright disputes time and again make literary and legal workers perplexed. A film, *Hairui Scolds*

the Emperor, for example, was shown earlier this year without the playwright's name, because a court was unable to come to a decision on its copyright claims before it was released.

Foreign authors' rights are also unprotected in China and vice versa. The cultural exchange between China and other countries is thus hindered to some extent.

The preparatory work for the copyright law began in 1979, when a copyright research group was formed to investigate past and present copyright protection in China, and to study such laws under different legal systems in other parts of the world.

Since 1982, Qiu said, three training courses have been sponsored in China with the assistance of UNESCO and the World Intellectual Property Organization to prepare more than 400 people for the administration of copyright affairs.

The NCAC, established last July, is now publicizing copyright knowledge among the public, gathering opinions on the law and compaigning for its introduction, Qiu said.

Not every one believes in the copyright law. Some argue that the book royalties as well as copyright purchases will cause price hikes on books. A few even regard copyright "an import or imitation of foreign things." The opposition of some influencial members of the NPC may prevent the law from seeing the light of day when it comes to vote on it.

"If these seemingly reasonable arguments win much support, we may end up like the bankruptcy law, on which a vote was recently postponed because of the controversy surrounding it," Qiu said.

China need not spend much more on royalties and duplication fee, he said. And the reverse businesses with foreigners will make up for the expense. So the claim about book price hikes is groundless. "Many people in our country," Qiu explained, "actually have a smattering of copyright knowledge because we have missed the tradition for about 40 years. We have to concentrate on its popularization.

"Anyway, can you imagine a modern society functioning normally without a proper copyright protection?" he asked.

by Wang Xin

Arm of the Law Gets Longer

Ni Xiance, governor of south China's Jiangxi Province, was dismissed from office on October 23 because of serious mistakes he had made during his term of office.

This decision was made at a session of the Sixth Provincial People's Congress which opened on October 22. It was made in accordance with the provisions of the country's Constitution and laws passed by the local people's congress.

China is now stressing the need to strengthen its socialist legal system. All citizens are equal before the law—no matter who he is, a law breaker will be punished. More and more people are also exercising their right to seek redress through the courts.

Recently Beijing's Capital Iron and Steel Company, known as the city's most successful state-owned enterprise, was openly criticized for its obstinate stand in persisting with false charges against an innocent engineer.

Zhao Jianyun, an engineer of the steel company, was charged with fraud and sentenced on November 29, 1985 to a three year term of imprisonment, suspended for four years by Beijing's Shijingshan District Court, and the 10,000 yuan of so-called illegal profits he was given were confiscated. Zhao refused to accept the verdict and appealled to a higher court.

On February 29, 1986, the company's Party committee expelled Zhao from the Party, and put him on one year's probation in his job, cancelling all his bonuses and other fringe benefits. This was done while the court was considering Zhao's appeal.

At the same time, several of Zhao's colleagues, including a senior engineer, were also subjected to disciplinary and economic penalties.

In 1985, the government issued regulations which stipulated clearly that professionals like Zhao were allowed to serve society during their spare time and to get paid for their services.

Early last year, several engineers of the steel company, including Zhao, were asked by the leaders of Shijingshan District to offer their advice and services to help district-run enterprises. Zhao was accused of fraud after he and some other engineers helped the Shijingshan District Housing Bureau's repair shop to renovate an old furnace bought by the shop from a factory in Shenyang, Liaoning Province.

The furnace was then thoroughly overhauled and sold, through Zhao as the go-between, to a factory in Anyang, Henan Province, which was in urgent need of such a furnace. As reward for their information and nical services, all done in their spare-time, the repair shop paid Zhao and his friends 10,000 yuan. This cash reward had been approved by the Shijingshan Housing Bureau in advance. Nevertheless Zhao was still charged with taking illegal money by Shijingshan District Court.

However, in May this year the Beijing Intermediate People's Court corrected the adjudication of the Shijingshan District Court and pronounced Zhao innocent. The court took the view that what

Zhao Jianyun and his friends had done was of no harm to society, but was, on the contrary, beneficial to the state and society as a whole. Shijingshan District Court has therefore returned the confiscated 10,000 yuan to Zhao and his colleagues.

But the steel company refuses to accept the appeal court's decision. The company still openly accuses Zhao of "committing economic fraud in the name of rendering technical services—an act not allowed by Party discipline."

Zhao's case has been brought to the attention of leaders of the Beijing municipal government and the State Scientific and Technological Commission, all of whom stood on Zhao's side. The Commission pointed out that Zhao and his friends did not break the law, and asked the steel company to reinstate Zhao as a Party member and to rehabilitate Zhao and his friends' reputations openly in accordance with the court decision.

Xiamen to Attract More Foreign Funds

Xiamen, one of China's special economic zones facing Taiwan Island along the country's southeastern coast in Fujian Province, has adopted eight specific measures to put into effect the Provisions for the Encouragement of Foreign Investment recently promulgated by the State Council (see Beijing Review Issue No. 43). This was announced by Zou Erjun, mayor of Xiamen, at a reception on October 15 to celebrate the fifth anniversary of the founding of the Xiamen Special Economic Zone. Xiamen hopes to become one of the most attractive investment markets in

The eight measures aim to improve working efficiency, provide better services, and ensure the enforcement of various provisions

News in Brief

hina now manufactures 4.7 million watches each The month. country's watch-making industry, founded in the mid-1950s, has 40 specialized watch factories, which produced a total of 54.31 million watches in 1985. A big increase in output was witnessed in the first 10 months of this year, compared with the corresponding period of 1985. Product quality has also greatly improved.

More than 130 specialists attending a recent national symposium on rare endangered plant species in Hangzhou issued an urgent call to save China's 354 rare plants from extinction. They pointed out that destructive exploitation had greatly reduced the nation's plant life. This had resulted in serious soil erosion and ecological imbalance, and a large number of rare animals and plant species now faced extinction.

The Taiwan Democratic Self-Government League sent a telegram on November 15 from Beijing to Taiwan to express sympathy for victims of an earthquake, which took place on the same day 40 kilometres northeast of Hualien in east Taiwan, and measured 7.6 on the Richter scale. At least five people were killed.



XUAN MINGDONG

Young Mathematician Honoured in Beijing

Thirteen-year-old Lu Yu from the middle school attached to the People's University in Beijing receiving the "Hua Luogeng Cup" that he won in the children's mathematics competition held in Beijing on November 3. His name has been engraved on the trophy. Hua Luogeng was a famous Chinese mathematician who died not long ago.

on reducing fees for enterprises operated with foreign investment, notably special preferences for export-oriented and technologically advanced enterprises.

The city government is to set up a foreign investment leading group and a special bureau in charge of enterprises involving foreign investment to see that these measures are put into effect. It has stipulated that foreign enterpreneurs who apply to establish enterprises within the special economic zone must be given formal replies within 30 days; the registration of such enterprises must be approved within seven days; product

examination completed within 20 days; and enterprises with foreign capital which apply for reduction or exemption of taxes must receive answers within 15 days.

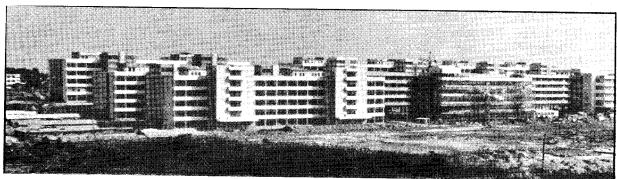
Xiamen will also establish three specialized companies providing information and consultancy services to enterprises with foreign investment and help them with customs declarations, storage, transportation, engineering and technical matters and project assessment. They will also help in solving problems of material supply that may arise in production or construction.

To reduce the expenses of enterprises operated with foreign capital, the city has abolished six unreasonable charges such as charges on gas development and for import and export approval. Efforts will also be made to keep a check on and reduce other fees.

As the first step to turn Xiamen into a free port, a duty-free area will be first established within the newly opened Huli Industrial District. With the exception of narcotic drugs and weapons, all foreign goods to be stored, refitted, processed, labelled and shipped to other countries via Xiamen port will be exempt from taxes under customs supervision.

Soon after the announcement of the eight new measures, the city government asked all leaders in charge of various departments to make public speeches in which they should put forward their concrete plans on how to give effect to the new provisions of the

New buildings in the Huli Industrial District in Xiamen.



State Council to encourage overseas investment, the supplementary regulations of Fujian Province and the eight measures of the city government. Their speeches were then printed in Xiamen Daily, together with their photographs, for the reference of foreign businessmen.

In an interview with Beijing Review on October 29, Vice-Mayor Jiang Ping said foreign investors appreciated the new provisions of the State Council. One of them said all things had been well thought out, but whether they would be fully implemented remained to be seen. The vice mayor added that the number of foreigners who were coming to initiate business

ventures was on the increase.

Differing from China's three other special economic zones, Xiamen is a port city with a fairly developed industrial base, Jiang said. It has a labour force with the highest cultural level in China. In recent years Xiamen has paid special attention to building up the city's infrastructure, including better roads, an international airport, the Dongdu deep=water port, improved telecommunications, with 10.000-channel programme-controlled telephones, and the completion of the Huli Industrial District.

Since Xiamen was declared a special economic zone five years ago, the city has approved 233 Sino-foreign co-operative projects, involving a total investment of US\$809 million, of which US\$409 million has been contributed by overseas investors. At present Xiamen's scale of construction is second only to that of Shenzhen. About 140 enterprises with foreign investment have already been put into operation, half of which are industrial projects.

As one of the windows that China has opened to the outside world, Xiamen is an integral part of the Xiamen-Zhangzhou-Quanzhou triangular economic

development area and its firms have established co-operative relations with more than 500 enterprises in inland areas. This will make it possible for Xiamen to become a high-tech, exportoriented zone.

by Geng Yuxin

Tibetan Students Trained Nationwide

Tibet has since last year sent 2,500 young people to study in middle schools in 16 inland provinces and municipalities. a local official recently disclosed.

These students, between 12 and 15 years old, are studying in special classes set up in the middle schools and they enjoy free tuition, room and board as well as four yuan of pocket money every month.

In 1984, the central authorities decided other provinces should help Tibet in education, and 32 million yuan (about US\$9 million) has been allocated to improve teaching facilities and build new houses for libetan pupils.

Tibet now has three colleges, more than 50 middle schools and 2,000 primary schools. But, they can not meet the local demands for educated personnel, and their teaching facilities and standards do not match other provinces, the official said.

Tibetan students stay in middle school for four years, and after graduation most will go to technical school or special institutes. The rest will enter senior middle school and then college.

The state is making plans for the construction of three middle schools in Beijing, Sichuan Province's Chengdu, and Gansu Province's Lanzhou, the official said.

Other provinces will accept 1,300 Tibetan pupils every year in the coming 20 years. Then, the region will have a large population of educated people and technical personnel, the official said.

China & the World

China's First Disarmament Resolution at UN Approved Unanimously. As a country with nuclear weapons, China will not shirk its responsibilities but will make its own contribution to the goal of the complete elimination of nuclear weapons, said Fan Guoxiang, Chinese ambassador in charge of disarmament affairs at the United Nations, when he submitted a draft resolution to the UN General Assembly first committee. The first such resolution submitted by China, it was adopted unanimously. The draft resolution took note of the declarations by the US and the Soviet leaders on disarmament and urged them to take the lead in halting the nuclear arms race and to negotiate in earnest with a view to reaching an early agreement on drastically their reducing nuclear arsenals.

