Gorbachev’s Economic Blueprint
China’s Stand on Narcotics Control

Scientific Revolution and Reforms
I Want to be a Soldier When I grow up.

Photo by Wang Wuyi

After Class.

Photo by Gao Jinlong
HIGHLIGHTS OF THE WEEK

Scientific Revolution and Reform

- This speech by the Chinese scientist Qian Xuesen discusses the development of the scientific, technological and social revolutions in the world today and the tasks confronting scientists. It is to be published in two instalments (p. 14).

Soviet Economic Reform: Theory and Practice

- This overview of the current Soviet economic reform analyses changes in both theory and practice compared to earlier reform campaigns. It also examines the obstacles and opportunities Moscow is facing in this attempt to spur economic development (p. 18).

Shultz in Beijing

- Chinese officials told US Secretary of State George Shultz in Beijing that, despite speculation abroad, China will continue to carry out reforms and its open policy. However, the struggle against bourgeois liberalization will last for a long time (p. 5).

Avoiding Great Personal Income Disparity

- To reduce income disparity, China has published the provisional regulations on personal income regulatory tax, under which a 20-60 percent progressive tax is levied on monthly income over and above 400 yuan. Because the tax only applies to very high incomes and has numerous exemptions, only a small minority have found the tax increasing their burden (p. 4).
NOTES FROM THE EDITORS

Income Tax Cuts Down Disparity
by Liu Jianjun

The provisional regulations on personal income regulatory tax went into effect January 1. It is aimed at avoiding great disparity in personal income.

Income structures have changed and incomes generally increased, with the economic structural reform and the development of the socialist commodity economy in the last few years. Before the reform, city people relied on wages for their expenses, now many have incomes from other channels, including contracting businesses, leasing, transferring patent rights and shares. This change eliminates absolute egalitarianism and helps break the "communal pot," motivating people, encouraging their creativity and boosting the development of the economy.

A small number of people, however, have incomes which are much too high, and a large income gap has appeared. A survey of 4,937 people in Xindu County in southwest China's Sichuan Province shows that only 82 people, or 1.66 percent of the sampled, made more than 400 yuan a month, with the highest income being 2,080 yuan. The better-off people are mostly employees of village-run enterprises and members of specialized households. In 1986, the average monthly wage for an urban worker was 111 yuan and the average annual income of a farmer was 424 yuan.

The policy of encouraging some people to prosper through hard work which China has been pursuing over the last few years has achieved good results. Formulated on the basis of past experience, it discarded the former absolute egalitarian distribution method which dampened enthusiasm, hindered the development of productive forces and thus made it impossible to eliminate poverty. Under the new policy, those who become prosperous first can help those lagging behind to catch up and thus gradually attain the aim of common prosperity. This is one of the major tenets of the socialist system, which also include the dominance of public ownership, the principle of distribution to "each according to his work" and the people being masters of the state. Because China aims at common prosperity, it encourages some people to become well-off first, and needs to avoid an inordinate personal income gap.

There is no contradiction between levying the personal income regulatory tax and allowing a group of people to make a fortune. According to the provisional regulations, regulatory tax on overall personal income (wages, bonuses, contracts, sub-contracts, services and property leasing) is progressive. For people working in Beijing, no tax is levied on monthly income under 400 yuan — a 20-60 percent progressive tax is levied on the income over and above 400 yuan. If someone's overall monthly income is 1,000 yuan, the personal income tax he pays should be 260 yuan, leaving his net earning at 740 yuan, still far higher than the current average. At the same time, the tax mitigates the personal income gap, and helps uphold the principle of common prosperity.

With regard to personal income gained from writing, translations, transfer of patent rights, licence fees for patent implementation, supply and transfer of non-patent technology, if that income is less than 4,000 yuan at a time, a 20 percent tax is levied on everything over 800 yuan; if more than 4,000, the tax is on 80 percent of the amount. With regard to interest, bonus and dividend, tax will be levied at a 20 percent rate in proportion to the amount of income each time.

No tax is levied on interest on personal state treasury bonds, and other bonds issued by the state, interest on savings deposits in state banks, credit co-operatives and post offices, welfare funds, pensions for the families of the deceased, relief funds, insurance cash indemnities, settling-in allowances, severance pay and retirement pensions issued to cadres and workers according to unified state stipulations.

Chinese citizens residing within the territory of China are subject to the personal income regulatory tax. But because the tax only begins at a high rate of personal income and tax exemption involves many items, very few people are within the scope of income taxation. The overwhelming majority of Chinese citizens are not affected by the personal income regulatory tax.
Shultz Finds an Unchanged China

The visit to China by US Secretary of State George Shultz from March 1 to 6, his third visit during his term in office, came at a time when some Western countries, particularly those that have direct interests in China, are beginning to worry about whether China’s openness will change as a result of the change in China’s top leadership. Many Westerners are also concerned about the current struggle against bourgeois liberalization—a term frequently used in Chinese press these days to describe attempts to negate the leadership of the Communist Party of China (CPC). The weight of the discussions can also be inferred from the list of Chinese leaders Shultz met: Wu Xueqian, state councillor and foreign minister; President Li Xiannian; Zhao Ziyang, premier and acting general secretary of the CPC; and Deng Xiaoping, chairman of the Advisory Commission of the Central Committee of the CPC.

At the top of the agenda of talks between Shultz and his counterparts was China’s openness to the West. In their meetings with Shultz, Zhao, Li, and Deng repeatedly assured the US Secretary of State that a shift from the present policies is out of the question. “We will never change our set policies. Why should we change the policies that have been so effective in recent years?” Deng told Shultz.

Reform and opening to the outside world, however, do not mean abandoning the Party’s leadership or the socialist road. “China’s political line and policies implemented since 1978 have two aspects, upholding the four cardinal principles (adherence to the socialist road, the people’s democratic dictatorship, the leadership of the Chinese Communist Party, and Marxism-Leninism and Mao Zedong Thought); and carrying out reforms and opening the country to the rest of the world,” Zhao said. “Some foreign friends have worries about the current situation in China mainly because they have perceived the adherence to the four cardinal principles as contradictory with China’s reform and open policy,” he continued, adding, “In fact, adherence to the four cardinal principles and the reforms and open policy are one unified whole, with adherence to the four basic principles serving as a guarantee for the continuation of China’s reforms and open policy.”

Talking about China’s internal situation, Deng said to Shultz, “It is impossible to accomplish socialist modernization and rid China of its backwardness without political stability.” He added that in a big country like China with a population of 1 billion, capitalism can get nowhere. As for the
current move against bourgeois liberalization, Deng said, "We are not going to start a campaign. The fight against bourgeois liberalization will last through the entire process of socialist modernization. This is a long-standing matter. Education is the basic method we will use."

Shultz also exchanged views on international issues of common concern and bilateral relations with Chinese leaders. Wu reaffirmed that just as China's domestic policies will remain unchanged, its foreign policies will not change either. "We will firmly carry out our independent foreign policy for peace. We will support whatever benefits the efforts to safeguard world peace and to consolidate the independence and state sovereignty of third world countries."

In his toast at the welcoming banquet on March 1, Shultz said, "In all three documents (the Shanghai Communiqué of 1972, the Joint Communiqué on the establishment of diplomatic relations of 1979 and the Joint Communiqué of August 1982), the United States makes clear that its policy is based on the principle that there is but one China." "We have no intention of pursuing a policy of 'two Chinas' or 'one China, one Taiwan.' We understand and appreciate that striving for a peaceful resolution of the Taiwan question is also a fundamental policy of the Chinese government. These principles of one China and a peaceful resolution of the Taiwan Question remain at the core of our China policy," he said in another toast during his visit in Shanghai.

However, President Li expressed his hope that the United States would do something about the Taiwan issue, the main problem in Sino-US relations, which remains to be solved completely.

Both sides have identical views on the importance of the healthy development of relations between the two countries, especially the economic and technological ties.

At a press conference in the Great Wall Hotel after his formal talks with Chinese leaders, Shultz said that he was convinced that recent political events in China would not cause abandonment of the reforms and that he had no reason to question the sincerity of the Chinese leaders in their assurances.

Shultz also visited picturesque Guilin and the Lijiang River in Guangxi, Dalian, the port city in Liaoning, and Qufu, the birthplace of Confucius in Shandong.

by She Duanzhi

Goals Set to Ensure Agricultural Growth

By year 2000, China's grain output will average 400 kilogrammes per person and the income of rural residents will approach that of urban dwellers, according to a proposal made by five of China's central departments.

The proposal describes the two goals as vital for China's economic growth by the end of this century. It was put forward recently by the Rural Policy Research Office of the Secretariat of the Chinese Communist Party Central Committee, the Ministry of Agriculture, Animal Husbandry and Fisheries, the Forestry Ministry, the Ministry of Water Resources and Electric Power, and the State Council's Rural Development and Research Centre.

The proposal urges Chinese farmers to make efforts to increase the nation's current grain output of 390 million tons first to 450 million tons and then to 500 million tons by the end of the century, and to narrow the gap of income between urban and rural people.

The proposal stresses that the attainment of the two goals will depend largely on in-depth reforms and more investment, by both the state and farmers, to improve the material and technical conditions for agricultural production.

To lay the groundwork for sustained agricultural growth, the proposal says that price differences between industrial and agricultural products should be narrowed to ensure that farmers make a profit in their endeavours. During the Seventh Five-Year Plan period (1986-90), further reforms and experiments will be tentatively conducted on the purchasing and marketing system for agricultural products, such as grain, cotton, edible oil and pigs, so as to introduce a more rational price system for agricultural products.

The proposal also suggests the rapid spread of new agricultural techniques, including the use of plastic film to cover the land to keep the soil moist and prevent the growth of grass. It also calls for wide use of new strains of grain, cotton and fruit.

As China's cultivated land decreased by an average of 466,000 hectares a year during the Sixth Five-Year Plan period (1981-85), the country's agricultural production is getting more and more restrained. In the years to come, the proposal says, effective measures should be taken to control non-agricultural occupation of farmland, gradually halt the reduction of cultivated land, increase the output of 3.33 million hectares of low-yield farmland, raise the acreage of irrigated fields by 2.6 million hectares and to prevent flooding in another 2 million hectares of land.

According to the proposal, farmers will be encouraged to expand grain production. It also calls for readjustment of the rural industrial structure to enable 100 million farmers to work in factories and service trades so as to solve the problem of surplus labour in rural areas—one of the basic reasons for low
productivity and poverty among farmers. The state will provide the necessary industrial and mineral resources to rural industries.

To enhance the technical force in rural areas, 200,000 agrotechnicians will be sent to work in the countryside over the next five years.

The proposal says the construction of farming-related industries should be speeded up to ensure that 100 million tons of chemical fertilizers will be applied annually across the country by the year 1995. It suggests that the country build another 10 large chemical fertilizer plants.

The proposal also suggests making efforts to solve the problem of food and clothing for people in poverty-stricken areas in the next five years.

Having been approved by the CCP Central Committee and the State Council, the proposal is now being carried out nationwide.

Tourism Unaffected By Current Struggle

The development of China's tourist industry will not be affected by the current struggle against bourgeois liberalization, said Han Kehua, director of the State Tourism Administration, at a recent national conference of tourism bureau directors.

Han said that China's tourist industry is still in its infancy and the country welcomes tourists from around the world to come and visit China.

In 1986, China's tourist industry made rapid progress, and the nation witnessed an unprecedented enthusiasm for developing tourism.

Around the country, Han said, more than 900 tourist hotels were built with a total of 140,000 rooms. This should help alleviate the shortage of accommodation, he said. The national competition for quality tourist service improved the economic returns from the industry and provided a catalyst for the development of transport, telecommunications and urban public facilities.

With regard to the tasks for this year, the director said that the competition for quality service will be further encouraged and efforts will be made to raise the moral and professional standards of those employed in the industry. As the first step, tourist centres will be set up in the airports, ports and railway stations of Beijing, Shanghai, Guangzhou, Xian, Hangzhou, Nanjing, Guilin, Chengdu, Kunming and Dalian. These centres will provide consultant services in English, Japanese and Guangdong dialects and help the tourists solve accommodation problems.

Policy Guides Anti-Liberalization Drive

At present, Chinese enterprises are conducting political education for their workers in upholding the four cardinal principles and in opposing bourgeois liberalization. But they are urged to acquire a clear understanding of the following points:

(1) Advocating factory director responsibility system does not mean weakening and negating the leadership of the Party, nor does it mean advocating bourgeois liberalization. Rather it is to emphasize the supervisory role of the Party organizations in the enterprises, strengthen the Party's political and ideological work in the enterprises and uphold the socialist orientation.

(2) The enterprise reforms and experiments such as leasing and the contract responsibility system are meant to invigorate enterprises through the division of the enterprises' ownership and operation. They are not meant to follow the capitalist road, nor are they manifestations of the trend towards bourgeois liberalization. On the contrary, they represent a useful means of exploration in finding a road to build socialism with unique Chinese characteristics.

(3) The import of technology, investment, trained personnel and useful managerial know-how cannot be equated with "complete Westernization." It is to step up China's socialist modernization drive and uphold the fundamental state policy of opening to the outside world.

(4) The opposition to bourgeois liberalization does not mean a negation of socialist democracy, but is intended to further develop it, and strengthen the positions and roles of the workers as masters of the enterprises.

(5) Criticisms by the workers and staff of bureaucracy and of unhealthy tendencies among officials, and workers' just demands to safeguard their lawful rights cannot be considered a tendency towards bourgeois liberalization. Officials must not use the policy of opposition to bourgeois liberalization as a pretext to suppress workers' criticisms and turn down their just demands.

(6) Disciplinary problems among workers and staff should be solved through ideological education and administrative measures. They cannot be linked with bourgeois liberalization. The workers should not be criticized under the pretext of opposing bourgeois liberalization.
and transport problems. In addition, efforts will be made to introduce some special tourist programmes, such as fishing, horseriding and mountain climbing, with strong Chinese national flavours, and provide more of a "night life."

State Councillor Gu Mu attended the conference. He stressed that China will not waver in its determination to energetically develop tourism and the state's annual investment for tourism will not be reduced. He called on localities to continue to give energetic support to the development of tourism.

by Han Guojian

Classical Music In Crescendo

It seemed a second spring festival was offered to Beijing music lovers on March 1—in the shape of the mass concert at the Capital Gymnasium.

The 18,000 strong audience experienced a truly mighty rendering of Tchaikovsky's *1812 Overture* and the *Prelude to Spring Festival* (by popular Chinese composer Li Huanzhi) by an orchestra of 800 musicians.

That orchestra was an incorporation of a dozen of the capital's top symphony orchestras, and was the climax to an evening in which the individual orchestras played some of the most popular themes from composers like Beethoven, Mozart, Bizet, Dvorak and Zheng Lucheng. Each of their conductors led the individual orchestras, but the honour of conducting the awesome 800 was reserved for Li Delun, the 70-year-old conductor of the Central Philharmonic Society. While he is considered China's most august conductor, he has been limiting his public performances in recent years.

Li told *Beijing Review* that the 800 musicians had only rehearsed together once before the performance. He had been nervous of the possible quality of the result— but was delighted with the sound. "None was there just to make up the numbers," he said. "Every musician pulled his weight."

*China Daily*, the English language paper, saw the event as a "rare opportunity for the audience to hear and compare Beijing's orchestras." Li prefers to see the evening as an exhibition of China's classical music power, both the musicians' own, and that of their audience.

Classical music has gained a tremendous following in China over recent years. In October 1985, when Beethoven's 217th birthday was being marked by a concert of his music at the Shanghai Concert Hall, a queue encircling the hall three times had formed by the time the box office opened in the morning. The popularity of classical music is manifested in ticket touts who have been able to sell their tickets for three or four times their face value. It has also been expressed in the enthusiasm of children for the art. For example, 60 youngsters, average age 15, from the school affiliated to the Central Conservatory of Music, were in the mass orchestra. "They represent a promising future for China's classical music," said Li.

Meanwhile, recorded music has been growing side by side with the live music. Beijing's audio store, earned 40 percent more from the importation and sale of classical music cassette tapes last year than the year before. 1986 saw the shop gain 1 million yuan despite eight other stores in town beginning the same trade last year. The cost of one tape is 10-20 yuan, about 10 percent of a worker's monthly salary. Yin Hongrui, manager of the Beijing audio store is convinced they could sell more if the price were lower.

There is evidence that not only intellectuals are supporting the growth of classical music as it was in 1950s or 60s.

A worker living on Beijing's western outskirts came to the shop last September asking for guidance on beginning his classical music collection. The assistant chose 10 tapes for him—as an introduction to the greatest masterpieces available. The next day, the man returned, thrilled with his purchases and asking for more.

The larger cities, Beijing and Shanghai for example, have a variety of music appreciation...
circles which were formed to promote music in China. These circles contain not only the obvious professional musicians but also students, workers scholars and even mayors.

The musicians have been taking their music out to offices, schools and factories to introduce the Western classical sound to the masses. Composers and conductors have embarked on the lecture circuit. Li Delun himself has given several hundred basic introductory talks on classical music since 1980. He has travelled to over a dozen cities to conduct, train and organize local orchestras.

“Our work is its own reward,” he says. “People need music.” He sees classical music as the best musical answer to China’s needs as it undertakes the four modernizations. He believes people need this product of the West to liberate their cultural thinking from 2,000 years of feudalism. Li has taken spreading classical music in China as his mission.

Li has his regrets, and perceives problems. “We have wasted too much precious time,” he says of the neglect and hostility classical music suffered in China during the chaotic “cultural revolution.”

Although China has produced talented musicians over the years, and their general standard has been rising, the country is still in need of better music, especially in the countryside and small cities. He sees a drain of talented musicians out of China, and an economic imperative that leads players away from classical music and into the more popular studios where they can earn as much as 30 times what is available to them on the classical stage.

Li believes the healthy development of China’s music depends on the country’s stability and reform of its musical management. “Of course,” he adds, “it also depends on more concerts to fund the art.”

**Weekly Chronicle (March 2-8)**

**POLITICAL**

March 5
- Acting CPC Central Committee General Secretary and State Council Premier Zhao Ziyang meets 16 scientists who have made great contributions to research into superconductors and pledges to create an atmosphere of democracy, unity, harmony and liveliness in which intellectuals can continue to make contributions to the country and to the people.

**ECONOMIC**

March 2
- Renmin Ribao (People’s Daily) reports that Shanghai is now able to build large nuclear power station equipment with a generating capacity of 1,000 megawatts.
- Xinhua says that the first class of senior managers and directors of China’s major enterprises is initiated. A senior government official announces at the initiation meeting that the more than 35,000 managers and directors of the country’s 8,000 big and medium-sized enterprises will receive in-service training in the coming four years.

**CULTURAL**

March 4
- An experiment by some physicists at Beijing University confirmed that a superconductor made of oxides of yttrium, barium, copper and other materials has zero electrical resistance at 91 degrees Kelvin. The transition range is quite narrow and the drop in resistance is steep. This is the second breakthrough China has made in superconductivity research within the last 10 days. The result is said to be at the same level as an advance made by Japanese scientists, announced by a Japanese radio broadcast on the same day.

**FOREIGN RELATIONS**

March 3
- Chinese President Li Xiannian meets a delegation from the Japanese Democratic Socialist Party led by Ryoasaku Sasaki, permanent advisor and former chairman of the party, and tells the guests that the leadership of the Chinese Communist Party is a collective, and personnel changes in China’s leadership will not change the country’s general principles and policies.
- Premier Zhao Ziyang meets John Swire, chairman of the British Swire Group, and reaffirms to him that China’s policy of “one country, two systems” concerning Hong Kong will remain unchanged and Hong Kong’s capitalist system will be maintained for 50 years after 1997.

March 4
- A Foreign Ministry spokesman says at the weekly news briefing that the reduction of medium-range missiles deployed in Europe and Asia by the Soviet Union and the United States should be simultaneous and balanced and be carried out in accordance with a unified principle until their total elimination.

“The negotiations between the Soviet Union and the United States on the issue of medium-range missiles concern the security of both European and Asian countries,” he says, adding that the security of Europe and that of Asia are equally important and should be given equal attention.
ARMS CONTROL

Constructive Concessions From Moscow

The new Soviet disarmament proposal has captured attention all over the world, leaving the United States seeking a way to return to the limelight.

Soviet leader Mikhail Gorbachev announced early this month that the Soviet Union is ready to negotiate a separate accord with the United States to rid Europe of medium-range nuclear missiles, indicating a major change in his policies.

Gorbachev said that while the Soviets would insist on a ban on space-based weapons as a condition for reducing long-range nuclear weapons, the Kremlin would not stand in the way of an agreement to eliminate medium-range missiles from Europe. In announcing the new proposal, Gorbachev said, the Politburo was motivated in part by US officials who were “sabotaging accords in each of the (three) areas by pleading that the Soviet Union insists on solving them as a package.”

Most nations in Eastern Europe welcomed Gorbachev’s suggestion. Democratic German leader Erich Honecker said that his country supports Soviet withdrawal of medium-range missiles from Democratic Germany and he called on West Germany Chancellor Helmut Kohl to capitalize on this historic chance for a non-nuclear world and muster support among his allies for the implementation of the Soviet proposal. The Hungarian newspaper Nepszabadag said in an editorial that Moscow’s “world-shaking” proposal paves the way for concluding the first disarmament accord between the superpowers.

Western Europe has also expressed approval of the Soviet offer, though some anxieties still remain. Lord Carrington, Secretary-General of the North Atlantic Treaty Organization (NATO), said in Brussels that Gorbachev’s proposal appeared to be “a substantial step forward.” West German Foreign Minister Hans-Dietrich Genscher said the Soviets’ proposal paved the way for a treaty to dismantle all US and Soviet medium-range missiles in Europe.

The French government has some reservations about the Soviet proposal. A spokesman for the French foreign minister said the “denuclearization” of Europe could give the Warsaw Pact, which has a “lopsided lead in conventional and chemical weapons,” “a decisive advantage.” The governments of Britain, the Netherlands and Italy were among those who refrained from quick assessments, saying they wanted time to study the Soviet proposal. They are three of the five NATO countries where 572 of the US Pershing II and cruise missiles are being deployed. West Germany and Belgium are the other two countries.

While many countries expressed cautious optimism over the Soviet proposal, Japan sought a greater role for Asian nations in arms talks. Japan called for the inclusion of Asia in arrangements for the withdrawal of intermediate-range missiles in Europe. The Soviet proposal would leave 100 Soviet missiles in the Asian part of the Soviet Union and allow an equal number in the United States.

Washington has welcomed the Soviet move as a positive step. Though some US officials said the Soviet move was aimed, in part, at increasing opposition among the United States allies to the “broad interpretation” of the 1972 Anti-Ballistic Missile treaty (ABM). Such a reinterpretation would permit expanded testing of space weapons.

After formally receiving the Soviet proposal, Washington has presented its own draft treaty on removing medium-range missiles from Europe and agreed to prolong the current round of talks in Geneva with Moscow on medium-range missiles. But American chief arms negotiator Max Kampelman said it could take six months to reach an agreement. He said verification — Washington insists on on-site verification of missile elimination in Europe — was one of the thorniest issues. The US will also insist on the right to build up to Soviet levels of shorter-range weapons in order to compensate the Western allies for the withdrawal of US Pershing II and cruise missiles.

Since early 1985, the Soviet Union has been insisting that any arms treaty should be linked with accords on two other main issues — strategic or long-range nuclear weapons and space defense system, US Strategic Defense Initiative (SDI). This standpoint was of course turned down by the US and referred to as the cause of the deadlock at the Reykjavik summit.

Since the Iceland summit, the relations between the US and the Soviet Union have been again at a nadir and the arms control talks seemed to have closed down for a while. Adding to this, the US first exceeded the Strategic Arms Limitation Talks (SALT II) limits last year by deploying the 131st B-52 bomber with cruise missiles. The Soviets will be in a position this year to exceed SALT II. If they begin deploying SS-24 multiple-warhead missiles, they will have to dismantle SS-17 and SS-19 missiles to stay within the treaty. The deployment of another Typhoon submarine and a Delta IV sub is also expected; this would
put the Soviets over the 1,200 missile ceiling on multiple-warhead strategic missiles.

In late February, Moscow announced a nuclear explosion marking an end to a unilateral moratorium on nuclear testing which had been extended four times since August 1985. So far, the US has refused to participate in the moratorium, arguing that nuclear tests are essential to its SDI research. The Soviets, they claim, have the advantage in land-based strategic nuclear weapons.

In his 1987 State of the Union message, US President Ronald Reagan reaffirmed his determination to continue with SDI research. Just recently, the White House staff has been considering early deployment of SDI and broad interpretation of the 1972 US-Soviet ABM treaty.

Given this condition, Gorbachev, who according to Henry Kissinger is a “skillful negotiator in arms bargaining with Washington,” found a way to kill two birds with one stone—by singling out medium-range missiles from the package. The Soviets can still maintain their objection to SDI while improving Soviet-US relations. If it is successful, it will create a favourable negotiating atmosphere and promote Gorbachev’s chances to visit the United States. In his report to 27th Congress of the Soviet Communist Party last March, Gorbachev said he could not visit the US unless there were some concrete results in disarmament, at least an agreement on the halting of nuclear testing and the elimination of Euromissiles by the two sides.