Deng Xiaoping Meets New York Stock Exchange Delegation, "Foreign investors will run the least risk in China," senior Chinese leader Deng Xiaoping told a New York Stock Exchange delegation led by its chairman and chief executive officer John L. Phelan Jr. on November 14. He called on the Americans to increase financial co-operation with China on the basis of a deeper understanding of the country.

USA

White House Deal Spotlighted

Though many of the details are still disputed, the armshostages deal has shaken the credibility of US foreign policy.

report has it that US President Ronald Reagan helped secure the release of three hostages held in Lebanon by permitting the transfer of defence supplies from Israel to Iran. The details of the secret deal, which was described as necessary by Reagan, have been leaked in bits and pieces from a bewildering variety of sources: an account published by a pro-Syrian weekly magazine in Beirut, a speech by the Speaker of Iranian Parliament and even a Danish sailor's revelations about an arms shipment through the Persian Gulf.

According to reports, former US National Security Adviser Robert McFarlane, who acted as an intermediary in this matter, initiated -- while still in the White House — secret contacts with Iran despite its presence on the State Department's list of countries that support terrorism. With president's go-ahead for the proposal, he travelled to Tehran on several occasions to arrange a delivery of military equipment and spare parts, including F-4 jet fighters and parts for C-130 planes and radars installations, from Israel to Iran, compensating Israel with new war supplies to the same value. His purpose was said to be facilitate the release of American hostages Islamic Jihad, a pro-Iranian group in Lebanon, and also to improve US relations with Tehran.

The United States has enacted laws embargoing military goods to countries which it alleges are engaging in promoting terrorism, including Iran, and repeatedly claimed it will never make concessions to terrorists. The arms-for-hostages swap obviously violates this foreign policy and makes the Reagan administration a double-dealer in some people's eves. Several politicians have said it has undermined United States' credibility and would encourage more hostage-taking since the message is that taking American hostages pays. Secretary of State George Shultz, who has been shuttling between the United States and its allies, urging them to observe the arms embargo, has been kept, with his colleague Defence Secratary Caspar Weinberger, in the dark on this matter, though both are key members of the National Security Council (NSC). The NSC has been criticized for acting arbitrarily, without the knowledge either of its own members or of Congress.

Congressmen have said that the administration's efforts to exclude

most of the government from its arms deals with Iran may provoke Congress into investigating the matter. some members suggesting that perhaps the power of the White House to conduct such operations should be curbed if any law breaking has gone on.

Many countries, including Iraq, have expressed concern that the United States' foreign policy may change in relation to the Iran-Iraq war, that the United States will not remain neutral and its strategy of counter-terrorism will become more flexible. In any case, they said, it is hard to see how the United States could gain by strengthening the Iranian military.

In his national broadcast address on November 14, Reagan confirmed that he has been involved in the secret diplomacy with Iran and authorized the transfer of "small amounts" of weapons to that country. But he insisted he was not trying to ransom American hostages in Lebanon. He also claimed on another occasion that no United States laws had been violated and its policy of making no concessions to terrorists remains intact. But everyone knows that the United States cannot afford to ignore Iran for long.

by Jiang Wandi

THE MIDDLE EAST

Israeli-PLO Meeting Raises Hopes

A delegation of Israeli leftists went to Romania recently to meet senior members of the PLO, taking a bold step in the direction of peace in the Middle East.

The peace process in the Middle East has long been stalemated by the question of Palestine. The Israeli government has stubbornly pursued a policy of no contact and no dialogue with the Palestine Liberation Organization (PLO). the only legitimate representative of the Palestinian people; and the PLO has also come under heavy pressure both from within and without the organization not to enter into discussions with Israel. But recently the deadlock seemed to have been broken by a formal and direct meeting in Romania between delegates from both sides, the first of its kind, though the Israeli side was composed mainly of leftist writers and artists and, obviously, they went without the consent of the Israeli government.

Initiated by both parties and mediated by Romania, the meeting explored ways to create an atmosphere of peace and security in the Middle East. "The aim of this trip is to carry on a dialogue for peace," said Latif Dory, head of the Israeli delegation. The Palestine National Council has several times urged dialogue with all progressive and democratic forces which recognize the legitimate rights of the Palestinian people.

Based on this mutual demand for peace, the meeting was said to have been held in a friendly atmosphere of mutual respect and mutual understanding. Both sides agreed on the need for more dialogue and contacts between Israelis and Palestinians to help solve the problem of the Middle

East.

Israeli journalist Yael Lotan said at the meeting that "the only way to settle the Israeli-Palestinian conflict is to establish an independent, self-determined state of Palestine." Other Israeli delegates also expressed their deep sympathy for the Palestinians and believed that the two peoples should and could live together peacefully and harmoniously. Any further bloodshed should be avoided, they said.

The Palestinian delegates strongly condemned the hostile policy and extreme savagery of the government of Israel, and praised the Israeli delegates for their brave action in attending the meeting.

Israeli Prime Minister Yitzhak Shamir and Foreign Minister Shimon Peres denounced the meeting as "illegal" and threatened to prosecute the delegates on their return. Under a decree passed by the Israeli parliament in

August this year, anyone meeting with the PLO, which it regards as a "terrorist organization," faces a three-year prison term. Rightists in Israel were so enraged that they tried to prevent the departure of the delegation by holding a demonstration at the airport.

But the aggressive policy of the Israeli government is meeting with mounting opposition both at home and abroad. The strong desire of the Israeli people for peace with the Palestinians has already toppled one belligerent Minister of Defence, Ariel Sharon, and also Prime Minister Menachem Begin.

Latif Dory, head of the delegation and a member of the left-wing opposition United Workers' Party, said, "We are not

breaking the law. This is a law against peace, and we are going on a peace mission. If necessary, I'm ready to stand trial and go to jail for it."

It is an undeniable fact that peace in the Middle East can be obtained only if the problem of Palestine is fairly handled. To achieve this goal, Israelis and Palestinians must first talk to one another. As one Israeli delegate put it, this meeting "shows that the Israelis and the Palestinians are willing to sit down together to discuss their conflict." In this sense, the meeting, though lasting only one day and unable to make much progress, is of far-reaching significance, and hence welcomed by the international community.

by She Duanzhi

ARGENTINA

Britain's Fishing Limit Denounced

When Foreign Secretary Sir Geoffrey Howe told the House of Lords in London that a 150-mile fishing limit would be placed around the Malvinas (Falkland Islands) with effect from February 1, the reaction from Argentina was not unexpected.

mmediately after the British government announced that a 150-mile (240 kilometres) fishing limit around the disputed Malvinas (Falkland Islands) would take effect from February 1, the Argentine government sent a protest note to Britain denouncing its "arbitrary action," and complaining that the announcement showed that Britain was not sincere about negotiating the sovereignty of the Malvinas. The exclusive fishing zone is Britain's attempt to seize control of the waters in the area, their resources and the seabed, and it is neither legal nor politically acceptable, the note added.

The dispute over the sovereign-

ty of the South Atlantic archipelago has gone on for a long time. In 1982 the two countries fought a 74-day war over the issue.

Why has the British government suddenly taken this action? According to Sir Geoffrey Howe, the reason is that the Argentine government has, in complete disregard of the need to preserve the fish resources of the South Atlantic, signed fishing agreements with the Soviet Union and Bulgaria.

During the 1982 war between Britain and Argentina the British government announced the establishment of a 200-nautical mile "exclusion zone" around the islands, but fishing in the area was not barred. Since the war the fishing vessels of various countries have poured into the area, especially those of the Soviet Union, Poland, Spain, Japan and South Korea.

Argentine President Raul Alfonsin visited the Soviet Union recently and signed a series of agreements, including one on fishing under which the two countries will jointly catch fish in the Argentine "exclusive economic zone." Britain now fears that the increased strength of the Soviet Union in this area would constitute a military threat, and hopes by its action to frustrate the Argentine-Soviet fishing accord.

Apart from this, analysts consider that for internal political reasons the British Conservative government is attempting to curry favour with the British public by taking this surprise action. It is reported that after the decision was announced the Falkland Islands Office in London was overjoyed, saying that the licence fees would increase the income of the Islands by US\$50 million a year. The British Labour Party. however, is worried that the decision may cause conflict between the Soviet Union and Britain in the South Atlantic. The restricted zone announced by Britain is only 100 miles from the Argentine coast and a large part of it overlaps Argentina's "exclusive economic zone." If either side encroaches upon the other, it will lead to conflict between them.

On October 29 President Alfonsin chaired a meeting of cabinet members and military commanders which drafted the protest. On the next day the Argentine government set up a special military committee to discuss the situation. President Alfonsin said Britain's action would lead to serious conflict and unforeseeable consequences. On October 30 Argentine Defence Minister Horacio Jaunarena announced that 3,500 soldiers would

not be discharged from active military service as planned. In addition, the Argentine government has launched a series of diplomatic offensives to win the support of the international community in an attempt to solve the dispute by peaceful means.

Many countries, including Brazil, Bolivia, Colombia, Nicaragua and Peru, support Argentina on the question of the sovereignty of the Malvinas Islands. In a resolution passed at a meeting on November 12, the Organization of American States called for a peaceful settlement by negotiation between the two countries.

by Chang Qing.

SOUTH AFRICA

Apartheid Hit by Disinvestments

The decision by General Motors and IBM to withdraw from South Africa will intensify the current drive to persuade US companies to disinvest in that country.

General Motors (GM) and the International Business Machines Corporation (IBM) hit the headlines recently by announcing that they would disengage from South Africa. Their production installations and equipment there will be sold. The move has come as a surprise to the industrial and commercial world in the United States.

The US corporate giants GM and IBM have had close economic links with South Africa, GM's investment there ranking second among all US companies. IBM, a US representative of sophisticated technology in Pretoria, has had a presence in the country for 34 years.

In 1984 there were more than 300 US companies in South Africa, with investments totalling US\$2,300 million. In addition, US\$3,500 million from private US banks were loaned to Pretoria. It has been estimated that the total US investment in South Africa, including the shares of private banks, is over US\$15 billion.

Over the last few years, the demand for US sanctions against Pretoria government has been mounting both in the United States and around the world.

Under domestic pressure, about 40 US companies broke their economic ties with South Africa in 1985. Another 20 American firms have withdrawn their investments this year. Since 1984 a total of 70 companies, or nearly one quarter of all US firms in South Africa, have broken or are about to break off all economic relations with the country. The recent disinvestments by GM and IBM are expected to add fuel to the drive, leaving American companies still in South Africa under even greater pressure to withdraw.

However, some 200 companies are reluctant to leave the country, such as the giant Kodak Company and the Mobil Oil Corporation. Others that have announced they will leave still maintain the relationship by continuing to provide spare parts or by exercising their "right to participate in the sale of products."

The current wave of pullouts will be accelerated by US President Reagan's signing of an executive order on October 27, 1986 to impose economic sanctions against South Africa. The sanctions, which Reagan opposed and the Congress passed over his

veto, became effective immediately. They include a ban on imports of South African uranium, coal, iron, steel, textiles and agricultural products, a ban on new investments in and loans to South Africa, and a ban on exports of petroleum products and computers to Pretoria. Direct air travel between South Africa and

the United States is also barred.

Encouraged by the actions of GM and IBM, black leaders are becoming more united in their calls on other companies to do likewise, in the hope that disinvestments will force the Pretoria government to abandon apartheid.

by Xin Sheng

market each year, but few of them find jobs.