US Pershing II and cruise missiles, though considered as medium-range missiles, can reach the heartland of the Soviet Union, while the Soviet SS-20 missiles are unable to penetrate US boundaries. If the two superpowers completely eliminated their medium-range missiles from Europe, it would remove a key component of US strategic military presence from the continent, while the Soviet Union’s own security will remain ensured by a conventional force superior in strength. Moreover, removal of the US nuclear umbrella will weaken military relations between the US and Western Europe.

The Soviet disarmament proposal comes at a time when US President Reagan is recovering from the domestic political turmoil and trying to regain the initiative of the executive branch. Because of this, it is difficult for Reagan to refuse to budge an inch in his stand on arms control. The Soviets are clearly aware of the political deadline for President Reagan set by 1988 presidential election. If a basic arms control agreement is not reached this year—early enough to give an impetus to a summit that could accomplish the final political breakthroughs that are needed—any attempted arms control deal would likely fall victim to presidential politicking.

Gorbachev has said that Washington is trying to debilitate the Soviets economically by forcing them into an arms race. To invigorate the Soviet economy, the Kremlin must cut military spending and contribute more to socialist construction. According to some Western analysts, a decrease in the growth of defence machinery output from Soviet’s currently estimated level of 8.5 percent a year to 4 percent will let the Soviet economy achieve the growth levels envisaged under the five-year plan, even without major improvements in productivity.

by Xin Di

PAK-AFGHANISTAN

Indirect Talks End in Failure

In the ninth round of indirect negotiations in Geneva, the question is whether the Soviet Union will offer an acceptable timetable for its troop withdrawal from Afghanistan.

The Soviet Union’s sincerity in seeking a political settlement in Afghanistan was seriously thrown into question during the ninth round of indirect talks between the Soviet-backed Kabul regime and Pakistan. A series of Afghan air raids into Pakistan killed some 100 Pakistan civilians and wounded another 400.

The on-going talks, which have been sponsored by the United Nations since 1982, are aimed at negotiating a timetable for the withdrawal of the estimated 120,000 Soviet troops in Afghanistan. The talks, which began on February 25, have been blocked once again. The representative of the Kabul regime has submitted a timetable of 22 months, according to well-informed sources, but only on the condition that “all foreign intervention in Afghanistan be stopped.”

Pakistan, as a neighbour of Afghanistan, has had to bear the burden of sheltering more than 3.5 million Afghan refugees, and officials in Islamabad have demanded an early, unconditional and total withdrawal of troops within three to four months.

Since the beginning of this year, the Soviet Union has launched yet another peace offensive in an attempt to project an image of flexibility and convince the world of its interest in achieving a political settlement. Soviet officials have tried to create an optimistic atmosphere regarding a political solution to the Afghan issue. They claim that their troops

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will be pulled out from Afghanistan according to an attractive timetable so that "the other side in the negotiations will not be able to reject it."

Prior the resumption of the talks, Soviet Foreign Minister Eduard Shevardnadze told his Pakistan counterpart Yaqub Khan, who was in Moscow on his way to Geneva, that the resolution of the Afghan problem "requires reciprocity of the part of Pakistan."

The Kabul regime declared a "unilateral ceasefire" last January. Recently, it has devoted its energies to publicizing the formation of a coalition government of national reconciliation, promising that the ruling party will not monopolize power after the process of national reconciliation is completed.

The seven-year-old Soviet military occupation of Afghanistan has brought great suffering to the Afghan people. Over 1 million civilians lost their lives and another 5 million were forced to seek refuge in Pakistan and Iran.

The aggression has met stiff resistance from Afghan Muslim guerrillas (known as the Mujahideen) who have inflicted heavy casualties and losses on the Soviets, and Soviet-backed Afghan troops.

However, the Afghan resistance forces have not been invited to participate in the Geneva peace talks. Speaking at the United Nations on March 3, four spokesmen for the seven-party Afghan Resistance Front made it clear that "peace talks on the war in Afghanistan should be between the perpetrator of that war, the Soviet Union, and the majority of the nation represented by the freedom fighters." The four issues under discussion, they said, are the return of the 5 million Afghan refugees in Pakistan and Iran, mutual non-interference and non-intervention and international guarantees. They also pointed out that "the current round of negotiations in Geneva was preceded by an escalation of Soviet violence." "Full-scale offensives have been launched, and civilian massacres have taken place in Kunduz and Takhar provinces in the north," they added.

KOREA
A Sincere Proposal to Break the Deadlock

The Democratic People's Republic of Korea (DPRK) has once again proposed to hold high-level talks with the authorities in the South.

On March 3, DPRK Premier Li Gun Mo and Minister of People's Armed Forces O Jin U sent a letter to their South Korean counterparts Lu Shin Yong and Lee Ki Pek proposing to hold a round of North-South, high-level, political and military conferences. The letter also suggests resuming the dialogue between the two parliaments, their economic leaders and red cross organizations.

The government of DPRK has, in the past year, made several moves for the reunification of the country. President Kim Il Sung made a similar proposal at the end of 1986. Then again on January 10 and 28 of this year, the DPRK premier and minister of the People's Armed Forces sent separate letters, putting forward concrete proposals with regard to the talks.

However, the South demurred, proposing that the two sides resume only the parliamentary, economic and red-cross dialogues, and reiterated a demand to hold a summit conference between the two top leaders of both sides.

To break the deadlock, DPRK Premier Li Gun Mo and Minister of the People's Armed Forces O Jin U wrote the January letters to their counterparts in the South in which they agreed to reopen the multi-channel dialogues, but noted that for the summit talks to be a success it would require more time for a full preparation and a more favourable atmosphere were needed.

It should be noted that these proposals by the DPRK were made against the background of joint US—South Korea military manoeuvres in South Korea. The large-scale "Team Spirit 87" military manoeuvre has been a major barrier to holding North-South talks. In 1985, when the North-South talks had to be suspended as a result of the "Team Spirit 85" military manoeuvre. The present "Team Spirit 87" military manoeuvre has damaged the atmosphere for holding any North-South talks, but the DPRK, taking the interest of the whole Korean nation into account, made some concessions.

Meanwhile, in the latest letter, the DPRK also agreed to discuss the issue of the construction of the Kumgangsan power station in future high-level political and military talks. This project has been a major point of contention between the two sides. South Korea strongly opposes the construction of the Kumgangsan power station, believing that it would pose a grave threat to its security. The DPRK has reiterated that the project is aimed at peaceful use and would not constitute a threat to the South.

by Chang Qing

by Xu Baokang
THE WEST

Unemployment Remains a Headache

The Western economy is recovering, though slowly. But unemployment rates remain high.

Despite the slow but steady recovery of the Western economy over the last four years, unemployment remains a big headache for most Western countries. Since 1983, the Organization for Economic Cooperation and Development has had 31 million people out of a job in its 24 member countries, with the average unemployment rate higher than 8 percent. The figure is three times that of 1973 and 12 million more than that of 1979.

In the United States, 74,000 people became jobless in January this year, making the number of unemployed persons more than 8 million with an unemployment rate equal to 6.7 percent. At the end of last year, 16.4 million people in the European Community (EC) were out of job, with the unemployment rate as high as 12 percent. Last year, Japan's unemployment rate stood at 2.8 percent, greatly lower than that of the United States and Western Europe, but the highest Japan has seen in the past 30 years.

This phenomenon of severe unemployment alongside economic growth can be attributed to structural unemployment. Because of the increase in the value of the yen, some of Japanese companies producing high-cost products have had to close their factories or transfer them to foreign countries. This has resulted in a higher unemployment rate in Japan. Since 1981, 6.5 percent of 578,000 employees of the US General Motors Corporation have been laid off and another 25 percent will have been laid off by 1989 when 12 General Motor factories are shut down. Since the mid-70s, the steel companies under EC have reduced their employees by half due to factory closures in order to cut down surplus production capacity of 32 million tons.

In addition, the increasing number of unemployed persons arises from the merger of companies. Last year, about 4,000 firms in the United States were combined. Since 1980, the International Telephone & Telegraph Corp. has sold out more than 100 of its subsidiaries, firing 100,000 workers or 44 percent of all of its employees. The amalgamation of firms has also led to heavy dismissal of administrators. Between 1983 and the beginning of 1987, about 0.6 to 1.2 million senior administrators had been deprived of their jobs and another 200,000 to 300,000 will have to face a similar fate in the coming two years.

The higher the productivity is, the fewer employees are needed, and the unemployment rate grows. It has been reported that from 1979 to 1986, workers in the US manufacturing industry, whose productivity has increased at 3.8 percent each year since 1982, compared with that of 1.5 percent in the 1970s, have been reduced from 21 million to 19.1 million due to production increase. In addition, automation has also contributed to the reduction of jobs. Robots in US General Electric can produce a 2,500-pound shell in 16 hours compared to the 16 days it takes workers to make a similar product. It is estimated that about 90 percent of workers' jobs in the US manufacturing industry will be eliminated when it adopts robots with artificial intelligence. It is estimated that by 1992, 250,000 jobs in West Germany will have been supplanted by robots and mechanical hands working on industrial assembly lines.

To cope with the serious jobless problem, many West European countries are gradually cutting down on work time, strengthening workers' technical training and developing high technology. As high-tech products, such as robots, are grabbing jobs out of workers' hands, the high-tech industry, along with its related labour service, is creating job opportunities. About 2.2 million new jobs will probably be available by 1995, according to US Department of Labour. A Japanese steel corporation, after deciding to close five blast furnaces, said that it would develop new materials and biological and electronic technology. According to the steel company, non-steel products will account for half of its total sales by 1995. That means by 1990, 6,000 of its 19,000 laid off workers will go back to work, though in new industrial departments.

by Li Changju & Ma Fangyun

MARCH 16, 1987
Scientific-Social Revolution and Reform

by Qian Xuesen

Revolution is a sudden leap in the process of the development of things. It is a drastic and qualitative change. Everything develops uninterruptedly and unevenly. Sometimes things develop slowly, or come to a standstill for a while; sometimes they develop quickly, involving a qualitative change, and a leap. This leap is called "sublation" in the classical term of philosophy. We usually call it "revolution."

Scientific Revolution

From this viewpoint, what does "scientific revolution" mean? It means a leap in human cognition of the objective world. The term itself was coined by T.S. Kuhn, an American scientist and philosopher who wrote The Structure of Scientific Revolution. The viewpoint that science does not develop smoothly, he advanced in his book is correct. Large, qualitative changes may happen; a leap may occur in the process of development. He regarded this qualitative change and the leap as a scientific revolution. In my opinion, this view is correct, though not everything in the book may be correct and on many points I disagree. But I am sure about his theory of scientific revolution.

There have been many leaps in the history of human cognition of the objective world. All these constituted scientific revolutions. For instance, our predecessors held that the sun and moon moved around the earth—that is, the geocentric theory. Later, people understood that the earth circled the sun—the heliocentric theory. This was a leap in human cognition of the objective world. To reverse the false cognition of the past and establish a new cognition is a scientific revolution. There are many such instances in history.

Human understanding of the objective world is not confined merely to nature. There are also revolutions in the social sciences. There were two such revolutions in the middle of the 19th century. One was Marx's advancement of the theory of historical materialism, and the second, his theory of surplus value. These constituted a revolution in the social sciences.

We are now confronted with another major scientific development, or, a scientific revolution. High-energy physics and the study of elementary particles constitute an important aspect in the development of science. These branches of learning show what kind of a world we are living in. Beginning from the Newtonian mechanics of the 17th century, scientists studied a macroscopic world. That is, from the solar system down to things on earth, such as the movement of motor vehicles and human beings. These constituted our cognition of macroscopic world.

Two things happened early this century. The first was the appearance of quantum mechanics. The study of quantum mechanics involves things which are much smaller than a molecule. The size of a molecule is of the order of 10^-10 cm. Below this size, the Newtonian mechanics are inadequate, and quantum mechanics must be applied. It is moving from the macroscopic world to the microscopic world.

The second discovery involved the general theory of relativity. If the scope of research expands beyond our solar system, such as the galaxy, Newtonian mechanics are also inadequate. Our galaxy, which looks like a plate with a bulge in the centre, is some 100,000 light years in diameter, i.e., it takes light travelling at 300,000 kilometres per second, 100,000 years to go from one edge to the opposite edge of the Milky Way. Only the general theory of relativity can be used to explain its nature and movements.