Vietnamese leaders have recently had to acknowledge that the Vietnamese economy has been in a complete mess for the last eleven years, and this has created a confused situation in the country. People have lost their faith in the party leadership and in their own future.

When it invaded Kampuchea at the end of 1978, Viet Nam said its troops would only be gone a few months as the war would be a short one. The Soviet Union's financial and military aid was thought to be enough to enable it to do the job quickly. Eight years have elapsed, but the "lightning" war drags on. How can Viet Nam, just five years after a 10-year war with the United States, and with a per-capita income of less than US\$100, maintain an army of one million men and sustain an aggressive war in another country that involves at least 140,000 of its soldiers?

While it admits that the war has brought suffering to its people, Hanoi shows no signs of changing its policy. What is to be made, then, of Hanoi's 1986 National Day promise to improve the lot of its people?

by Li Li

VIET NAM

War Brings Suffering to the People

Viet Nam can no longer avoid stating the obvious: its severe economic crisis is linked to the cost of war in Kampuchea.

In the latest issue of *Communism*, an official Vietnamese magazine, a high-level official acknowledges that Viet Nam's "considerable" military outlay to maintain its presence in Kampuchea is an "objective cause" of its economic troubles.

Vietnamese leader Truong Chinh admitted recently that the forces of production are weakening, and that there are no answers in sight to the economic woes that have resulted in lowering the country's standard of living.

To give the near-bankrupt economy a shot in the arm, Hanoi in September last year launched price, wages and monetary reforms. The result of these reforms, however, are disappointing.

Since the end of 1978, when Viet Nam began its occupation of Kampuchea, Viet Nam's rate of inflation has risen steadily from 100 to 300 percent. Goods are in short supply and prices have increased 5 to 10 times over. In less than one year, the price of a kilogramme of rice has shot up from 6 to 30 dongs, and that of pork has increased ten-fold from 30 to 300 dongs. A kilogramme. of bananas have gone up fifteen times, from 0.2 to 3 dongs.

However, the monthly pay of an ordinary worker is only 300 dongs; of this, 200 dongs go on food. In describing the life of miners, a Vietnamese newspaper recently reported that the real value of their income was only 35 percent of what it was just one year ago.

Hanoi is also in heavy debt. It owes creditors US\$7 billion. The International Monetary Fund last year cut off further loans to Viet Nam because the country was unable to pay its existing debt.

Hanoi has failed to achieve the goals of the 1980-85 five-year plan. The aim of producing 20 million tons of grain this year cannot be reached. The Vietnamese newspaper *Nhan Dan* has revealed that, because of shortage of insecticides, nearly one million hectares of early and late rice have been hit by a plague of insects, reducing output of rice by 10 percent.

The rate of unemployment in Viet Nam is very high. According to an official estimate, one in three of the country's labour force is unemployed. Observers estimate that there are more than 2 million young people entering the labour



Higher Education by the Year 2000

Can China put right the imbalances and inadequacies of its present higher education system? The answer appears to be yes, and this report explains how.

by Xue Huanyu

On the eve of nationwide liberation in 1949, China had only 205 institutes of higher learning with 117,000 students. Given their incomplete courses and lopsided structures, these institutes were almost unable to train any post-graduates.

Today there are 1,016 institutes of higher learning with 1,778,600 students; and 1,216 universities and colleges for adults with a student body of 1,725,100. Put together they have a total of

87,200 post-graduates.

Problems remain as departments in China's colleges and universities are unco-ordinated, the makeup of their departments is unbalanced, their geographical distribution is uneven, and they are inefficient in that there are too many teachers for the number of students. They do not meet the requirements of present economic, technological and social development.

China plans to have solved these problems by the year 2000. The number of universities and colleges is not expected to increase radically, but it is estimated that the number of students may go as. high as 7 million. That number should meet the needs of China's development. The number of students higher-education stitutes are able to enrol by then will only be 8-9 percent of the young people who take the entrance examinations. However the dropout rate is very low (less than 10 percent) in China, and the

New specialized courses will be designed in accordance with China's changing needs. Greater attention will go to training students' abilities and creative spirit, and constantly broadening their knowledge in special fields.

New Development Trends

Instead of training highly qualified professionals only in accordance with the state plan, such training will be carried out with the state plan playing the leading role but the jobs market will also be factored in. In line with the government's changing economic management method using economic levers to control a mixed economy—the policy for developing its higher education will also be more flexible. China's institutes of higher education will enrol not only according to the state plan, but also in response to demand for qualified specialists. They will enrol governmentsubsidized students and also students sponsored by their work units and self-financing students. They will enrol students not only according to government approved standards but also accept and train students whose talents are in demand but whose records of formal schooling are not recognized by the state. Entry will not only be through unified national entrance examinations by various procedures. Employment after graduation will be widened beyond the present

centralized placement plan, to enrolment contracts, or through consultation with employers, schools and graduates, and by allowing graduates to seek their own work.

Various sources of income for higher education are opening up. The economic transformation China is undergoing at the moment will inevitably lead to increased demand for qualified personnel. All enterprises should therefore support the development of higher education. With their increased decision-making powers, enterprises have more control over their finances, and this financial potential can be tapped for higher education. National mobility of labour and the gradual reform of personnel and wage systems will help increase the incomes of competent people, so parents may want, and be able, to send their children to go through college. The universities themselves should be able to secure financial support from local and non-governmental sources. With their enlarged decision-making power and the spread of consulting activities, their own revenues should increase. All these factors should give an enormous impetus to the development of higher education.

Regional co-operation networks centred around key cities. With decentralization the functions of the State Commission of Education will be limited to working out proper plans for training personnel, rearranging the school system and opening specialized courses. It will guide and control the institutes of higher learning. More power will go to

proportion of that generation at university will be generally higher than in other developing countries as projected by UNESCO.

^{*} The author is a member of the Central Education Science Research Institute.

provinces. municipalities autonomous regions as well as to the higher-education institutes themselves. This means the power over higher education will shift from the central to the local level. As time goes by, a highereducation network which has distinctive local features and is reasonably distributed will emerge around key cities. With the exception of certain specialized fields which require central management, staff from most specialized departments will be distributed through regional cooperation.

Major structural changes will take place. Given the envisaged changes, it seems clear that practical specialized courses and short courses will be particularly welcome. Attention will move from students' formal records to their practical knowledge and abilities. Meanwhile, the balance of departments in a college and coordination between colleges will undergo major changes in the light of the actual needs of society. It is expected that short-term vocational courses and two-year specialized college courses will experience still greater development; specialized departments training personnel will also expand while theoretical courses on mathematics, physics and chemistry and over specialization will be reduced proportionately.

In-service and post-graduate education will be greatly expanded. Pre-employment education and in-service technical education will undoubtedly increase. The development of science and technology, and the need to raise production, will necessitate furthering post-graduate education.

Modes of Development

Higher education is expected to develop in the following three modes:

Rolling development. In coastal areas, where the economy, science

and culture are fairly developed and in closer touch with overseas, education at all levels is well based and has developed rapidly. The coastal areas' co-operation with the hinterland is increasing day by day, higher education in these regions will extend to cover other areas. A rolling method means developing from the southeast coastal areas to inland, border regions and minority nationality areas.

Radial development. Today, China's institutes of higher learning are concentrated in Beijing, Shanghai, Wuhan, Nanjing, Xian, Chengdu, Chongqing and other bigger cities where the development of the economy and science will continue to promote the progress of higher education. This should give impetus to the development of higher education in the surrounding areas, like spokes from a hub.

Long-distance support and cooperative development. Higher education in the border regions and the minority nationality areas in southwest and northwest China is currently underdeveloped. With inadequate communications and sparse population, the economy and culture are underdeveloped, and funds for education, teachers and equipment are lacking. The need for qualified specialists however is great. To solve this problem, the state and the developed provinces and cities will give these areas special support, allocate them special funds and equipment, and send outstanding teachers with preferential pay to help build key institutes of higher learning in their more developed cities. These should become bases attracting Chinese and foreign scholars for lectures and academic exchanges and co-operative research; thereby giving a boost to the development of the regions' higher education. The state will also allocate special funds as incentives for the more advanced universities and colleges to train specialists and teachers for institutes in the poorer areas.

Strategies for the Future

In order to realize the goal of a developed higher education, it is necessary to do the following:

Increase the size of schools and their efficiency. At present, these problems plague China's institutes of higher learning: the student-teacher ratio is low, the rate of utilization of equipment, books and reference materials is low, schools and specialized departments are many but the student body is small, the number of students in each specialized department is small and so the schools' efficiency is poor.

Institutes of higher learning must therefore tap their potential to the full. While cutting costs on building classrooms and dorms, they should increase their intake of full-time undergraduates and the number of students in correspondence courses, magazine-run courses, part-time students, and evening class students. The hope is to increase the student body of schools to an average 4,000 from the present 1.800 and the number specialized department from the present 60-90 to 120-200.

Increase post-graduate training facilities to provide for additional staff. University professors and instructors are the mainstay of education scientific research in the institutes of higher learning. At present, many such teachers lack the necessary academic training and cannot hold high professional posts in their institutes; teachers with higher academic titles are generally old while the middleaged teachers are not equal to their jobs. Efforts will be made to increase the ability to train postgraduates, most of whom (70-80 percent) will be employed as university teachers. Efforts will also be made to improve advanced study for teachers and strengthen in-service training so as to raise their teaching and scientific levels.

Raise funds through multiple channels to develop higher education. The development of higher education requires a large amount of funds. The single-source method of financing schools with government investment should be reformed. At the same time, universities should be encouraged to orient their work to society's needs and develop their consulting activities.

Set up higher education information networks and assessment organization. China

should set up information networks based on an information centre using advanced computers, to promote the teaching and the scientific research work in the institutes of higher learning.

Assessing higher education is necessary to discover existing problems and to promote proper reform and development. Assessment systems must therefore be devised, which will make objective assessments of the schools, the teaching, the scientific research and the students' quality.

Strengthen research on development of higher education. Higher education which trains specialists is vital to socialist construction. Research must be done to keep higher education up to date and with the goals of suiting education to society's needs. This will help guarantee a stable and healthy development in China's higher education.

(Reprinted from the bi-monthly "Future and Development," issue No. 2, 1986)

Diversified Economy Attracts Surplus Labourers

Organizing the surplus labour which has arisen with the contract responsibility system in the countryside is an important element in the second stage of the rural economic reforms. By reemploying them locally, it is hoped to prevent migration to the big cities. In the following two articles we review some of the origins and applications of this policy.

by Lei Xilu

About 80 percent of China's 1 billion people live in the rural areas. This represented about 370 million rural labourers in 1985. Since the end of the 1970s, large numbers of farm labourers have quit farming following the rural reforms which boosted productivity. So the Chinese government has sought to deal with the problem locally rather than allowing thousands of people to swarm unchecked into the cities. They are transferred into less developed trades such as forestry, animal husbandry, sideline production and fish farming (the first industry), small rural industrial enterprises and building (the second industry) and into commerce, catering, tourism and other service businesses (the tertiary industry).

The diagram illustrates the changes in the distribution of rural labour during the Sixth Five-Year Plan period (1981-85). By the end of 1985, more than 67 million labourers (18 percent of the total)

had moved into the second and tertiary industries, supporting the changing economy in many small towns, while another 8.2 percent of the labourers transferred into the first industry to make good use

A township enterprise on the outskirts of Jiamusi City in Heilongliang Province has successfully developed a sort of terylene tubes for the military, a product previously available only abroad.

XUE CHAO



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of natural resources by developing mountains, barren lands, and areas of water.

This is a long-term policy since the countryside's population outstripping the limited areas of farmland is a long-standing and conspicuous feature of China's agriculture. This problem is aggravated by the development of industry and cities gnawing away further at the farmland, which now equals less than 100 million hectares. The rural labour force, however, has more than doubled over the past 36 years. It is expected that tens of millions of farmers will be transferred from crop farming into other trades by 1990.

The process is common in the world economic development, but its forms differ. Today, China's rural economy is in transition, from a self-sufficient and semiself-sufficient to a commodity economy. In 1985, the proportion of commodities in the rural areas' production approached 60 percent. This represents significant changes in the structures of rural production and labour. In 1980, the output value of the first industry accounted for 68.9 percent of the total social output value of the rural areas, and the second and tertiary industries' for 31.1 percent. By 1985, they made for 57.1 percent and 42.9 percent respectively; at the same time, crops decreased from 71.6 percent to 66.2 percent of the total output value in the countryside.

The rate at which people will transfer depends primarily on the degree of growth in farming labour productivity to ensure sufficient food supplies for the non-farming population. The availability of jobs in the industrial sector is another factor. However, the potential is there.

Job-Transfer Within Agriculture

Forestry. China is wanting for forests. Its forest cover is only 12



LU XUNCHENG

Saleswomen of some rural enterprises in Anhul Province consult on new product development.

percent—115 million hectares, and its timber reserves are only 10.26 billion cubic metres. In average per-capita terms this is about one-eighth of the world's average. What forest there is, is unevenly distributed. That is partly why natural disasters such as floods, droughts and sandstorms frequently strike in China. The area of barren mountains which might be reclaimed amounts to 67 million hectares. It has been calculated that about 70 percent of these mountains might be covered with trees by the end of this century if every forest worker would plant and cultivate an average area of 2.7 hectares. At the same time, more efforts should made to strengthen the management and reproduction of the existing forests. This could potentially increase timber yields many times, and employ six times the number of people working in forestry now — up to about 20 or 30 million.

Animal husbandry. Animal farming has developed very quickly recently. If the total output of pork, beef and mutton is averaged out. per-capita production in 1985 was 16.9 kg, 37.4

percent more than in 1980. However, the figure is only about half the world's average. To increase the meat element in people's diet, animal and poultry farming would have to be greatly developed. Indeed, meat output is expected to increase by 70 percent by the end of this century with the output value increasing more than 2.5 times. About 20 million rural labour force might be transferred to this field.

Aquatic production. The volume of aquatic production in 1985 was 7.05 million tons, a 56.7 percent increase over 1980. But again the average per-capita output was only 6.8 kg, 41 percent of the world's average. If China's long coastline and vast fresh water areas were fully exploited, aquatic production may be increased to 18 million tons by the end of this century and several million more people employed in the field.

Second and Tertiary Industries Promoted

Th second and tertiary industries in the rural areas, often referred to as township enterprises, are on the way to becoming the backbone of the rural economy. In 1985, the income derived from these two industries accounted for 43 percent of the total rural income. The number of labourers in the second industry, including food processing, sideline production, small mines, manufacturing and building, reached nearly 39 million in 1985, 73.7 percent more than in 1980. The tertiary industry, involving transport, commerce and service businesses, employs more than 28.4 million workers, 135 percent more than in 1980.

In the long term, most surplus labourers in the countryside will get a job in township enterprises. In some provinces, township enterprises now employ about 40 percent of the total number of rural labourers in that area. According to the preliminary plan, the total output value of township enterprises should double by 1990 over 1985, and

then have a two-third increase by the year 2000. In this field, about 170 million labourers will be employed, 110 million more than today.

Building Up Small Towns

There are about 8,000 mediumsized and small towns across the country, in addition to 50,000 rural market towns, all playing an important role in the development of the agricultural economy.

In recent years, farmers have been allowed to move to small towns to open factories and shops or other businesses. This policy has stimulated the development of small rural enterprises, and the influx of rural surplus labour into those towns will help their development which, in turn, will lead to more employment.

Experience in other countries teaches that the size of cities, large

or small, should be arranged rationally. China has decided to check the expansion of cities with over half a million people. Cities with fewer than 500,000 people will be developed rationally and the development of small towns with less than 200,000 residents will be encouraged. Today, the large cities in China are overpopulated, so it is not likely that extra people will be allowed to move in. By the end of this century, more than 100 million workers in the countryside will have switched from farming to non-agricultural fields. If they, with their families, settled in the big cities, it would require about 200 more big cities, four times the present number. This is obviously impractical.

Therefore, it is to the smaller towns that China is looking to absorb surplus labour, because small towns are scattered all over the country, and are easily accessible to the countryside.

Luoyang Township: A Success Story

by Our Correspondent Yue Haitao

n the Changjiang (Yangtze) River Delta is Luoyang Township, Wujin County in east China's Jiangsu Province. It is a densely populated area and its agriculture is highly developed. By the end of 1985, the township government had not only found placements for all the workers in the township, but also recruited 1,200 farmers from other parts of the country. A township where surplus labour is handled easily is rare in China's rural areas. Luoyang did so by switching from unitary grain production to a diversified economy. This has now become widespread throughout China.

From Grain to Sidelines

Luoyang stretches across 33.1 square kilometres and has a population of 31,347. It has 1,660 hectares of land under cultivation, which with a labour force of 16,840, averages out at 0.053 hectare of cultivated land per person. The township used to have a surplus labour problem. From 1956 to 1978, the township had casual labourers worked in other parts of the country eight to ten months each year. Since 1979, with the reforms in the rural areas, the rising enthusiasm of the farmers for grain production and the improvement in labour efficiency, surplus labour grew in the township. In 1983, the figure reached 5,000, of which 80 percent were simply unemployed.

Chen Wenrong, the township head, says that at that point the township decided to work for high and stable yields, and channel surplus manpower into other fields of production. So the township supports sideline production, such as raising pigs, chickens, ducks and growing mulberry, peaches and grapes; and, above all, by taking advantage of the excellent local rivers and ponds—raising fish and culturing pearls. In the 1970s, the township was known as China's "home of pearls." Luoyang Township produced five tons of pearls a year. (National production totalled 118 tons.) There are now 5,743 farmers engaged in this sideline: 34 percent of the township's manpower.

"Breeding fish and pearls pays better than growing grain," says Chen. "The annual yield for each mu (0.067 hectare) of paddyfield is 500 kilogrammes of rice, worth 200 to 240 yuan, but we can grow pearls on the upper part of the ponds and breed fish as well. We can gather 500 to 600 kilogrammes of fish in every mu of pond in a bumper year, earning 1,500 to 1,800 yuan, and 2 to 2.5 kilogrammes of pearls, earning 1,100 to 1,375 yuan; about 15 times more income than grains."

The township has also developed its industry. There were 184 enterprises in the township in 1985, employing 7,097 people: 42 percent of the total workforce. The per-capita annual output value in the electronics, food processing machinery, glass fibre reinforced plastic products, plastic products, bicycle parts, clock and watch fittings, wool spinning, electroplating and building material industries was 15,000 vuan.

The sideline enterprises and the township enterprises have absorbed 76 percent of the total surplus manpower, and the rest is engaged in grain production. Great



Farmers at the Luoyang Township inserting seed pearl into oysters.

CHEN ZONGLIE

changes have taken place in the production set-up in the township. The value of grain, which used to dominate, now ranks third (see Table I).

Subsidy for Growing Crops

Although since 1979 the government has raised the average purchasing price of grain by 60 percent, and other rural farm products also fetch higher prices, grain growers' income is less than sideline producers' and much less than factory workers'. The result was that farmers took less interest in growing grain and the area devoted to it was contracting.

Since 1980, because the farmers grew cash crops, and built factories and houses, the cultivated area in Luoyang Township fell by 106.7 hectares (see Table II), half of that happened in 1985 alone.

Table II: Grain-Land Conversion in Luoyang Township Between 1980 and 1985

Conversion to:	Area (hectare)
Fruit trees	45.4
Fish ponds	21.1
Township	
enterprises	20.1
Houses	20.1
Total	106.7

Table I: Manpower and Output Value in Luoyang Township: 1985

Category	Number of people	Output value (10,000 yuan)	Per-capita average output value (10,000 yuan)
Industry Sideline	7,097	10,672	1.5
production	5,743	1,657	0.3
Crops	4,000	897	0.2
Total	16,840	13,226	0.8

According to the state's stipulations, farmers can engage in sideline production and industry only after growing enough grain for themselves and the state quota. The problems of the demoralization of the grain growers and their lower incomes were pressing. So Luoyang Township decided to use the factories and sideline

enterprises to subsidize agriculture.

It has been calculated that Luoyang Township should produce at least 16 to 17 million kilogrammes of grain every year (see Table III).

Table III: Grain Consumption in Luoyang Township

Item	Amount (10,000kg		
State			
purchase	445		
Personal			
use	800		
Seeds	150		
Fodder	300		
Total	1,650		

To encourage the farmers to produce the necessary amount of grain, the township government has drawn funds from the earnings of the township enterprises and sideline production for grain subsidies. It also provides the farmers with materials and technical guidance:

Grain subsidies: Each graingrowing household receives 3 yuan for every 50 kilogrammes of grain it sells to the state. A maximum total of 300,000 yuan will be disbursed in any one year;

■ Water management: The annual expenditure on this is about 50,000 to 100,000 yuan;

■ A tractor team run by the township government: 15 walking tractors and 12 medium-sized tractors will plough the field free of charge three times a year and rake the soil once for the grain growers;

■ The township government has an agricultural science research body composed of 45 full-time technicians, which provides free technical consultancy and guidance for each grain grower.

These measures have, to some extent, alleviated the great income disparity between the factory workers, sideline workers and rice growers. Over the past few years, while the township's cultivated area has been contracting, the yield per-unit area is increasing. The total grain output has met the minimum requirements (see Table IV).

Table IV: Grain Output in Luoyang Between 1980 and 1985

Year	Output (10,000kg)
1980	1,500
1981	1,600
1982	1,680
1983	1,700
1984	1,830
1985	1,635

Rise in Living Standards

The growth in the sidelines and industry has opened new income channels for Luoyang Township, and factory workers, sideline workers and farmers are supporting one another for common development.

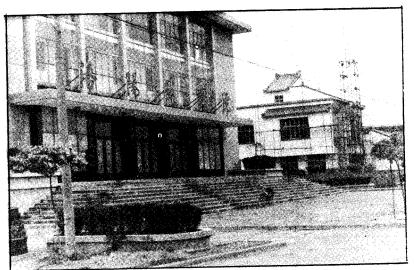
The per-capita income of Luoyang Township in 1984 was 545 yuan and the figure soared to 764 yuan in 1985, exceeding the figure for Changzhou, a medium-sized city near Luoyang Township. The pressure of rural people seeking work in the town disappeared.

The pattern in China is still that farmers want to work in the cities where life is generally better. But now the urban recruiting advertisements have lost their attraction for the young people in Luoyang. The Changzhou Rubber Plant sent recruiters in August 1985. They offered 60 yuan a month, and because of state policy could not allow the rural people to settle down in the city. Only 15 farmers went to the plant. A few months later, ten of them returned to the township. It is not rare for the monthly income of those working at the local township factories to be 100 yuan (excluding bonuses). What is more, prices are cheaper. at the township and the farmers have more spacious houses than city dwellers.