Astronomers claim that above the size of macroscopic world, there is a cosmic world. Thus, broadest in scope is the cosmic world, then the macroscopic world and finally the microscopic world. Their objective of study, respectively, would be the system of galaxies that constitute our universe; the solar system and things on earth such as mountains and rivers; and atoms, elementary particles. Quantum mechanics and the general theory of relativity represented a scientific revolution.

Physicists have found that four applied forces between substances exist within the microscopic world of elementary particles. The weakest is called universal gravitation. A bit larger one is called the weak force. The third, electromagnetism, and the strongest of all is the strong force. Physicists have called for developing a complete theory which would unify these
four forces—the Grand Unified Theory.

In studying this theory, it is discovered that unifying the four applied forces requires a new field. This new field was discovered by Professor Higgs of Edinburgh University in Britain, and is called the “Higgs Field.” It is much smaller than the field of elementary particles. Its size is down to 10^{-35} cm, and it is also the length of the string of the developing “superstring theory.” The result is that a mere microscopic viewpoint won’t do, and it is necessary to have a new conception, smaller than the microscopic world, which we call “submicroscopic world.” The Higgs Field in the submicroscopic world precisely can be used to construe the formation of our universe. Thus the biggest and the smallest can be linked together.

Physicists and astronomers long ago proposed the “big-bang” theory of the formation of the universe, based on astronomical observations which show that the size of our universe is about 10 billion light years and that its stars are moving apart from one another. According to the theory, this enormous universe was a very small, extremely dense mass at the beginning. It “exploded” and its parts started to expand. This theory met with many criticisms in the past. What was the universe in the instant before it exploded? It does not make sense philosophically. This problem was mentioned by Engels in his book Anti-Dühring. Now the Higgs Field can be used to reconstruct this theory. The process of the explosion is complicated. It was not the only explosion, and the universe is indefinite. It was only a local explosion of our universe. Thus the problem of the starting point of the universe is solved. In this way the “big-bang” theory is restructured or reconstructed into the “inflationary universe theory.” Therefore, in terms of a world view, many universes exist simultaneously. This stems from the “inflationary universe theory” and I call it the “supercosmic world.”

All in all, physicists and astronomers have in the last ten years added two more layers, the “submicroscopic world” and “supercosmic world” to the original “cosmic world,” “macroscopic world” and “microscopic world.” There are altogether five layers. The process of our cognition of the objective world is still developing, and no final conclusion has yet been reached on this matter. But we can see a trend. Beginning with the Grand Unified Theory, the theory of the universe is involved. When this theory is at last established, it will naturally be a leap of human cognition of the objective world. It will be a scientific revolution. In the far distant future, more universal layers will be found.

From this viewpoint, I think that it is unnecessary to bring up the concept of ontology put forward by some philosophers. I have merely mentioned the five world structure of the universe and try to point out that this is really the essence of the objective world and its origins. All these come precisely within the discussion of ontology. Ontology of some philosophers cannot solve the essential problems of the objective world, but science can. Therefore, in my opinion, there will be in the near future a new scientific revolution in natural sciences.

**Technological Revolution**

There has been much talk about a technological revolution. Here I don’t want to dwell on it in detail, just make a few comments about it. I think the concept or definition of technological revolution may be given by citing Mao Zedong: “What is a technological revolution? It is an important change in the technological field.” He gave three examples: the steam engine, electric power and atomic energy. This is crystal clear. Technological change means a leap in technology by which people change the objective world. The emergence of this new technology has affected many areas, and particularly the productive forces. This is what technological revolution means.

As part of the oncoming technological revolution, I would like to call attention to the importance of artificial intelligence. An “intelligent machine” surpasses the calculating function of a computer. We need human wisdom, or partial intelligence. The fifth-generation computer being developed by Japan is such a kind of technology. The United States and Western Europe have also begun to develop this technology. This is likely to be a new and most important technological revolution, of which we are just on the threshold.

I think society is sure to develop by leaps and bounds as well. Is a leap in the process of social development a social revolution? We say the development of science is a social phenomenon, and so are advances in technology. What method should be adopted for the study of social phenomenon? Historical materialism, of course. The basic viewpoint of historical materialism is that the development of society results from the development of the productive forces. Here there are two groups of basic concepts: One is the productive forces and the relations of production, with the productive forces promoting the relations of production which, in turn, react on the productive forces. The second is the economic base and the superstructure. The economic base promotes the development of society’s superstructure which, in turn, reacts on the economic base. These are the basic viewpoints of historical materialism.

Proceeding from this viewpoint, we think that scientific revolution and technological revolution both belong to this economic base.
because what directly promotes the development of the productive forces is technological revolution, which stems from scientific revolution. To change the objective world, we must first know the world. Of course, in the early period of human history, there was no such things as science. But even in remote antiquity, the human race also experienced technological revolution — for instance, the utilization of fire and the smelting of iron. But there was no body of scientific knowledge to speak of. Therefore, a scientific revolution did not necessarily exist at that time, but a technological revolution did. However, man must first know the objective world before he can change it. Now that there is science, the way by which to know the objective world is scientific revolution, so scientific revolution becomes the precursor of technological revolution. Whatever the case, whether it is scientific revolution or technological revolution, it will eventually cause a revolution in the productive forces. Subjects to be studied in the social sciences are things at a higher level, that is, problems such as the productive forces and the relations of production, the economic base and the superstructure. We must study all these conscientiously.

Social Revolution

Social formation was a term first put forward by Marx. He cited many examples, such as the primitive society, slave society, feudal society, capitalist society, and socialist or communist society. The social formation mentioned here is the organizational structure of the entire society. We are reminded here that in Marx’s time, the central issue was class struggle between the proletariat and the bourgeoisie. In his book *The Condition of the Working-Class in England*, Engels used the term industrial revolution. But at that time, the study of the development of social formation in science and technology seemed to have received no attention. Today, when we approach a problem, we must first clarify the basic concept of social formation. In understanding this concept, we must uphold the viewpoint of historical materialism. This means the relationship between the productive forces and the relations of production and the relationship between the economic base and the superstructure. Proceeding from this viewpoint, we must consider several aspects of social formation. One is that put forward by Marx, that is, economic social formation. There are two other aspects: One is political social formation, the other is ideological social formation, which we usually call ideology.

Now we have made its definition clear. Ideology does not mean the consciousness of a particular person, but of the entire society, so we call it social ideology, or ideological social form. It thus becomes clear that a leap of economic social formation can be industrial revolution, a leap of political social formation is political revolution, and a leap of ideological social formation is cultural revolution. The industrial revolution, political revolution and cultural revolution all belong to social revolution. The change and leap of social formation is social revolution, which can be triggered off by different factors and have different characteristics. Industrial revolution, political revolution and cultural revolution all belong to social revolution, which is at a higher level than scientific revolution and technological revolution. They bring about fundamental changes in social formation. That is why we say the theory we habitually used, that is that the alternation of social formation must go through social revolution, is still tenable. I simply put these facts that cause major social changes in a system for study, this is a systems viewpoint, a systems theory viewpoint.

According to the above-mentioned definition, the leap of economic social formation is industrial revolution. I think four industrial revolutions have taken place in human history.

The first industrial revolution took place 10,000 years ago. Mankind developed from living by hunting and gathering to living by farming and animal husbandry.

The second industrial revolution took place in the period of slave society. With the development of production, people no longer produced just for themselves, but for exchange, which meant the emergence of commodities. The commodity economy emerged long ago. It is not unique to capitalist society. It also existed in slave society and feudal society. Therefore, the commodity economy is not tied to a particular social system.

The third industrial revolution took place in England in the late 18th century and early 19th century. The emergence of the steam engine gave rise to large-scale industry. But it should be stressed that large-scale industry at that time was not large-scale industry in its modern sense.

The fourth industrial revolution happened in the late 19th and early 20th centuries, when the organi-
ational form of factories experienced tremendous changes and the scale of factories expanded from one household or family to a country or the whole world. In his book, *Imperialism, the Highest Stage of Capitalism*, Lenin emphatically dealt with the political significance of the fourth industrial revolution; he also mentioned its economic significance, but not in detail. Internationally, we are now experiencing what has been called the Third Wave, or the new industrial revolution. It should be called the fifth industrial revolution.

**World Situation**

At present factors tending towards war still exist; sometimes the situation becomes rather tense. But I think there will be no large-scale war, nuclear or conventional, before the end of this century. However, small-scale wars occur all the time, and these incessant small wars might escalate into larger conflagrations. Therefore, we must strengthen our national defence so as to prevent larger conflicts. Together with the people of the whole world, we will strive to safeguard world peace so as to carry out our socialist modernization in a peaceful environment.

The merger into an organic whole of world economic activities is the general characteristic of current human society. Let us recall the world history, starting with the third industrial revolution, which began in the second half of the 18th century. Prior to the industrial revolution, for many thousand years, almost all production was done by hand, and was carried out in individual families. By the end of the 18th century factory production, which integrated machine power and machine processing, led to large-scale production. This change in turn resulted in a leap in the social form of the economy; this is the third industrial revolution. The employment of 'machine power and processing with machines was one of the main features of the industrial revolution. In chapter 13 of volume I of *Capital*, Karl Marx devoted nearly 200 pages to the structure of large industrial production and its effects. During the stage of large-scale industrial production, production was transferred from individual families to individual factories. Each factory was independent and worked on its own, and the scale of production organization was limited to each factory. At that time, the leadership gave oral orders governing organization and management. Everything was relatively simple. A productive economy based on studies of an organizational structure for the productive forces and its efficient operation did not exist. This was the time when Marx developed Marxist scientific political economics. However, organization and management had not yet become a special branch of knowledge.

In China prior to the current reform of the economic structure, production remained at the level of the 19th century — each factory functioned independently, producing everything from nuts and bolts to finished products. We had never paid attention to the economics of productive forces. We never studied scientific production management; no such need was felt.

In many parts of the world, the productive forces developed further at about the turn of this century, resulting in the fourth industrial revolution, which had its progressive aspect in production organization and economic structure. Instead of individual production, several factories worked in co-operation. This form even extended on a nationwide scale, and later to the formation of transnational corporations. This is the monopoly capitalism mentioned in Lenin's works.

The special features of the fourth industrial revolution are as follows:

1. Specialization of production parts. For instance, items such as screws, nuts, and valves would not be produced by each individual factory, but supplied by specialized factories.

2. Standardization of production. Previously production was carried out on a small scale; as long as all the products could be sold, the factory could keep going. Now that different factories worked in co-operation, measurement and standardization was necessary.

3. Information and communication became important for cooperation developing rapidly at the turn of the century.

4. More manpower was needed for organization and management work, while the labour force directly engaged in production could be reduced following mechanization and automation. Scientific management, such as the Taylor System, came into being. Later scientific management became known as management science.

5. As products could be turned out only with the joint effort of many factories, transportation and power became extremely important and made significant headway at the turn of this century. The raw and other materials of a Western transnational company were often supplied by colonies. Britain was a case in point. In this way, production was carried out on a worldwide scale. The colonies became suppliers of raw materials.

6. From Lenin's works it can be seen that banks and financial organizations became organized around world production. Their financial undertakings made use of the imbalanced development of the world economy to seek economic efficiency. So it is necessary for us to study financial economics.

(to be continued in our next issue)
Economic Reform in the USSR—An Overview

by Xi Lei

At its 27th congress in March 1986, the Communist Party of the Soviet Union (CPSU) adopted a strategy of accelerating the country's socio-economic development and carrying out a "fundamental reform" of the nation's economic structure.

This was not the first Soviet attempt at reform; two other such attempts, one in the Khrushchev era and the other under Leonid Brezhnev, have been made in the past 30 years. But judging by the theoretical developments and practical steps taken in 1986, the current effort surpasses the previous two in both scope and depth.

Theoretical Developments

One major difference between the current plan and the previous two is that Soviet views of some important theoretical aspects of the economic structural reform appear to have changed.

1) The interaction between productive forces and the relations of production. For a long time the dominant Soviet view on this question was that once socialism was established, the relations of production would automatically adapt to the productive forces and guarantee their rapid development. There would therefore be no need to make any major adjustments in those relations.

The two previous attempts at reform were launched on this theoretical basis and could at best be described as efforts at "partial" reform aimed at "perfecting" the existing economic structure. They were by no means "revolutionary" or "fundamental."

By contrast, the present plan begins with a criticism of the "automatic-adaptation" theory and argues that the conformity of the relations of production to the nature of the productive forces is not the outcome of one single act. Nor is it automatically maintained thereafter.