The township enterprises have made rapid progress and a total of 3,000 farmers were recruited in

Luoyang Township's new theatre and a recreation club being built beside it.

YUE HAITAO



1985. Apart from absorbing all the "free" labour force they also recruited 1,200 workers from poor areas elsewhere.

The service facilities are also growing. A big new theatre has been opened near the site of the township government. A threestorey recreation club nearby will soon be completed. The aged childless widows and widowers can obtain 12 yuan a month in relief funds from the township government. It has also set up a welfare factory, employing 70 of the 100 handicapped people. Other disabled people can each have 10 yuan in welfare funds every month. Staples such as grain, vegetables and cooking oil for the widows, widowers and handicapped people are offered monthly by the township government free of charge.

Asphalt roads between villages have been built. Although there are now no buses in the township, farmers can go to work by bicycles and motorcycles. The roads are so

crowded during the rush hours that traffic police are on duty on the crossroads.

In recent years, few farmers have been interested in black and white TV sets; colour televisions have become the thing to have. There is a tape-recorder factory in the township, and almost every household now owns a twin-deck stereo recorder with multiamplifiers.

The most striking changes have been in the farmers' homes. The single-storey houses have been replaced by spacious two-storey houses. These two-storey houses can help save precious farmland.

New Problems

"We feel that we are now short of manpower in our township," said Chen, the township head. Conscription was to account for 50 to 60 of the township's young people in 1985, but only 20 young people were taken. However, still some primary and middle school students have discontinued their education and gone to the factories rather young.

Chen mentioned that the farmers were demanding a relaxation in the family planning policy. But he said that taking the country as a whole, there is still over population. "We shall not ignore family planning," he said.

The flourishing township enterprises have indeed brought many benefits to the farmers, but some factories like the electroplating and chemical enterprises have avoided pollution control measures in the cities by moving to the township. These factories have damaged the ecological balance, and angered many people. Chen said that "the polluting projects will be rebuilt with funds pooled by the township government. We will never set up similar polluting enterprises in the future."

LITERATURE

NO Prize for China: Nobel's Loss?

The International Conference on Contemporary Chinese Literature held in early November in Shanghai, 56 Sinologists from 22 countries and 37 Chinese writers held heated discussions about why the Nobel Prize has evaded Chinese literature and other oriental literature for so long.

The debate was aroused by the presence of Prof. N.G.D. Malmgvist of the Swedish Academy. He said modern Chinese literature has a number of talented authors, but none has ever received a Nobel Prize because "very few of their works have been put into foreign languages. And when done, the translation is poor."

Sidney Shapiro, who has been translating Chinese literature since the founding of the People's Republic of China, disagreed, saying the translations are exceptionally good.

"The English versions of Chinese literary works are either polished or translated by English-speaking people who not only have good knowledge of Chinese but whose literary English is excellent. Several of the translated works have won praise from world-famous writers or critics," Shapiro said.

Soviet Sinologist Nicolai Fedorenko said there are many reasons why such great Chinese writers as Lu Xun and Guo Moruo did not get a Nobel Prize, but the dominant reason is political. As for the prize itself, he said, "Chinese writers need not pay too much attention to it. It is the Nobel Committee that should pay more attention to China."

But the Nobel Prize for Literature is not a prize for translation, said Wang Runhua, a Singaporean Sinologist.

"Particularly when there have been increasing cultural exchanges between the East and West, language should not be regarded as a barrier." he said.

When a French literary work got the prize last year, Wang added, the academy didn't ask that it first be translated into English. So, Wang asked, "Why couldn't the committee rely on the recommendations of the two Sinologists who are also members of the literary committee and who could read the works in their original Chinese?"

British Sinologist W.J.F. Jenner said that Chinese writers should not "over-estimate the importance of the Nobel Prize. The correct

appraisal of a writer's talent comes from his own society, from his readers, rather than from some official body."

He also expressed the belief that sooner or later some Chinese wirters will win the Nobel Prize.

After the conference, Ba Jin, chairman of the Chinese Writers' Association, told the press: "Chinese writers need not care too much whether or not they receive

the Nobel Prize. We understand our work is meant first to serve our readers and the Chinese people. What the Chinese people need is not necessarily what the Swedish people like." He said he did not care whether he wins the prize himself. He merely hoped to contribute more to society and help accumulate some cultural knowledge for humanity, so long as the readers like his works.

Nobel Prize: Critical Appraisal

by Li Wenjun

Eighty-five years have passed since the Nobel Prize was first given in 1901. Nobel Prizes for literature have been awarded to many outstanding writers including Romain Rolland, Anatole France, George Bernard Shaw, William Faulkner and Ernest Hemingway. These prizes have contributed to the growth of world literature. Many of the winners have used their award money to encourage young talent. And, if one were to review the works of all the Nobel laureates, one would get a general idea about the progress of literature in the 20th century.

Accent on Western Writers

Since the French Poet Sully Prudhomme was awarded the first Nobel Prize for literature in 1901, there have been 83 more recipients. Many have criticized the award judges for overlooking such literary greats as Leo Tolstoy, Emile Zola, Maxim Gorkey, Lu Xun, James Joyce and Andre Malraux.

Li Wenjun is a senior research fellow at the Foreign Literary Research Institute of the Chinese Academy of Social Sciences and acting editor-in-chief of World Literature.

China has been translating Nobel literature since the 1920s. The Lijiang Press, in Guangxi Province, China. recently published a literary Nobel laureates series, which runs to several volumes, each including ten books. Each book carries a preface about the laureate by the translator, the Nobel presentation speech and the acceptance speech.

There has also been criticism of the award for its concentration on Western writers. Of the 83 Nobelists, 14 are from Northern Europe, including six Swedes, three Norwegians, three Danes, a Finn and an Icelander. Twelve of the winners have been French, 10 English, eight American, eight German, four Italian and four Spanish. But at the same time, many excellent works from elsewhere have been ignored. Until now only three Asian writers have won the Nobel Prize. They are Tagore from India and Yasunari Kawabata from Japan and Shai Agnon from Israel. Only one African has been chosen, and this as late as 1986. It is only in recent years that Latin American literature has begun to be noticed by the Nobel judges. Since 1945, four Latin American writers have been given the prize, including Pablo Neruda and Gabriel Garcia Marquez. Having expanded the prize thus into the southern hemisphere has not only brought deserved fame to these writers, but has also increased the prize's influence and credibility.

Distinct Absences, Hidden Prejudices

Those in charge of the Nobel Prize have begun showing some interest in Asian and African literature. Last year, Lase Geerlingsdin, head of the Nobel Committee, spoke of the committee's efforts to discover Asian and African writers. "The committee is collecting modern literature from every country. But, the language barrier is considerable. Though we have given attention to Japanese, Chinese and African literature, we cannot find good translations," he said.

In addition to the language barrier, there are also vast differences between countries in attitudes and literature. Tolstoy was not selected because "he lacked an understanding of religion and even cirticized the Bible." From 1923 onward, Gorky was nominated annually, but those in charge of the Nobel Prize did not recommend him because of his "deep involvement in politics." But in 1933, Ivan Alekseevich Bunin, was awarded the prize. Bunin, however, had long lived in Paris, so his work was not part of Soviet literature. In 1970, the prize was given to Alexandr I. Solzhenitsyn, in order, it is said, to criticize the Soviet authorities. That year, the Soviet media called the Nobel Prize a weapon of the cold war and a tool of the CIA.

No Chinese has even been

awarded the prize. In 1938, however, the Nobel Committee awarded the prize to Pearl S. Buck, an American writer "for her rich and truly epic descriptions of peasant life in China and for her biographical masterpieces."

No Award for China

It is ironic that a foreigner, rather than a Chinese, should make "rich and truly epic descriptions of peasant life in China." Lu Xun, one of modern Chinese literature's greatest voices, said: "Though she (Buck)

regarded China as her motherland, her work expressed only the impressions of an American missionary in China."

The Nobel Prize for literature is an important world prize. Literature, however, differs from sports, in that there are no objective standards to go by. Because of its inherent subjectivity the Nobel Prize should not be regarded as the sole or paramount literary award. We may learn from the authors chosen, but we need not confine ourselves only to them. As long as Chinese authors create excellent works, readers will value them.

ECONOMIC SURVEY

Heilongjiang Abolishes Rationing

by Our Correspondent Yang Xiaobing

Walking along the train travelling from Beijing to Harbin, capital of Heilongjiang Province in northeast China, used to be an obstacle course of large string bags stuffed with pork, yellow croaker fish and other basic foods on racks, in the aisle and by the toilets. No longer. The gifts that travellers take now are more on the dainty side and do not clog the passages: Beijing candied fruit, or Fuling biscuits.

It is not the travellers but Heilongjiang that has changed. Where some years ago it used to be notorious for rationing almost everything: food, toiletries, cigarettes and matches; all the coupons are gone now, except for the standard grain coupons.

Heilongjiang is the beneficiary of the process so familiar to our readers as "the policy of opening to the outside world and invigorating the domestic economy." The quotation is the words of Liu Zhongli, deputy governor of the province. Here are the details:

Consumer Goods

Although the climate is extremely cold, the soil is very fertile in Heilongjiang. It is an important basic food producer, delivering over a million tons of grain and soybeans to the state every year, as well as 300,000 tons of sugarbeet. Food availability was very low in the past though, as absolute egalitarianism dominated, and with it grain production. No reward was offered for vegetable and animal farming, so little was done.

Now as almost all produce may be sold on the open market, that is no longer the case. Water-melon from Hainan Island in south China is available, at four yuan a kilogramme, local melon is also available—at much lower prices.

The policy of allowing prices to fluctuate has encouraged a great deal of diversity, making fresh vegetables such as celery, tomatoes and cucumber available for the first time in northern Heilongjiang.

Pork and egg are also in good

supply, and the prices are generally stable. Delicacies like soft-shelled turtle and sea cucumber are also available at a price. In the past Heilongjiang people were happy to eat fatty meat. Now people will complain if not served with lean meat.

The state, however, has not washed its hands of the free market. Last spring there was a glut of eggs on the market. So the state-run stores moved in buying up the eggs to support the price. If traders fix their prices too high, the state-run stores will press the price back down. Any losses to the stores are made up by the government.

Light Industry

The quantity and quality of Heilongjiang's oil, coal, timber, and large-scale electro-mechanical equipment lead the country. Heavy industry accounts for almost 70 percent of the value of industrial output. China's development emphasis between 1986 and 1990 is on energy, communic-

ation and raw and processed materials. Therefore, the province's oil, coal and industries making polyethylene, polypropylene, carbon black and plexiglass will become important development items. Many large-scale engineering works can also expect major technological overhauls during the next few years.

Light industry and consumer goods have been the little brothers of the piece. Heilongjiang's products have always been of the basic kind, which were distributed throughout the country according to the state plan. Consumer goods never had importance attached to them, so while Heilongjiang was exporting so much, its people suffered from a low standard of living.

This is changing slightly now. More emphasis is being put on consumer goods production. In overall industrial output, light industry which accounted for 28-29 percent in the 1970s, is now 36.6

percent. Watches and bicycles, locally produced in co-operation with Shanghai enterprises, have gone a long way towards meeting the people's needs.

The opening of the market has also helped to alleviate the shortage of everyday and fancy goods. Electrical appliances, and such things as lighters, can now be bought easily.

However, Liu, deputy governor of the province, was adamant that "Heilongjiang cannot switch over to become a light industrial base just because we want to improve people's living standards." The ratio of light to heavy industry is unlikely to change much in the future. Liu suggests, "For prosperity we depend on development of commodity production and commerce in China as a whole." Indeed it would be difficult to boost light industry very much more as things stand at present. The provincial government has advocated importing advanced

production techniques from other parts of China and the world.

Improved Technology

Some improvement in technology has already been registered in Heilongjiang. It is manifest in all sectors of the economy. In agriculture, dairy products are made with advanced techniques imported from Denmark.

Some 200,000 tons of petroleum materials (from the Daqing Oilfields) are processed into plastics every year using Japanese and European techniques.

Harbin's flax spinning mill is the largest in Asia, but used to spin only three kinds of industrial cloth. Now it can produce dozens of kinds of dress materials for the domestic and world markets.

Electrical appliances and some small household goods have developed rapidly, but quality, colour and design still have much room for improvement.

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Wudalianchi's Volcanoes and Springs.

by Our Correspondent Yang Xiaobing

In the North of Heilongjing Province is a new city—Wudalianchi literally five big adjacent ponds. It used to be a small town until 1982, when it was listed as a place of particular beauty. In 1983, the State Council decided to build Wudalianchi into the first garden city in China; in 1986, it was declared one of 244 cities or regions open to the outside world. The volcanoes and springs are its most charming attractions.

Located in the huge Songnen Plain, Wudalianchi has a population of 20,000. Around the city, there are 14 volcanoes, some of which were formed 690,000 years ago. The grotesquely shaped hills are now covered in dense forests, though Heilong and Huoshao volcanoes were formed only in 1719-21, and the traces of the eruption can still be found. The lava from the two more recent volcanoes flowed into Baihe River forming five barrier lakes. The city is named after them. The lava and craters from the volcanoes cover an area of 1,200 square kilometres. Although they are not high (the highest is only 516 metres tall), the lava's forms are many and varied. They have been likened to bears, tigers, rabbits, monkeys and towering pagodas. The underground lava caves can be 1,000 metres long, and outside there is a vast expanse: the "stone sea." Looking across it is reminiscent of watching a choppy ocean, and the erupting smoke and ashes of a volcano. No wonder the city is also called "volcano museum" and visited by many Chinese and foreign tourists.

The "Water-Drinking Festival" is considered unique to Wudalianchi. Every year on the fifth day of the fifth month of the lunar calendar (around June), the people in the neighbourhood gather in the city centre where the springs are, and drink the water.

The water in the cup gushes and bubbles 10 centimetres above the rim. The water is cold and tastes sweet, salty and spicy at once. Analysis has discovered carbon dioxide and several kinds of trace elements including sodium, potassium, calcium, magnesium, iron, zinc, coblt, molybdenum, copper and manganese in the water—just what the human body needs.

According to city officials, Wudalianchi's spring water can cure dozens of internal and chronic diseases, such as gastric ulcers, digestive diseases and psoriasis. The cure rate is over 90 percent. Hao Shida, secretary of the municipal Party committee, said that a young coal miner was diagnosed with advanced intestinal cancer in Shanghai and was brought to Wudalianchi on a stretcher. After several months' treatment, he recovered and is now back working. Such stories abound, but how it works is still unclear. A retired worker said he suffered from high blood pressure and another suffered from low blood pressure. Both went through a course of taking the waters and felt better than before.

So 44 sanatoria have been built; every year tens of thousands of people come here for the waters. In the sanatorium run by the Forestry Department of Mt. Greater Xingan a forest worker Yang said that he suffered from baldness for a long time. But now new hair has appeared on his head after only two months of the cure. He receives treatment free of charge and is in receipt of his full wages.

Wudalianchi is still poor and

backward. The city can only provide itself with 8.18 percent of its needs. Most of the houses are huts with straw roofs and mud walls. A city official said the government had worked out a plan for developing the natural resources, especially the mineral spring. Now it is holding trade talks with foreign businesses to import investment and advanced technology, and to build a bottling plant which will turn out 10,000 tons a year. Recently the city's bottled mineral water was chosen as a drink for state banquets. The city government also plans to build more bathing pools, asphalt roads and bungalow-style tourist hotels, and to build a 3.5kilometre highway with money from the provincial government to allow better access to the railway station.

Wudalianchi's basalt resources are huge: 14,000 million cubic metres. The city government is looking for partners to build a rock wool factory, while ensuring the natural scenery will not be ruined by industrial development.

In 1984, some 100,000 tourists visited Wudalianchi, and in 1985, the number reached 300,000. The development of tourism has helped the city's commerce to flourish. During the Water-Drinking Festival, the pedlars crowded the roadsides. Young men wearing jeans were selling fashionable clothes shipped in from other cities, and pedlars from several thousand kilometres away to the south were fitting glasses for the visitors.

According to Vice-Mayor Pan Yulin, if the city government found co-operative partners, its tourism and health industry could really take off in the next five years.

Less Criticism, More Discussion

"RENMIN RIBAO"

(People's Daily)

t is through free and open discussion in the fields of culture and ideology that our thinking has been emancipated in the way that it has. Without discussion of the real aims of production, we would never have arrived at a true understanding of the laws governing a socialist economy. Without proper discussion of the system of "production responsibility," in which distribution is linked to output, the rural economy and life in the countryside could not have been improved as rapidly as it has.

The various important documents published by the Chinese Communist Party Central Committee since 1978 are each the product and crystallization of a nationwide and thorough-going debate. This is true of the "Communique of the Third Plenary Session of the 11th Committee of Central Communist Party of China," "Resolution on Certain Questions in the History of Our Party Since the Founding of the PRC, "Decision of the Central Committee of China on Reform of the Economic Structure," and the recently adopted "Resolution of the Central Committee of the Communist Party of China on the Guiding Principles for Building a Socialist Society With an Advanced Culture and Ideology."

The present atmosphere of free discussion is a result of the implementation of China's new Constitution, and the principle of "letting a hundred flowers bloom and a hundred school of thought contend"—a policy for promoting the progress of the arts and sciences and the development of a flourishing Chinese culture. We

have also put into practice the principle of the 'three don'ts'—don't pick on people, don't put political labels on people and don't wield a big stick.

Less criticism does not mean no criticism at all. When we carry out discussion, there will necessarily be different views, even criticism and counter-criticism. But all sides in a debate are equal before the Constitution, the law and the truth. In order to remove the influence of the formerly held exaggerated idea of "class struggle in the ideological sphere" and to

create a good atmosphere for normal criticism, we advocate the principle of more discussion and less criticism.

Over the past few years, the Chinese press has not carried on high-handed criticism as it did in the past. Instead it has printed debates reflecting differing points of view. This change is in line with the policies of the Party Central Committee. Officials at every level, it is hoped, will not interfere in discussions carried out within the framework of the Constitution, still less must they suppress criticism and have the final word. This will encourage the development of democracy and the creation of a socialist society with an advanced culture and ideology.

Feudal Thinking: Obstacle to Reforms

"GONGREN RIBAO"

(Workers' Daily)

Though we have got rid of the economic and political bases of feudalism, there has not been enough time for us to criticize feudalism at the ideological level in a thorough and systematic way. Thus, the vestiges of feudal thinking still survive among Chinese farmers and other small producers and these still exert an influence in our socialist society.

Right after liberation, the Communist Party of China called on people to wage a determined struggle against feudalistic ignorance. But regrettably this struggle was not kept up for long. We began to neglect the true enemy — the vestiges feudalism - and regarded bourgeois ideas and inner-Party revisionism as our major enemies in the field of ideology. We were all frightened at that time about the possibility of capitalist restoration. As a result, feudal way of

thinking has become our biggest headache in the effort to build socialism.

Feudalism has many manifestations. A bureaucratic style of over-concentration of work. life-long tenures for power, leaders, privileges of every description, inequality in relations between the lower and upper levels of organizations, and between cadres and the masses, cultural tyranny, parochial arrogance, and the closed-door policy with regard to relations to other countries. All these constitute a serious obstacle to current reforms.

There is a tendency to place surviving feudal ideas on a par with the outmoded ideas of capitalism, lest it be thought we are in favour of capitalism. In fact, the remnants of feudal thinking are far more dangerous than capitalist ideas. Of course, we have absolutely no sympathy with the corrosive influence of bourgeois thinking and other unhealthy influences from the West. They must be resisted. But it is essential

that we differentiate what is style of primary from what is secondary. In reality it is the survivals of feudalism, such as a patriarchal ideas.'

style of work and small-farmer ideas, that pose a greater threat to us than the so-called "imported ideas."

posts and took over the reigns of power.

13. A decision was made to reform the education system and the management of science and technology.

14. The independent foreign policy of peace has been adopted.

15. Chinese troops launched a major counterattack against Vietnamese invaders and won victory.

16. The People's Liberation Army has been cut by 1 million men

17. The issue of restoring Hong Kong to Chinese sovereignty has been satisfactorily solved according to the formula of "one country, two systems."

Major Events of the Past Decade

"BAN YUE TAN"

(Fortnightly Forum)

What are the most outstanding events and changes that have taken place in China since 1976? Here is our list.

1. The Communist Party of China (CPC) initiated a nation-wide discussion on the criterion of truth in 1978.

2. The CPC held the Third Plenary Session of its 11th Central Committee in December 1978, which was of profound historical significance.

3. The public trial was held in 1981 of the principal criminals of the Lin Biao and Jiang Qing ("gang of four") counter-revolutionary cliques.

4. The Central Committee of the CPC reassessed Mao Zedong's role in the Chinese revolution according to the principle of "seeking truth from facts," pointing out the continued significance of Mao Zedong Thought as the Party's guiding thought.

5. A free and democratic atmosphere has been restored to the field of ideology and academic debate.

6. The production responsibility system based on households was introduced in the countryside.

7. The reform of China's economic structure, with the emphasis on the urban economy, was set in motion.

8. The policy of opening up to the outside world is being put into effect.

9. The goal of quadrupling the 1980 gross industrial and agricultural output value by the year 2000 was advanced at the 12th National

Congress of the CPC in 1982.

10. A new Constitution has been adopted and the socialist legal system strengthened.

11. A nationwide Party consolidation campaign was launched.

12. A younger generation of people were promoted to leading

Cultural Life in Army Barracks

"JIEFANGJUN BAO"

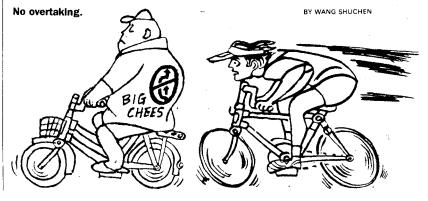
(Liberation Army Daily)

China's armed forces have for years adhered to the principle of unity, earnestness, alertness and liveliness. But a few commanders tend to feel ill at ease when their soldiers entertain themselves by singing and dancing. They question the fighting power of those who seem to lead an easy life.

As an armed body that is on combat alert, China's People's Liberation Army men and women are trained in an intense military atmosphere.

Modern armed forces, however, have more need for cultural activities and entertainment. They should not live and work under tension all the time. They are human beings, like every one of us, who not only can withstand rigorous hardships in training and combats, but also crave livelier entertainment.

A more varied, colourful barracks life should be encouraged. Military leaders should be aware of the fact that soldiers who are good at entertaining themselves and others or who are anxious for knowledge and skills and attend cultural activities are the very people the armed forces need most.