Rather, the forms of the socialist relations of production can age, lose their stimulating effect and become a barrier to social progress. If the obsolete part of the relations of production is retained, the social and economic situation may deteriorate—hence the necessity of making periodic and profound transformations.

This change shows that the Soviet Union has acquired a clearer and deeper understanding of the objective need for reform than before.

2) The developmental stage reached by Soviet society.

Soviet leaders who preceded Mikhail Gorbachev all held unrealistic views on this question. For instance, the third Programme of the CPSU, adopted under Khrushchev, set as a goal that the Soviet Union would achieve communism by 1980. But history has proved this unrealistic.

When Brezhnev came to power, he claimed that the Soviet Union "has built a developed socialism." Though he was more restrained in tone than Khrushchev, his eagerness to bring about the transition to communism made him overestimate the country's state of development and led to serious mistakes in economic policy. When Yuri Andropov took office, he described the Soviet Union as "perfecting a developed socialism," saying his nation was just at the beginning of a developed socialist society—a view much closer to reality.

The new edition of the Programme of the CPSU adopted last year, however, set "perfecting socialism in a planned and comprehensive way" as its general task for the period ahead. Furthermore, Gorbachev used a new concept, "developing socialism," when speaking at a national conference of heads of social science faculties at institutions of higher learning. Such phraseology indicates that his understanding of Soviet realities and his country's present stage of development has changed.

3) Socialist ownership. One problem in Soviet theoretical circles has been that the question of ownership has always been looked at in absolute and oversimplified terms, namely that private ownership hinders development of modern productive forces while public ownership opens up broad vistas for their development.

This changed last year, when the Party admitted that experience shows public ownership per se does not guarantee economic success. If the structure of public ownership is in conflict with changing economic realities, it will impede development of the productive forces and the use of technological achievements.

This change in premise led to the following propositions:

a) Socialist property has a rich content; it includes a multifaceted system of relations among people, collectives, industries and regions of the country in the use of the means of production and its results and a whole range of economic interests. However, its basic tenets are to establish an attitude among the labouring people that they are the real masters of the socialist property and to carry out the
principle that income must be linked to productivity.

b) Co-operative property has far from exhausted its possibilities in socialist production. Wherever the need exists, utmost support should be given to the establishment and growth of co-operative enterprises and organizations. They should become widespread in the manufacture and processing of products, in housing construction and in the running of garden and vegetable plots, and in the sphere of everyday services and trade.

c) Individual economy is a valid component of socialist economy, and individual labour, which serves not only personal but also state interests, is a complement to social production and can fulfill important social tasks.

4) Commodity-Money relations. The view, which had prevailed for a long time and changed only recently, was that commodity-money relations were remnants of capitalism and thus forces alien to socialism. During the reforms of the 1970s, a campaign was even launched against so called “market socialism.”

Now, however, the Soviets are stressing the role of commodity-money relations and trying to overcome prejudices against them.

The views now being put forth are: commodity-money relations are necessary attributes of the planned economy; the basic contradiction in commodity production still exists under socialism; the law of value is still expressed in the law of prices; commodity-money relations are not an external factor imported from capitalism, but a phenomenon governed by objective law; and it is only by relying on the quality and the unique property of commodity-money relations themselves that it will be possible to eliminate the defects obstructing the development of social economy, such as the lacking of objective basis in planning work, the widespread existence of the remnants of natural economy, and the prevalence of dependent psychology and equalitarianism.

5) The people’s autonomy. The current reform stresses the need to develop socialist democracy and increase workers’ autonomy in production. This is based on the belief that the direct participation of workers in administering and supervising both production and distribution is crucial to speeding up the development of the social economy.

Enterprises and agro-industrial complexes must expand democracy and increase the power of work collectives and workers’ congresses. Leaders of both enterprises and production units should be elected or hired rather than appointed. And in factories one-person guidance by a director should be combined with collective leadership.

New Practical Steps

In 1986, the Soviet Union adopted more than a dozen resolutions aimed at implementing the reform. In January of that year, a new “Committee to Improve Management, Planning and the Economic Structure,” headed by Nikolai Talzyn, first Vice-chairman of the Council of Ministers and chairman of the State Planning Commission, was created. Its job was to devise specific ways of carrying out the economic reform, whose basic aim is to improve economic efficiency by tightening overall control over the economy as a whole while strengthening the microeconomy—giving more autonomy to smaller segments and production units.

The first step is to change the existing system of centralized management. Specific measures adopted so far are as follows:

1) The State Planning Commission and many other government departments and state committees should stop taking part in routine, day-to-day economic work and stop interfering directly in the work of enterprises. Instead, the State Planning Commission should focus on setting basic economic targets and overseeing overall speed and ratios to ensure balanced economic growth and scientific and technological progress. In other words, it should become an advisory department for the state.

Similarly, government departments and committees should focus on long-term planning, developing and applying integrated science, technology, and investment policies, disseminating scientific and technological achievements, and ensuring a reasonable combination of large, medium-sized and small-specialized enterprises.

2) Administration should be simplified. The former All-Soviet Industrial Production Corporation, a middle-tier management body, should be dismantled and industrial departments should adopt a two-tiered (state-enterprise) system of administration.

3) Different production units and industries should co-operate and co-ordinate their work. For this purpose, the state has created several new departments and restructured, consolidated or dismantled some old ones.

4) Local governments should be given more power and responsibility to decide the overall economic management of the districts they administer.

The second step is to give enterprises more autonomy and responsibility.

Last year, the Soviet Union carried out two experiments in industrial management. First, the “large-scale economic experiment,” which started in 1984 with enterprises under five industrial departments, was expanded to one-third of the Soviet enterprises, which together account for 50 percent of the nation’s total industrial output value. The changes, which the state says will
be put into practice throughout industry, aim to reduce the role of mandatory planning, to increase the role of economic contracts both in planning and evaluating enterprises’ economic performances, and, by examining the production quota, to link up the funding in enterprises with their economic targets, and their income with management achievements. In other words, the reforms will give enterprises more autonomy to upgrade technology and to improve their cultural facilities and housing conditions.

Second, the Volga Motor Vehicle Plant and the Frunze Machine-Building Scientific Production Corporation both tried new ways of increasing revenues. This they did by reducing state production quotas and attaching greater importance to targets for profit. Given stable economic quotas, the factories and the state will share the profits and a worker’s bonus fund will be established. Under this system, enterprises have a right to decide how to spend their after-tax profits themselves. On the other hand, they are also responsible for raising money needed for expanding reproduction and technological upgrading; the state will no longer be responsible for appropriating its funds. If an enterprise does not have enough funds to carry out its plans, it may borrow from the banks.

In the case of the Frunze Corporation, the state budget office and industrial ministries receive 30 percent of the profit and the corporation keeps the other 70 percent. The Volga Plant gave the state 47.5 percent of the profits and the state’s industrial ministries 5 percent while retaining the other 47.5 percent.

These changes aim at introducing a genuine and complete economic accounting system to enterprises so that they can become relatively independent: able to change and develop themselves and also responsible for their own decisions and achievements. The approach being used in these two enterprises is to be applied to 36 other large enterprises now under state control. In the future, enterprises will be charged with developing their own complete economic accounting systems and raising their own funds by balancing income and expenditures.

The third step is to reform the agricultural system by adopting more flexible policies. Like enterprises, farms should be granted more autonomy so they will have a larger stake in production outcomes. Farmers are now allowed to sell agricultural products that exceed state plans, as well as 30 percent of planned products like potatoes, vegetables, and fruits, at market prices. The state will double the price it pays for grain above and beyond farmers’ quotas and if the farmers’ annual deliveries have surpassed the average level set by the 11th Five-Year Plan. The state will also increase its payments for grain and various cash crops, domestic animals, poultry, and milk by 50 percent if farmers have not met their quotas but their annual deliveries have surpassed the averages specified in the 11th Five-Year Plan. This policy of price increases will last until 1990.

Besides these economic incentives, both collectives and households are now taking part in contract systems designed to improve efficiency and productivity. In 1986 alone, the contract system was introduced on three-fourths of the cultivated land and 60 percent of products and animal husbandry run by collectives. More than 1.1 million people are involved. Household contract systems are also on the rise throughout the Soviet Union, though the press there has reported that many exist in name only. In addition, the 12th Five-Year-Plan calls for 1 million collective-owned orchards and vegetable farms and contracting them out to people who want to grow fruits and vegetables. State-run farms and other departments are to provide seeds, saplings, fertilizers, and building materials to these orchards and vegetable farms.

In 1986, the Soviet Union also adopted other reform measures whose implementation will begin in 1987. These measures include:

1) Reforming foreign trade management by giving more autonomy to both foreign trade departments and enterprises.

Starting January 1, about 20 ministries and state committees and 70 large corporations and enterprises have been allowed to handle their own import and export business. Departments and state committees can establish foreign trade companies and corporations, and enterprises can establish funds for foreign exchange reserves, which the higher authorities have no right to spend. However, if enterprises suffer losses due to improper management, they must repay them themselves. Furthermore, 300 large and medium-sized enterprises can now establish direct trade relations with companies or enterprises from the member countries of the Council for Mutual Economic Assistance (CMEA) and they should handle by themselves any problems arising from this co-operation.

2) Reforming the administration, structure and policy of the wage system. This will affect 75 million people in various production units. Eventually, the state will stipulate only basic wage categories, while enterprises will draw on their own earnings to adjust their workers’ wages.

3) Establishing joint ventures and other co-operative links with both Eastern and Western countries. This has resulted in some formal contracts and pending agreements with the United States, Italy, Finland, France, West Germany, and Japan.

4) Adopting the "Individual
Labour Law," which allows individual workers to work on their own in 29 occupations under the condition that they do not employ anyone else to work for them.

Early in 1987, the state also passed a resolution to establish co-operatives that produce daily consumer goods and operate in the service and food trades. The state has also issued detailed provisional regulations on the rights, responsibilities and obligations of state-run enterprises and the relations among enterprises, government authorities, and local people's representatives.

Problems and Prospects

The above description suggests that the Soviet Union's economic reform plans are just starting and will be subject to many difficulties and obstructions. Gorbachev recently admitted that the reform will be more difficult than originally planned and always entails risk.

First, the essence of the reform lies in changing the method of management, from an administrative model to one based on economic results. For the reform to succeed, the key elements of the economic mechanism, especially the role of prices, must be changed.

But Soviet reform has made no real progress in this respect. Proposals on price systems and financial credit have yet to be issued, and the government itself has admitted that to a great extent the reform involves only the enterprises and joint companies, and that economic accounting has only been partially carried out.

Second, giving enterprises more autonomy means limiting the control of higher authorities over their growth and functioning and actually handing management over to the enterprises. This is most difficult, because ministries and committees do not want to relinquish their power. As economist A. G. Aganbegyan, an academician of the Soviet Academy of Sciences, pointed out, the Soviet Union currently has about 200,000 laws and regulations on the books. Although some of them are obsolete, people are still confused about their validity. Heads of enterprises do not know which are valid and which are not, and are therefore at a loss as to what to do. Under such circumstances, they are unwilling to take advantage of their rights, and have not been doing so.

Third, political reform is an essential prerequisite to successful economic reform and is needed to guarantee its success. However, political reform deals with issues, such as social democracy and the personnel system, which are more sensitive than those affected by economic reform. All these issues affect the interests of many people, so the difficulties are greater. Gorbachev has repeatedly urged leaders of all ranks to support, defend, develop and push the reform. This also proves the above point of view.

Fourth, ideological remoulding is the most difficult task. Longstanding inertia and antiquated ways of thinking are the major obstacles to reform because they often keep people in their old tracks both consciously and unconsciously.

In summary, a new round of reforms has started in the Soviet Union. Gorbachev is quite determined that Soviet society must go through a comprehensive reform. He says there is no other way out, nor is there any place to retreat. However, he has also said that the process will be slow and that the coming two or three years will be the most difficult.

China's Attitude Towards Narcotics Control

The abuse and illegal traffic of narcotics is still one of the most serious social problems in the world," said Li Chaojin, director of the Pharmaceutical Administrative Bureau of the Ministry of Public Health. He spoke after attending the meeting of the United Nations' Commission on Narcotics in Vienna last month. Last year, he said, the United Nations narcotics control organizations and the authorities of many countries made positive efforts in this respect.

According to the United Nations International Narcotics Control Board's 1986 report, the abuse of both natural and synthetic narcotics in the last 20 years has spread progressively in almost all countries and threatened all social strata, including children. Abused narcotics include marijuana, cocaine, and heroin. Because narcotics are often taken at the same time as alcohol and tobacco, or other drugs, drug takers' health is being seriously damaged. Those taking narcotics intravenously are faced with a new danger of getting AIDS from a dirty needle.