South-South Technical Co-operation

China has made some progress strengthening South-South technical co-operation, technical establishing operative relations with more than 80 developing countries. China has also improved technical cothe operation through development organizations, said Wang Tiance, head of the international section of the Ministry of Foreign Economic Relations and Trade and head of the Chinese delegation to the consultation conference recently held in Beijing on technical cooperation between governments of the developing countries.

The conference is the second of its kind sponsored by China and was attended by representatives from 26 countries in the Asia-Pacific region and Latin America and from 12 UN organizations.

The first conference was held in Beijing in November 1983 and was attended by representatives from nine countries and some UN organizations. Contracts on 34 bilateral and four multilateral cooperation projects were signed at the conference. Of them 25 bilateral and all the multilateral projects have now been completed.

As the North-South dialogue has suffered setbacks in the last few years, Wang said, South-South co-operation has developed, with technical co-operation an important part of that. The Chinese government has always been active in this respect, it has:

- Offered more than 1,000 sets of equipment and sent out 400,000 engineers and technicians to other developing countries;
- Trained 35,000 technical workers and 3,000 foreign students for more than 70 countries and at the same time sent teachers and built technical schools abroad;

- Sent 3,000 medical workers to more than 40 developing countries, treated 70 million local patients and trained 10 million junior and middle-level medical workers there:
- Concluded 2,886 contracts worth US\$5.1 billion for building projects and providing labour for 88 countries and regions and sent out 170,000 workers under the contracts:
- Signed contracts on scientific and technical co-operation and the co-operation in the peaceful utilization of nuclear energy with governments of 31 developing countries;
- Allocated 47.2 million yuan and assigned experts and technical workers for seven research and training centres jointly established with the UN Development Programme on marsh gas, fish farming, silk production, small hydroelectric power stations, acupuncture, public health and comprehensive rural development, and run 60 short-term training classes for 1,000 foreign students from developing countries:
 - Sent US\$9.9 million in aid

since 1982 and earmarked 5.7 million yuan each year for technical exchanges with other developing countries;

■ Given 500,000 yuan each year to support the South-South unity conference and round-table

meetings;

Sixty experts, technicians and volunteers have been invited by the UN organizations to work on technical transfers and offer on-the-spot services in some

developing countries.

Wang said that in general the technology of the developing countries is of the same level and it is easy for these countries to learn and adopt from each other. In certain fields they have reached or neared world class. For instance, Brazil is well known for its dam construction and heart surgery, Argentina for leather processing and China for its acupuncture, earthquake research, fresh-water fish farming, marsh gas exploitation and small hydroelectric power station construction.

The emphasis of this second conference is on strengthening South-South unity and cooperation and collectively coordinating national economic and technological policies in order to facilitate economic strategies that rely on self-help and the collective strength.

Yue Haitao

Foreign Funds Needed for Power Plants

The Hua Neng International Power Development Corp., which is in charge of the construction of power plants financed with foreign capital, recently proposed its second group of projects for foreign cooperation.

The proposed projects will import two 600,000-kw super critical condition generating sets and six 350,000-kw sub-critical condition generating sets for four power plants. Last summer letters

asking for initial estimates for building Shidongkou power plant in Shanghai and Yueyang power plant in Hunan Province were mailed out and estimates for another two in Shandong's Dezhou and Chongqing's Luohuang will soon be invited. Eight firms have responded already for the two 600,000-kw generating sets for the Shanghai power plant. They are based in Japan, the United States, the Federal Republic of Germany, Switzerland,

France, Italy, Canada and Spain, and their bids are being prepared. The contracts to import the generating sets for Shanghai and Hunan power plants are expected to be signed early next year.

Letters inviting initial estimates for the first group of generating sets the Hua Neng corporation required were mailed out in August last year and the contracts to import the sets were signed with three foreign firms six months later. At the same time China reached loan agreements with foreign banks. The three foreign firms will between them provide eight 350,000-kw coal fuelled generating sets for four plants one each in Hebei, Jiangsu, Liaoning and Fujian provinces and a 100,000-kw generating set for the Shantou power plant in Guangdong Province. The generating set for the Shantou power plant has been put into operation. Other power plants will be completed by the end of 1988.

A shortage of power is holding back China's economic development. As China does not have the finance to develop power, it has set about attracting foreign capital for the purpose. During the Seventh Five-Year Plan period (1986-90), China hopes to build several power plants with a total generating capacity of 35 million kw, offering good opportunities for foreign investment in China's power development.

An official of the Hua Neng corporation advised foreign businessmen not to worry about China's ability to pay back the loans, capital and interest in foreign exchange. The foreign exchange the corporation uses is allocated by the government.

Yao Jianguo

More Trademarks Registered Abroad

China has been paying more attention to the registration of

trademarks of goods for export. By the end of 1985 China had registered 3,816 trademarks, of which 1,194 have been registered in 103 places abroad and received 5,079 registration certificates.

Light industry products make up the bulk: 588 trademarks and 2,692 certificates. The Meilin brand tinned food produced by the China National Cereals, Oils Foodstaffs Import Export Corp. has been registered in 34 places. The Golden Cup brand sports goods produced in Tianjin and the Shanghai-made Heaven Temple brand tea have been registered in 25 places. In addition to the applications for registration certificates around the world, China has through friendly consultations resumed ownership of some trademarks for Chinamade products which had been taken over by its foreign agents. It has also taken some measures to fight illegal registering and fake trademarks, thus protecting the reputation of the China-made products.

Some of the Trademarks China Has Registered Abroad

Place	Number of trademarks registered
Hong Kong	793
Malaysia Malaysia	466
Singapore	406
Britain	193
Australia	181
Canada	172
France	161
W Germany	156
Japan	149
Pakistan	148
Syria	139
Holland	133
Indonesia	121
Kuwait	111
US	109

News in Brief

■ China's first military logistics technology and equipment

exhibition will be held in Beijing in November 1987. The organizers are the Beijing branch of the China Council for the Promotion of International Trade and Modern China Ltd., a subsidiary of Ta Kung Pao of Hong Kong. They hope developed countries will participate in the exhibition. The Chinese logistics departments expect to learn through this exhibition about the newest technology. It will be a good opportunity for foreign firms to sell their products and technology.

■ The construction of the Pingtan wind-power demonstration station was completed on November 6. The station was jointly built by China and Belgium under a contract signed last year. The total capacity is 800 kw and the generating sets are all controlled by computers. In a strong wind, they can generate 10,000 kwh a day and are expected to supply 2 million kwh of electricity a year.

■ The principal part of the residential development, the Beijing Huaxiang villa project, is being constructed in co-operation with the United States and will be completed in January 1987. The whole project is expected to be finished in May 1987.

The first US style residential area to be built in China, this villa group has a total floor space of 10,000 square metres and a restaurant and an office building.

The third international post, telecommunications and computer exhibition was held between October 16 and 22 in Beijing. The exhibition was attended by 350 companies from 15 countries. On show were computers, data transmission processors, satellite and microwave communications equipment, aviation electronics, computerized communications and launching and testing systems. The exhibition also held demonstrations on satellite and radio communications, and 80 symposia.

Jazz Swings Through the Open Door

When the Washington D.C. Jazz Ambassadors played Thad Jones' "A Child Is Born" and Rick Henderson's "Pretty Girl" in a Beijing theatre in late October, they received only polite applause from the audiences. Though tickets for the four performances were quickly sold out, and the theatre had to add extra seats at each performance, few came out of an interest in jazz. Most just wanted to satisfy their curiosity about foreign culture.

But the musicians of Howard University Jazz Ensemble did not expect too much anyway when they boarded a United Airlines plane to China. The 17 members of the band led by Professor Fred Irby III are all undergraduate musicians. They were excited at being chosen as ambassadors of goodwill from Washington D.C. to its sister city Beijing. Their four performances were one of the Royal Pacific Cultural Exchanges, a programme sponsored by Sister

Cities International and United Airlines to celebrate the former's 30th anniversary and the latter's expansion of business to China. In 1987 a Chinese art troupe will pay a return visit to Washington D.C.

"We are here playing jazz not for the Chinese to like it, but to represent Washington D.C.," Felix Grant, Washington D.C. broadcaster and spokesman of the jazz ensemble said soon after the musicians arrived in Beijing. "Nothing is more typically American than jazz. The music may sound strange to the Chinese, but that is us."

Grant's expectations were close to reality. Jazz has been neglected in China since the founding of the People's Republic. Labelled "bourgeois," jazz is misunderstood by many Chinese as music of low taste and illicit moods. Today, now that China has opened its door to the rest of the world, many young Chinese are becoming disco

fans—but jazz still remains alien to most of the Chinese people.

Gu Xiayang, a violinist working for the Art Bureau of the Ministry of Culture, said it was the first time he had attended a jazz concert. "I'm not used to it. The melody is so strange, and the sound seems too sharp." Gu graduated from the Shanghai Conservatory of Music. He said when he was taught the history of music at the conservatory, the second largest in China, jazz was not mentioned at all.

Chinese music of course has a completely different tradition, and the Chinese are used to pure sounds and harmonies. But Gu Xiayang felt it was a good thing that the Washington D.C. musicians had presented this special kind of American music to the Chinese. Though jazz is not acceptable to most Chinese music lovers today, Gu believes the day will come when Chinese composers create their own jazz.

The Beijing audience seemed to respond more warmly to Lisa Rich's solo and the Dance Union's numbers performed at the same show. Chinese audiences favour vocalists over instrumentalists. But Lisa's success was based on her personality. Her charming appearance and her free and relaxed manner on stage attracted the audience. She also knew the best way to reach her Chinese audience was to give them a short music lesson. She sang the familiar "Frere Jacques" melody Chinese, first straight, then with jazz variations. The atmosphere in the theatre suddenly livened up when the audience got the message that jazz was not something too remote for them.

Ballet and tap dancing are nothing strange in China. So when the jazz dance combined them with African folk dance, the

Lisa Rich's solo.



audiences were not surprised. "Porgy and Bess" and "Piano Works" conveyed the special liveliness of American humour, to which the audience responded with understanding and unusual excitement. But to people living in remote areas, jazz dance remains

strange. A dancer from Inner Mongolia said it was the first time she had seen dances of this kind.

Professor Fred Irby III was well satisfied with his Beijing trip. "We are here to expose the Chinese to American music, which they rarely have a chance to hear." Irby gave his Chinese friends and radio stations in Beijing records and albums of jazz played by his ensemble. "I know they will play it," he said. "When we are gone, our music will still be here."

by Shang Rongguang

30 Years Later: Still a Welcome

When the Pavel Virsky State Honoured Academic Dance Ensemble of Ukraine first performed in Beijing in 1956, it was a great success. This time, it was a hit again. At each of its three shows in Beijing in late October and early November, people crowded in front of the Tianqiao Theatre, hoping against hope they might be able to get a returned ticket. "Excellent," "Successful," "Exciting" were the responses of Beijing's dance-lovers. "Totally unexpected" was the reaction of the Soviet artists. "It's amazing," says one Chinese dancer who accompanied the ensemble 30 years ago. "Thirty years later, they have made great achievements in

their dancing, costume and stage effects."

Founded in 1936 by Pavel Virsky, the Dance Ensemble of Ukraine is now one of the best groups in the Soviet Union. It specializes in folk music and dance of the Ukraine's various cultures. All its 14 performances in Beijing, Wuhan, Hangzhou and Nanjing were based on Ukrainian everyday life.

For example, "Skilful Girls," romantic in theme, is a dance depicting a work scene. The light rhymic music creates a busy yet relaxed atmosphere, enhanced by the colourful bands attached to the girls' waists. This dance,

prepared for its first trip to Beijing, has become a repertoire of the ensemble.

"Their achievements in developing folk art are very suggestive for us," says Jia Zuoguang, vice-president of the Chinese Dancers' Association. "Here in China, we have more than 50 national minorities with over 8,000 different folk dances. But we still have a lot of research work to do in this area."

Jia hopes to see more cultural exchanges between China and the Soviet Union. With the deterioration of the relation between them. cultural exchanges came to an end, the long friendship despite between the artists of the two countries. However. archives of the Dance Ensemble of Ukraine are to be found the photographs and souvenirs of their last trip to Beijing carefully preserved. Chernousov, choreographer and director of the ensemble, still cherishes the memories of the last time he appeared on stage with Chinese artists in Warsaw back in 1955.

Vanduh is the successor of Pavel Virsky and now the artistic director of the ensemble. "I feel excited about coming to China," he said. "I've been to over 30 countries, but China makes the best impression on me. Soviet-Chinese relationship has always had a place in my heart. In spite of the unpleasant happenings between our two countries, it seems we have good feelings for each other after all."



Wushu Bid for International Status

The martial art of wushu, also known as kungfu in some parts of the world, will no longer be a mystery known only to a select band of wushu masters in the depths of China following the three-day International Wushu Invitational Tournament held in Tianjin, China, from November 2-4, which attracted more than 200 competitors from 26 countries and regions in all the five continents.

The Japanese team, selected from over 1,000 martial artists, pressed the Chinese hard, especially in taijiquan, slow and graceful shadow boxing, the most popular of all wushu forms. China's national champion Lin Qiuping performed flawlessly to give his team a narrow lead. The European artists, though few in number, have come a long way since the All-Europe Wushu Association was established last year. Nigel Sutton of the British team won the only gold which escaped China in baguazhang boxing after having a Chinese as his coach.

The three-day Tianjin tournament included all-round team and individual events — changquan, xingyiquan taijiquan, and baguazhang in the boxing category; sword play and broadsword play in the short weapon category; and spear play and cudgel play in the long weapon category. China's Zhao Changjun and Zhang Yuping, who won the men's and women's all-round events in the initial tournament in Xian last August, repeated their fine form at Tianjin.

As host nation, China will probably include wushu at the 1990 Beijing Asian Games, and has made efforts to internationalize the art in the last few years. As a result, the Preparatory Commit-

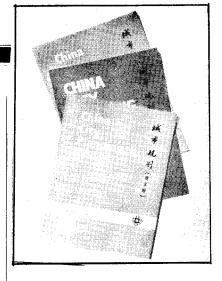
tee of the International Wushu Federation was established immediately after the Xian tournament, which had drawn 150 competitors from 12 countries and regions.

Compared with the Xian Invitation last year, the Tianjin tournament saw fewer overseas Chinese in foreign team. The British team had seven non-overseas-Chinese in Tianjin while it had seven overseas Chinese out of the eight-member team last year in Xian. Foreign teams also no longer concentrated on competing for the taijiquan crown, as at Xian.

International Wushu Federation Preparatory Committee admitted the United States as a new member at a meeting on October 30, bringing the number of its members to five—China, Italy, Japan, Britain and the United States. It is reported that two brothers in Australia have set up a wushu college, with an enrolment of over 6,000 students. But wushu has yet to become a popular international competitive sport, let alone an Olympic event. Standard rules of competition are still to be worked out and agreed upon.

A Chinese traditional sport from more than 3,000 years, wushu is generally divided into two schools, one from the north and one from the south, each of which in turn has two distinct approaches. The northern school stresses leg action while that from the south arm movement. Within each school there are those who believe one's strength and agility derive from the inner organs working out to the muscles of the body, while others consider the reverse is the case.

by Zhao Zonglu



China City Planning Review

(in English)



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Foreign Trade in Ancient China

The history of China's foreign trade has long been subject of interest to historians and economists.

Sheng Guangyao's Foreign Trade in Ancient China, recently published in Chinese by Guangdong People's Publishing House, offers a new look at the management of ancient trade, exports and imports, the development of major harbours, international transportation by land and water, and economic and trade relations between China and the rest of the world.

The book is especially timely now, given the recent policy shift to active promotion of international trade, for Sheng argues that the closed-door policy was the exception rather than the rule throughout much of the nation's history.

Far from being isolated, China was among the first in the world in commodities exchange and foreign trade from the second century BC to the 16th century AD, according to Sheng. The openness of the nation's trade policy meant that trade reached as far as Japan in the east, Rome in the west, Indochina and the Indian subcontinent in the south, and the vastness of today's Mongolian Republic in the north. But the author also points out that "As the product of history, trade policy changed at different periods of time."

For example, the backwardness of some feudal rulers to trade damaged its role in world trade at certain periods, even though trade encouraged the development of coastal cities, promoted the growth of the silk, pottery, lacquer and other industries, led to advances in astronomy, navigation, geography, oceanography.

and other sciences, and offered many other direct and indirect benefits to the nation.

According to Sheng, foreign trade went through five stages: exploration, in the Qin and Han dynasties (221BC-220AD); full development, in the Sui and Tang dynasties (581-907); continuity, from the Song to Yuan dynasties (960-1368); gradual decline, in the Ming Dynasty (1368-1644); and, finally, the closed-door policy, in the Qing Dynasty (1644-1911).

However, Sheng says the riddle of China's decline as a leader in world trade in the Qing Dynasty remains a mystery.

Foreign Trade in Ancient China interweaves historical fact and the author's interpretations in a lively style that makes it well worth reading.

Book Explores Ancient Thought

During the current modernization drive, it is imperative to discover, select and train a large number of talented persons. Lei Zhenxiao, who works at the talent research office of Wuhan University, suggested in 1979 that methods of finding and training talented people be studied as a new branch of science. As a result of his suggestion, a number of talent research organizations and magazines devoted to the subject have been established.

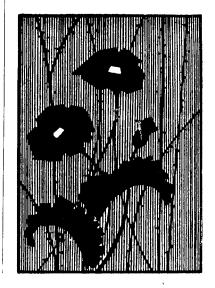
Throughout its long history, China has nurtured numerous outstanding and talented scholars. In his latest work, *The History of Ancient Chinese Thought on Talents*, Lei holds that China's history of philosophy and ancient Chinese thought are actually

histories of ancient China's thoughts on talent.

The book's thesis is that although no one, ancient or modern, can avoid colliding with unfavourable conditions or depression that impede their progress, some handle these periods better than others and can therefore contribute more than others. Ordinary people, Lei says, can learn from these people's approches to thought, life, feeling and morals. It is through a discussion of the thoughts of the ancient Chinese on talent that Lei illustrates his thesis.

In the book, the author tries to explain the basic theory on talent with a comprehensive history and criticism of the ancient Chinese philosophy.

The book is divided into three parts—a simple description, a more complicated outline and a detailed analysis. In the outline section, four chapters deal with the development of the thought on talent before the Qin Dynasty (221-207 BC). The detailed analysis section contains 15 chapters in which the thoughts of philosophers on talent are laid out in chronological order. Lei also quotes numerous original classics of various schools of thought and their exponents.



'Hard' or 'Soft'

You often publish contentious letters about your magazine, some argue the "soft" point of view: they want your magazine to be more interesting. The "hard" wants you to continue on your present course. I agree with the "hard." There are *People's China* and *China Pictorial* which are both colourful magazines. So, I think the best is that you put more stress on politics and economy and print informative articles.

I think it is good to publish important policy decisions of the Chinese government and make supplements for these documents. Printing the index every half year is also very useful. We researchers' main hope is that your magazine will remain as it is, providing readers with valuable material. Do not change it.

From your weekly we can read articles on important subjects in Chinese social life. Also reports on common people's life, which are very interesting. I hope you will publish more articles like this.

Another wish is that besides publishing the whole texts of government documents. should publish more material written by the people themselves own social and their professional groups, Although not be articles may recognized by the government at present, in the long run their value will be recognized. By doing this, foreign readers will be able to understand your policy of "let a hundred flowers bloom" and be moved.

> Ryusaburo Sato Tokyo, Japan

Two Readable Articles

Two articles: "Lopsided Japan-US Economic Ties" and "Reforming Leadership System" in issue No. 32 impressed me deeply. The first one gave us insight through clear honesty into the facts of Japan-US economic

problems. The Japanese press was not as clear, and did not expose the essence of the contradiction. But your publication is more detailed and deep. I hope more Japanese will read this article.

Deng's article "Reforming Leadership System" deeply touched me because it is sincere, kind, and explains every point.

> Toto Kitaura Tokyo, Japan

More on Things Chinese

Readers would get a deeper understanding of your country if you published articles about the Chinese way of life, education, traditions, religion and politics.

My feelings about your "International" column is that you should look more objectively at the issues and give some of your own suggestions for solving international conflicts.

Finally, I hope you will publish some articles about the Chinese revolution, and biographies of your heroes.

M.A. Rodrigueg
San Cristobal, the Dominican
Republic

When I receive your magazine I always put it where others can find it, to let more readers become familiar with your beautiful country and traditional customs. We are in a remote district and need *Beijing Review* because the Chinese scenery has a unique specialness.

J.R.Naranjo D. Santander, Colombia

In-depth Coverage

I have just finished reading the two-part series by Wang Youfen and Li Ning on Wenzhou.

The series exemplifies the type of coverage we need of China's

reform—specific examples of its successes and problems, and a keen sensitivity to the contradictions involved in such an enormous social change. Because the writers reported on the reform in practice, it seemed more vibrant than it does when coverage is limited to official remarks.

In future issues, Beijing Review might want to go into more depth on fewer examples. This could produce a vivid picture of life in the time of reform. Just how does the reform affect everyday life in its details? Reporters might spend more time with individuals, listening to them talk about the difference reform has made in their lives. Has it made much difference in working conditions? In work and relations at home? In the way people think about themselves in the world?

If a goal of reform is the empowering of people to make more economic decisions in order to promote individual and general well-being, then an important aspect of it would seem to be letting people speak for themselves in the news media. Just as decentralizing economic and political power should vitalize the country, decentralizing control over description of events should enliven China's journalism, and readers' understanding.

Clay Steinman Beijing, China



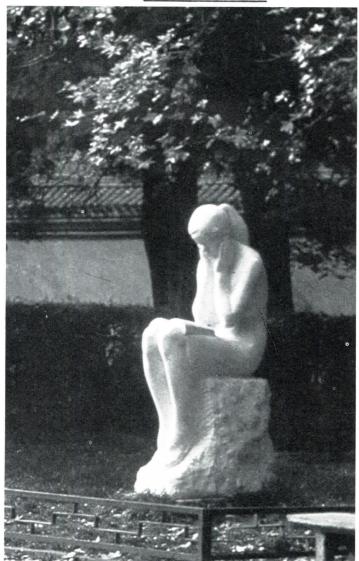
ART PAGE



Girl. (wood carving)



Mother and Son. (wood carving)



Reading. (stone carving)

Sculptures by Situ Zhaoguang

Situ Zhaoguang, born in Hong Kong in 1940, teaches at the Central Academy of Fine Arts.

His sculptures vividly portray subjects taken from the every day life of the people.

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