The report points out that where narcotics are illegally grown, produced or trafficked, there the danger of abuse is most serious. It is a matter of prime importance to launch a preventive drive among people who are at most risk.

The recent meeting of the UN Commission on Narcotic Drugs maintained that in most parts of the world, heroin, marijuana and
cocaine remain the major illegal narcotics. The interception of these three narcotics increased rapidly in 1986. Meanwhile, the quantity of drugs illegally trafficked also increased, the misuse of stimulants is increasing sharply in some countries and has aroused mounting concern.

The participating countries unanimously demanded closer international co-operation, so as to effectively control and combat the smuggling and misuse of narcotics.

**China's Stand**

Director Li Chaojin said that it is the Chinese government's policy to prohibit the planting of opium poppy and combat the illegal making, trading and transporting of poisonous substances.

In a relatively brief period after the founding of the People's Republic, China eliminated opium smoking, an addiction left over from the old society, and tightened control over medical-use narcotics.

Since the beginning of the 1980s, China has effectively cooperated with international narcotics control organizations. After their visit to China in 1983, international narcotic drugs control board officials declared that China's goal of narcotic drugs control is identical with the goal of the international narcotics control convention.* Only a limited amount of narcotics is allowed for medical use in China, and the import and export of narcotics must be approved in advance by the Ministry of Public Health, they concluded.

China's policy is to ban cultivation of the opium poppy and to combat the illegal manufacture, trade and transport of drugs, except for small amounts for medical use.

Director Li said that the Chinese government has consistently upheld the basic principle that the two international conventions must be acted upon by all countries and it must be guaranteed that narcotics are provided only for medical and research use to prevent abuse of these drugs.

In 1985 China joined the United Nations' "1961 Narcotics Single Convention" and the "1971 Drugs Convention." In 1986 China reviewed its narcotics control work and drew up new regulations for tightening controls. For example, its regulations on the supply of narcotics for serious cancer patients meet the patients' needs and effectively prevented abuse.

China has worked out its plan for the production, supply and use of narcotics strictly in accordance with medical needs. In 1986, the production of major narcotics in China was as follows: opium for medical use, 13 tons; dolantin, 1,381 kilogrammes; codeine, 795 kilogrammes; and morphine, 8 kilograms.

Besides allowing medical use of dolantin with little addictive effect, China actively develops new varieties of dolantin which are highly efficacious but still less addictive. In 1986 the Chinese Ministry of Public Health approved the development of a new medicine with codeine content for killing pain, easing coughs and use in clinical examinations. The new medicine has played a positive role in medical treatment.

China will include in its own relevant regulations the UN list of drugs to be kept under international control. As regards methaqualone which has a stronger drug effect and addiction, in 1983 China formulated rules for controlling its use in the medical field and stopping its export. In 1986 China stopped its production altogether.

With the co-operative support of the UN Fund for Drug Abuse Control (UNFDAC) and the World Health Organization, a drug dependence research centre was established in the Beijing Medical University. In 1986, sponsored jointly by China and the World Health Organization, a training class was held on the rational use of depressants and sedatives in clinical practice. Officials concerned also talked with their American counterparts on international narcotics control and strengthening bilateral co-operation in this field. Chinese and French anti-contraband departments jointly sponsored a training class and co-operation between Guangzhou Customs and its Hong Kong counterpart has been strengthened.

The official stressed that the 40th General Assembly adopted a resolution on drawing up a new convention for prohibiting of narcotic drugs and for convening an international ministerial conference on the same issue. The Chinese government has studied the new draft convention and the main documents of international conference, and put forward its opinions on revisions. The Chinese government will, as always, co-operate with international organizations to combat drug trafficking.
Divorce: Traditional Ideas Receding

by Our Correspondent Wu Naltao

In the absence of exact figures on divorce, Ma Yuan, deputy-president of the Supreme People's Court, estimated that the annual number of divorce cases handled by various courts recently was about 400,000, similar to the average for the 50s, 60s and 70s. Although divorce accounted for about one-third of all civil, criminal and economic legal cases, their number has been stable throughout.

The divorce rate in China is lower than in some Western countries, still some new trends have aroused much interest. An analysis of divorce cases reveals that changes have taken place in women's thinking as a result of their rising status in the political and economic spheres and the upgrading of their education. Traditional acceptance of a life-long marriage to one man whether she loves him or not has begun to fade out. More and more women have the ability and courage to appeal to the law and make a second choice in marriage if the first one was unhappy.

Away From Feudal Ideas

Professor Wu Changzhen, president of the China Marriage and Family Research Institute, blamed most divorce cases on the effects of feudal thinking and old-fashioned customs.

A survey of 100 divorce cases out of a total 589 handled by the Hexi District People's Court in Tianjin City in 1984 showed that 41 involved brutal wife battering by husbands who took this violation of the laws as their right. There were 28 cases where husbands unreasonably but persistently suspected their wife's fidelity, reflecting the discredited sense that a woman is the man's possession. Fifteen other cases involved maltreatment of wives who "were discovered" not to be virgins upon marriage.

It is worth noting that the survey was not conducted in the remote and backward countryside, but in the modern metropolis of Tianjin, which is counted as having a highly developed culture and economy.

In the rural areas, where the economic and cultural levels are comparatively low, the remaining effects of mercenary marriage like selling a daughter and arranged marriage still remain. Among divorces known personally to the reporter, a considerable proportion involved the maltreatment of wives after giving birth to a daughter, and groundless accusations of infidelity against the wife. They involved workers, farmers, cadres and intellectuals. One couple, both teachers in a college, married by mutual agreement. But the wife, Wang, found that her husband wanted her to devote most of her time and energy to household chores, and supporting his career. He would frequently find fault with her and even beat her when she did not measure up.

Some people wonder whether the increased number of hasty marriages and divorces among the young has been brought about by Western ideas of sexual liberation. As an ideology, sexual liberation in the West is based on abandoning the sense that a couple owns each other and on hedonism. However, none of that is found in most divorces in this country. It is in feudal ideology that the causes for most of the divorces are to be found, and the historical task of eliminating feudal ideas has not yet been completed.

Most Plaintiffs Are Women

The essence of the feudal concept towards marriage is that man is superior to woman and the latter is his property. In a divorce the wife suffers more from gossip, carries more of the burden of child rearing and has more trouble remarrying. Still, about 70 percent of those bringing divorce suits are women.

Since the promulgation of the first marriage law in 1950, women have been the ones usually to bring the divorce case. However, their reasons have changed. Women in the 1950s and 60s appealed to the court for a divorce mainly to undo arranged and mercenary marriages imposed on them. In recent years, women have sought a more genuine equality and a more love-based marriage.

Li, a woman worker of 36, left her engineer husband and her family though there was nothing outwardly wrong, because she could no longer bear the coldness of her marital life. She said: "I was determined to divorce or die." In recent years, the alienation of mutual affection and a lack of sharing in married life has become one of the major reasons for divorce.

Most Are Young People

An overwhelming majority of those applying for divorce are
under 35. Of the 349 divorce cases handled by the people's courts of six districts and counties in Beijing in 1985, 75.9 percent of the parties were under 35 and those who registered their divorce with the civil affairs departments were also young for the most part.

Yang Youying, working with the civil section of the Xinjiekou Subdistrict Office, said: "Only where both partners want a divorce do they come to our office. Many young people think it is worth saving the 50 yuan on a court case and it is easier to come here and exchange two marriage certificates for two divorce certificates before they say goodbye to each other."

Of the 100 cases handled by the Western District Court in Beijing, 60 percent of the people involved were under 35; of them, 73 couples were married with the help of a go-between; 50 couples had known each other for less than one year before they married. 55 couples had had a cold quarrelsome relationship since they married and 43 of those found their quarrels were over trifles and money. Many young people fall in love at first sight and hastily marry before they get to know each other very well.

There are two different views about the current state of the Chinese family in academic circle. One view says most family relationships are good. The other view is that marriage is often maintained by factors other than love, for example the interests of the children. Both sides bring surveys to back up their points of view. In one survey of 100 couples in Hangzhou City about 20 maintain marriage only in name. They do not divorce because they are under the invisible yoke of the traditional "virtue" expressed as "remaining a devoted couple to the end of their lives," and "lifelong marriage with or without love." Generally these couples are above middle age.

Marriages sustained by these traditional morals are disasters for both the partners. The more aware young people have a better understanding of the greater possibilities of a marriage than older people. They do not want to stay in a miserable marriage where there is no love. Even society's opinion and the sake of their children cannot stop them from divorcing. They treasure the love more than has been seen in China before, posing a challenge to the age-old traditional loveless marriage.

**The Change Is Not Easy**

The first marriage law published in 1950 stipulated: "Divorce shall be granted when husband and wife both desire it." By 1953 1.2 million couples had been released from arranged or other feudal marriages carried out against their will. However, since 1958, the courts have tended to take a more strict attitude towards divorce insisting on "proper reasons" such as serious conflicts between the two parties like frequent quarrels, or if one partner commits political or other serious mistakes. This meant that many cases were rejected and some divorces were delayed for more than 20 years.

Since the beginning of the 1980s, people have sought affection and harmony in marriage more and more, they are wanting a common language and genuine communication. The marriage law was revised in 1980 confirming that love must be at the heart of a marriage. It stipulates that divorce shall be granted when a partner applies for it in cases of complete alienation of mutual affection and after mediation has failed.

But it is difficult to carry out the law. The Chinese traditions, opposing any divorce, protect a marriage without regard to the individuals involved. After thousands of years this tradition dies hard and getting a divorce can be very difficult. If it is a thorny case, it needs two or three examinations by the court. People have even had to file a divorce suit six times. Many such people groan: "You cannot win a suit until you've shed a skin."

A lawyer named Li has represented many troubled cases in the court, but he himself is trapped in a "lifeless marriage." He said: "Although there is the new marriage law, China has not gone as far as drawing a clear line between law and virtue. If I sue for a divorce, it might be understood that I was the kind who tired of one woman today, and of the next woman tomorrow. Li is forced to maintain his miserable marriage for the sake of his career.

Many who want to divorce are put into a dilemma, prey to the feudal ideas in society's opinion and people's gossip. In spite of the fact that mutual love is the only acceptable foundation for a marriage and is confirmed in law, it will be resisted by deep-rooted traditional ideas.

**Debate on Marriage Mores**

Unlike any other law, the 1980 marriage law aroused feelings around the country as soon as it was published. In the spring of 1981, a simple divorce case caused a great stir. The wife sued for divorce from her decent and kind husband because she felt there was no love between them. The magazine *Democracy and Legal System* that reported the story received, within three months, more than 1,000 letters from its readers, ranging from supreme court judges to ordinary workers.

Since then, public debate in the press has continued. One such debate "Merit or Feudal Ignorance?" was conducted by *China's Women News* in October 1986. It was based on the highly-praised meritorious deeds of six women after their marriage. One of them had been faithfully devoted to her impotent husband for the eight years since the wedding; some gave up their work
to look after their bed-ridden parents-in-law or husband; one took care of her in-laws for 23 years after her husband died; and one was persuaded to wait for 15 years for her husband to be released from jail.

Many letters said that to publicize their deeds was to spread feudal thinking on marriage, advocating building a family at the expense of the woman, which is wrong. Others held that all these deeds were the embodiment of the virtues of the oriental women and should be developed. Still others thought that society should not interfere with people's private life through the influence of public opinion. A woman's choice should be respected and her deeds should not be categorized as "cultured" or "feudal ignorance." The wide-ranging debate continues.

FACTS & FIGURES

Income of Farmers on the Rise

The income of China's farmers continued to grow in 1986. According to a recent sample survey, per-capita farm income reached 424 yuan, 6.7 percent above the 1985 figure; allowing for inflation, real per-capita income in rural areas rose by 3.2 percent over 1985. Of this, income from production averaged 374 yuan, up 6.7 percent; and income from non-productive activities 50 yuan, up 6.3 percent over 1985.

The proportion of poor households defined as those with incomes of less than RMB 200 yuan a year, fell from 12.2 percent in 1985 to 11.3 percent in 1986. Households with an average annual per-capita income exceeding 500 yuan increased from 22.3 percent to 25.2 percent during the same period. Of these, households with an average annual per-capita income of 1,000 yuan or more accounted for 3.4 percent.

The rate of income growth in 1986 was steady, but lower than the 11.9 to 20.9 percent rates over the previous six years (see Table 1).

It has been predicted that during the period of the Seventh Five-Year Plan (1986-90), average farm income per capita will increase about 9 percent a year, 5 to 8 percentage points less than the Sixth Five-Year Plan period (1981-85). The main reason was that during the Sixth Five-Year Plan, the government had raised the prices for agricultural products and introduced the responsibility system, which encouraged individual and household initiative and expedited the growth of the rural economy during this period. Now the rate of growth has slowed as farmers find it necessary to readjust their economic activities and make material preparation for another phase of rapid development in the future.

In 1986, the structure of farm income changed as follows:

1. Per-capita cash income increased. In 1986, average annual money income reached 276 yuan, compared to 251 yuan in 1985, an increase of 9.9 percent. Money income as a share of total net income increased from 63.1 percent in 1985 to 65 percent in 1986.

2. Net farm income increased as a result of the rise in prices for agricultural and sideline products. In 1986, average annual per-capita income from selling agricultural and sideline products increased more than 10 yuan over last year.

3. Income from secondary and tertiary industries increased. Between January and September 1986, average cash income from secondary and tertiary industries

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MARCH 16, 1987
reached 51.6 yuan per person, up 7.7 yuan or 17.6 percent over the same period in 1985. Now secondary and tertiary industries have become an important source of farm income.

4. Bank deposits increased. Between January and September 1986, average bank deposits per capita reached 36.6 yuan, up 9.6 yuan or 35.5 percent from the same period in 1985.

As income has increased, living standards have risen and cultural activities have also increased. From January to September 1986, overall per-capita expenditures for consumption was 164.14 yuan, up 23.05 yuan or 16.3 percent compared to the same period of 1985. When adjusted for inflation, the real increase was 9.4 percent. The 1986 figures also show changes in patterns of consumption spending (see Table II).

1. Spending on food and clothing dropped. In the first nine months of 1986 expenditures for food and clothing as a share of total consumption spending fell from 55.3 percent to 53.7 percent compared to the same period of 1985, while spending on housing, fuel and consumer goods increased from 39.4 percent to 40.6 percent.

2. Consumption levels rose. In 1986, farmers bought fewer grains than in 1985 but purchases of flour, rice, non-staple foods and other foods as part of total consumption goods purchased increased. In the first nine months of 1986, pork purchases averaged 28.7 kg. per capita, up 4.55 kg. or 19.3 percent over the same period in 1985.

The amount of better quality clothing materials purchased increased. During the first nine months of 1986, purchases of cotton cloth averaged 2.23 metres per capita, 4.7 percent less than the previous year while purchases of chemical fabrics averaged 2.82 metres per person, 10.2 percent more than in 1985, and knitting wool reached 0.04 kg. per capita, an increase of 13 percent.

Purchases of higher grade durable consumer goods, especially household electrical appliances, also increased (see Table III).

Rural housing conditions also improved in 1986. Now the farmers' housing areas have been enlarged, reaching 15 m² per person, 1 m² more than in 1985.

Construction of brick houses and reinforced concrete houses, in particular, increased very rapidly.

3. The share of commodity purchases as part of overall consumption rose and the share of self-sufficient production fell. Commodity expenditures rose to 63.7 percent in 1986, compared to 60.2 percent in 1985, while consumption of self-sufficient products fell from 39.8 percent to 36.3 percent. About 98 percent of commodity expenditures went for clothing, housing and daily-use goods of the total consumption funds. It reflects that in the rural areas the traditional self-supporting and semi-self-supporting economy is changing into a commodity economy.

4. Consumption funds for cultural activities increased. Between January and September 1986, average spending on cultural activities increased from 9.88 yuan to 11.17 yuan, an increase of 13.1 percent over the corresponding period of 1985.
Whither Should Chinese Culture Go?

"WENSHI ZHISHI"
(Literary and Historical Studies)

Chinese culture can develop in three directions. The first is to become conservative and rigid — no future at all. The second is to discard all traditions and Westernize completely. The third is to assimilate Western advanced cultural achievements while developing its own outstanding traditions at the same time, and to create a socialist culture with uniquely Chinese characteristics. This is the only correct and promising path.

The cultures of developed and developing countries differ greatly. The dominance of science and technology in developed countries makes it difficult for developing countries to resist their influence. But the independence of a nation’s culture will be lost if it follows and imitates others blindly and loses sight of its own customs. Such a nation can then lose its independence as well. This is a serious problem.

Except for food, many aspects of Chinese life today, such as dressing, housing and communication, are influenced by the West to varying degrees. Chinese painting and music are coexisting with Western ones. Sciences like acoustics, optics and electronics have taken root in China, and Western and traditional Chinese medical techniques are both being used in tandem to improve health care.

Grand Celebrations Should Be Stopped

"RENMIN RIBAO"
(People’s Daily)

In recent years, extravagant celebrations and commemorative activities have come into vogue in China, causing enormous waste in manpower and money. These have become a subject of much discussion, and many people wrote to the press to criticize this phenomenon.

On October 5, 1986 this paper reported that the Wuhan Boiler Factory was decorated with colourful flags and flowers to celebrate the 30th anniversary of the factory. Among the 236 guests invited to attend the celebrations were Hubei provincial and Wuhan municipal leaders, all the former directors, deputy directors, Party secretaries and deputy Party secretaries of the factory, prominent boiler factory leaders from around the country and leaders of related universities and companies.

During the three-day celebrations, the factory held a mass meeting and three forums. The factory leaders and medium-rank cadres idled away most of their time in receptions and pleasure-seeking. According to incomplete statistics, the factory wasted over 250,000 yuan on this.

Two readers — Zheng Fen and Chu E — wrote to the paper to tell what they saw in the Yicheng County Chemical Fertilizer Plant in Shanxi Province. The factory held a ceremony for the completion of its 15-cubic-metre furnace on December 5, 1986. More than 400 guests were present at the ceremony. The whole factory, over 200 officials and workers, stopped production to give a banquet in honour of the distinguished visitors, spending more than 5,000 yuan, not including the gifts handed out to the guests and other costs.

Reader Fang Xing said in his letter that since 1985 more and more factories and schools in Xiangtan City, Hunan Province, were holding various kinds of celebrations. The costs vary from several thousand yuan to several hundred thousand yuan. For example, the Xiangtan Centrifugal Machine Factory spent about 40,000 yuan on celebrating its 20th anniversary on September 29 last year. The Xiangtan Diesel Engine Plant invited more than 180 guests to mark its 30th anniversary. After the dinner party, each guest received a present. The Xiangtan Electrical Machinery Plant also distributed invitations for two banquets celebrating the 50th anniversary of its founding, thereby spending a lot of money.

MARCH 16, 1987
Scientific Research Needs 6 Changes

"JINGJI RIBAO"
(Economic Daily)

The establishment of collectively and individually owned research organizations is an indicator of reform in China's scientific and technological management system. It represents a break from the old rigid conceptions and will serve as a fillip to both research and production, Zeng Xianlin, vice-minister of the State Scientific and Technological Commission, told representatives of such organizations when they met together for the first time in a Beijing forum on February 10.

Zeng praised the participants as bold reformers in the scientific field and stressed six outdated conceptions which must be broken if scientific and technological reforms are to be speeded up.

First, replace protectionism with competition on equal footing. Let state departments free scientific research institutions and relinquish administrative control over them. Badly-run institutions could be leased or contracted out to competent administrators and scientists.

Second, replace the old system of ranking institutions into different grades with the concept of a commodity economy. Research institutions should become economically independent, self-managing, and solely responsible for their own profits or losses.

Third, replace state subsidies with the principle of making money by marketing technological products.

Fourth, replace the concept of equal pay for everyone with the concept of "more work, more pay." Scientists, technicians and workers who help their institutions make money should be allowed to get more rewards.

Fifth, replace state planning and assignment of projects with making research plans according to market needs.

Sixth, replace traditional negative attitudes towards business with enthusiasm to serve economic development, and combine research with production.

Prospects of Beijing

"XUEXI YU YANJIU"
(Study and Research)

People make a city. They are a fundamental factor deciding the city's economic and social development. By the year 2000, how many people will Beijing have?

The draft plan for Beijing's overall urban construction, approved by the Party Central Committee in July 1983, says: By the year 2000, the population of the municipality should be no larger than 10 million and that of the urban areas should be kept within 4.5 million.

But by the end of 1985 the population Beijing was already supporting was about 11 million, 9.58 million permanent residents and the rest migrant or temporary residents. Estimates are that Beijing's permanent residents will exceed 10 million in 1988, and reach 11.5 million by the end of the century. Including the migrants, the capital will have to support over 13.5 million people by year 2000.

According to 1985 statistics, the number of permanent residents in the urban areas was 5.15 million, 14 percent more than the planned figure for the year 2000. Along with the migrant population and temporary residents in the urban areas, the total population was about 6.3 million. Some experts expect that by year 2000 the number of permanent residents in the urban areas will be 6.5 million, that of migrant population and temporary residents about 2 million, the total number being about 8.5 million.

Population Growth

According to international standards, if over 10 percent of a population in a certain place is over 60, then that place has an "old society." At present, Beijing has 900,000 people aged over 60, accounting for 9.4 percent of the population. In 1990, the number of old people will be 1.1 million. By year 2000, the number of the old may be 1.6 million, reaching 15 percent of the total population, making Beijing a truly old-age city.

Moreover the proportion of young people will be less due to family planning and the increased proportion of old people. In the next 15 years, the number of young labourers (aged between 16 and 25) in Beijing will come down by 600,000, or an average annual decrease of 40,000 to 50,000.
Sino-Foreign Oil Drilling Advances

Despite an oil price slump on the international market, China made headway in developing its offshore oil industry.

Prospecting. In 1986 Chinese scientists prospected 53,000 kilometres of seismic belt and drilled 31 exploratory wells. Seventeen exploratory wells have reported oil and gas flow and 10 of the 23 areas prospected have been verified as oil- and gas-bearing structures. A total of US$310 million and 230 million yuan RMB went into offshore oil prospecting.

Oil production. In 1986 China's offshore oilfields produced a total of 375,000 tons of oil; 168,000 tons from the Chengbei Oilfield, 160,000 tons from the Weizhou Oilfield, and 47,000 tons from the No. 8 Oil Rig at Bohai Bay.

Oil flow at zone B of the Chengbei Oilfield. A Sino-Japanese co-operative project, has remained stable since it went into operation a year ago. The zone A project will be completed and go into operation in the second quarter of this year. In 1987 the Chengbei Oilfield is expected to produce 300,000 tons of oil.

The Wei 10-3 Oilfield at Beibu Gulf, South China Sea, experienced several typhoons since it went into operation last August, but has remained intact. It is expected to produce 300,000 tons of oil this year.

Marketing. China has secured agreements with its partners on the joint marketing of Chinese crude oil in the international market. In 1986 the Chengbei Oilfield sold 61,800 tons of oil to Japan and the quality was proved satisfactory.

Weizhou crude oil is known for its high quality. Many Japanese, US and Singapore companies have sent orders; some even proposed contracts for regular supply of the oil. In 1986 Weizhou sold 160,000 tons of crude oil to two French companies and the South China Sea Western Oil Co.

Foreign contracts. The China National Offshore Oil Corp. has 25 contract companies and 13 others run in co-operation with foreign businesses. They undertake not only Chinese projects but also projects abroad. The oil drilling vessels of the South China Sea Western Oil Co. have been leased out to a French company for use in Malaysia. The Bohai Oil Co. Oil Rigs Manufacturing Factory has won a contract from the State Oil Construction Corp. of Abu Dhabi to weld pipeline frameworks.

The China National Offshore Oil Corp. has contracted to reinforce oil wells and build ports for different localities.

Oil contracts. In 1986 China signed five oil contracts and one physical prospecting agreement with foreign businesses.

Thus far, China has signed 33 contracts with 58 firms in 12 countries for offshore oil drilling covering 150,000 square kilometres. It has conducted seismic belt surveys in area stretching out to 320,000 kilometres, drilled 141 oil wells (oil and gas were discovered from 54 of them), and explored oil structures at 105 places (oil and gas contents were discovered from 31 places). Today one oilfield has been put into operation, one oilfield is in trial operation and another one is under construction. Investment involved in offshore oil prospecting and development in the last six years totalled US$2.42 billion and 400 million yuan RMB.

by Zhao Zi

Bids Sought for Shanghai Tunnels

International tenders are being invited for three tunnel-digging contracts for the first-phase of the water treatment project in Shanghai, funded by a loan from the World Bank. One may apply for one or all of the contracts, but only applications which conform to the requirement of the World Bank's purchase guide will be considered. Applications may be filed until 10 am of May 9 this year.

These bids are being invited by the Shanghai Foreign Economic and Technical Co-operation Corp. According to the corporation's deputy general
manager, Jin Bogeng, more than 70 companies from the United States, Britain, France, Federal Germany, Italy, Japan, Hungary and Hong Kong have contacted the Shanghai corporation for qualification.

The water treatment project is a large project in the city's five-year plan (1986-90). The treated water of the Suzhou and Huangpu Rivers will be diverted into the sea through underground tunnels. It is expected that the water quality of the Suzhou River will be greatly improved and the pollution rate of the Huangpu River reduced by 46 percent.

US Company Asian HQ in Beijing

A major US-based multinational supplier of capital equipment for electric generation, Ecolaire, announced on March 6 that it has established its Asian headquarters in Beijing. This is the first time in a long time that an American company has chosen China as the centre of its Asian operation.

The Ecolaire Inc. Beijing Office will be responsible for coordinating all Ecolaire's business activities in China's mainland, Taiwan, Hong Kong, Japan, South Korea, Thailand, Singapore, Malaysia, Indonesia, the Philippines and India.

According to Roy Wennerholm Jr., the chairman of Ecolaire, the company once planned to establish its Asian headquarters in Singapore. But when it discovered the progress China was making in power development Ecolaire decided to choose Beijing.

"Beijing is becoming very advanced. It is now possible to easily contact almost any other part of Asia from Beijing by telex, telephone and facsimiles," said Wennerholm. He added that flights out of Beijing are now very convenient and it is as easy to get from Beijing to other places in Asia as it is from either Hong Kong or Tokyo. Also because the Japanese yen and the US dollar have revalued, Beijing has become more attractive.

Ecolaire has been active in Asia for 15 years. It established business relations with China in 1982, and has provided two 300,000 kw generating sets for the Shiheng Power Plant in Shandong Province, and a 600,000 kw generating set for the Pingwei Power Station in Anhui Province.

As part of the company's commitment to the China market, Ecolaire participated in the power exhibition held in Beijing March 10-16 this year.

Membrane: Much Sought After

The electronic antiphlogistic and analgesic membrane is a high quality product of the Beijing Engineering Institute. Use in several Beijing hospitals shows that the membrane's success rate in treating acute tissue injuries is 92 percent and for chronic tissue damage is 87 percent. It is also effective for healing bone fractures, angina, period pains, and mastitis. Clinical use in Italy proved 90 percent successful. It is also being used at the Swedish Geneve State Hospital.

The membrane won a gold prize at the 35th Eureka Scientific Innovation Fair last November and has recently received its patent number from the China Patent Office.

It is being ordered by companies in Hong Kong and a dozen other countries including the Federal Republic of Germany, Belgium, Japan, Sweden and the United States. The Diemers Corp. from the Federal Republic of Germany has contracted for 10,000 membranes. Before this the George Grimble & Co. Ltd. and the Tin Yau Herbalist-Medical Massage Consultant Centre from Hong Kong bought 5,000 each.

by Li Xueruo and Gong Yu

Beijing to Host Fashion Fair

China's first fashion fair is scheduled to open on May 1 this year in Beijing.

Several hundred Chinese clothes design companies, printing and dyeing factories, and producers of clothing, knitwear and garment fabrics will attend the fair and present over 10,000 of their new designs. To help purchasers make their choices, fashion shows will also be given during the fair.

The fair will be sponsored by the Beijing Fashion Club and 100 other units. Some business people from Japan, Sweden, Italy, Hungary, Britain, Hong Kong and Macao have already applied to participate in the fair. The deadline for signing up is April 10.

Trade News in Brief

- The China Geological Technology Import and Export Corp. has signed more than 20 joint venture contracts with companies from over 10 countries and regions since its founding in December 1985. Involving investment of US$180 million, these projects concern the exploitation and processing of diatomaceous earth, graphite, kaolin, marble and diamond, as well as the manufacturing of geological prospecting equipment and tools. The Chinese side undertakes to contribute 50 percent of the total investment.

The corporation has also signed more than 130 import and export contracts worth US$30 million with foreign businesses. Imports handled by the corporation include large computers and rare metal smelting technology, and the goods exported by the corporation include granite, marble, diamond and rare metals.
Culture Show: Reviving Li Traditions

Tools for primitive farming, boat-shaped houses, cross-stitched cotton pieces and bamboo products—everything is on show here, representing the cultural tradition of the Li, one of China’s national minorities. The show is the first ever hosted by the Ethnological Museum of China, which is still partly under construction.

All 700 exhibits were collected by a group of researchers working on Hainan Island, the home of China’s more than 800,000 Li people. The Lis are well known for their long traditions and colourful customs, but these are fast disappearing as a modern life style takes over.

The researchers, mostly from Beijing and other cities, worked for three months, visiting Li villages to find artifacts that represent the Li’s traditional way of life and work. The local people were very co-operative. Many of them put on the fancy costumes they would wear on holidays. These clothes are made of coarse fabric and are decorated with various designs and ornaments.

Others showed them their tools for farming, hunting and fishing. Old women demonstrated husking of rice in a traditional way—standing around a barrel carved out of a huge log, five of them pounded rhythmically.

One farm implement on show is a plough made especially for working on mountain slopes. This is still used in some remote areas.

Also on show are tools for rice growing. In spring, weeds are cut down with a special axe. For planting, a man digs holes with a stick, while a woman follows him putting in the seeds. To frighten away birds after the rice begins to grow, a slingshot and a drumming board are used. The rice remains unattended until harvest time, when the woman uses a small knife attached to her hand to reap the crop. She carries it home on a shoulder-pole. For pestling, she either has a pound or simply uses her feet.

The model Li house is also very attractive. It is made of bamboo, board and straw in the shape of a boat. There are no windows, but a door at each end. The furnishings are mostly made of vines, coconut shells and bamboo. Outside the house, a chicken coop hangs from the wall, and a pigsty is nearby. The cattle shed is placed at the edge of the village. Even private storehouses are built outside the village. Young adults usually live separately from their parents in their own rooms both before and after marriage.
Perhaps the biggest attraction of the whole exhibition is the varied and colourful fabric used by the Li people for their clothes, sheets, curtains, etc. The fabric is made on a very primitive loom. It is recorded that as early as 2,000 years ago the Li people sent their home spun products as tribute to emperors of China, the Middle Kingdom. The Li sheets, skirts and other products were famous during the Song Dynasty (960—1279). Unfortunately very few of the Li’s traditional clothes, embroidery, plaited ware, cloth printing, dyeing, carving, pottery and porcelain have survived.

Most of the designs on the exhibits are of distorted human and animal figures. Simple and primitive, they have a special appeal to the modern taste. One photograph shows an old woman of over 70 who can fashion 80 or more needlework designs. The viewers are reminded of the 13th-century weaver, Huang Daopo, who introduced some of the Li’s weaving techniques to central China. Experts believe these figures reflect the Li people’s respect for their ancestors; they also indicate the central role of hunting in their early history. The researchers noted that not many people on the island wear the old costumes now. However, the Li people do insist that the clothes be put on them after their death to be certain of being accepted by those who dwell in heaven.

One section of the exhibition covers the Li’s practice of tattooing, which was popular among women. They tattooed their faces, necks, bosoms and arms in their early teens as decorations and as symbols of their family origins. Nowadays this habit has died out except in some remote areas, where the old still carry tattoos. The researchers videotaped the tattooing process. A needle is used to scratch a design on the skin, and charcoal soot is rubbed into it. When the blood dries, the tattoo is ready.

Courtship rituals among young Li people are also demonstrated. In the past marriages were arranged by their parents when their children were still very young. A video shows a young man standing outside a girl’s house, singing songs and playing a flute. He is waiting for his sweetheart’s invitation to go in. Extemporized singing is a favourite pastime of the Lis.

Having co-existed with the Han people for centuries, most Lis can speak Han dialect. The Hainan Li and Miao Autonomous Prefecture was founded on Hainan Island in 1952. The prefecture is an organ of self-government under provincial administration, and this has enabled the Li people to handle their own affairs within the Constitution.

“...made us realize the urgency of salvaging the country’s various national traditions and history,” says one researcher. “They have preserved their ancient arts and these are very valuable for research work. Once the few people who still have the skills pass away, the traditions will die out, too.”

Chinese Paddlers Triumph

Tears poured down the cheeks of top seed Jiang Jialiang after he defeated Swede Jan-Ove Waldner in singles final of the 39th World Table Tennis Tournament held in New Delhi from Feb. 18 to March 1. They were tears of joy, both for his personal victory, and for proving China’s supremacy despite the underestimation of the news media in China. It’s not easy for a team to maintain its superiority for many years. Each time the Chinese paddlers have had to show their perfect form to make a clean or a near-clean sweep of the gold medals at stake. This year in New Delhi they pocketed 6 of the 7 golds. The grand fall of China’s men’s and women’s teams at Asian games last year put the paddlers under intense scrutiny by the world’s largest nation of ping-pong fans and in the spotlight of China’s newspapers, magazines, radio and TV screens. Most of the media predicted an “unpredictable future” for the team before the tournament and thus cast a large dark cloud over fans as well as over paddlers themselves.

Jiang Jialiang vs. Jan-Ove Waldner was a real match. Before he met Jiang in the finals, Waldner bulldozed two of China’s ace players, second seed Chen Long-can and new star Teng Yi. In the singles semi-finals, Waldner beat Teng Yi a straight 3-0, leaving the Chinese player speechless on the bench for a long time after his fall. Being a Western hand-shake style holder, Waldner’s serves are even more Chinese. He practised the Chinese quick, close-to-table style for a long time during his training in China, and his powerful loop drive is awesome to every Chinese player. Chinese coach Xi Enting said Waldner was at the peak of his career. He is almost unshakable if he performed his top form. However, his momentum was stopped first by Jiang’s will power, and then, Jiang’s conscious skills.

In the first game, Jiang Jialiang started out with a 1-4 loss in the first five serves and lost 14-21 to Waldner. He couldn’t get behind his forehand smashes while Waldner’s loop drive and back-hand smashes looked effortless. However, Jiang said after winning the match, “I was sure of my control over the match the moment after losing the first game.” In the second game, Jiang began to show his tricks and then his power. When Waldner served Jiang returned with smashes time
and again and jumped into the air or clenched his left fist when he added one more point. In the third game, Jiang waved his fist in the air, stared at Waldner, mopped his sweat at improper times and stamped his feet—waging a psychological war with Waldner, who, at the other side of the table, looked like a mere shadow of himself. Waldner lost quickly by a margin of 11-21.

During the fourth game which would decide his destiny, Waldner seemed to discover his feel again and performed in top form. He led all the way until 20-16 when it seemed the applause would bring down the Indira Gandhi Stadium for the Swede. It was just about then, however, that Jiang, the defending champion, showed his stuff. He paused for a second, took the towel to dry his sweat and then felt the table with his right hand for two seconds as if he was determined to make a “big kill.”

He served and then, to everyone’s surprise, he waged an all-out attack instead of defending his ground, as most people thought he would. He smashed from both flanks when he had the slightest opportunity. His tactic paid off and resulted in a 20-20 draw with Waldner. Following that there were draws of 21-21 and 22-22 but Jiang never stopped his attack until he won the title by 24-22.

“It was Jiang Jialiang’s fighting spirit that we are really pleased with,” said Li Furong, China’s national coach for the last 11 years.

Of the seven golds at stake, only the women’s doubles title escaped China’s pocket. South Korea’s Yang Young Ja and Hyun Jung Hwa prevailed in the women’s doubles, against Dai Lili and Li Huifen. After the match, Yang said she had expected to win despite dropping the first game. “Li was China’s weak link, and once I took care of her, the match was ours,” she said. But the South Korean coach was less relaxed about the triumph. “To win our maiden doubles trophy at the expense of the Chinese,” he said, shaking his head, “unbelievable.”

Despite all the titles in his pocket, China’s coach is still pessimistic about the team’s future. Chinese coach Xi Enting said, “China is still the strongest team overall because of the wide variety of players they can field, but they cannot maintain superiority in every event as they did before.”

South Korean and European players figured in all four of the finals played on March 1. Xi said the New Delhi Championships marked a turning point in Europe’s efforts to catch up with China. “Because they (the Europeans) are more physically fit than we are, we had great difficulty with them in finals and the last few rounds.” It’s especially true in the men’s doubles where Chen Longcan looked very weak physically while playing doubles with Wei Qingguang to drag back the doubles title lost to European players for many years.

Women’s singles final didn’t lack interesting scenes for the participation of South Korea’s
Yang Young Ja. Yang lost all the matches, including every single game to Chinese players before the individual events started. Yet, she dropped all the Chinese rivals on the way to the finals in individual events. Her stolid psyche and powerful backhand lash were impressive. A ping-pong fan in Beijing who watched Yang in women’s singles semi-finals, doubles and singles finals said, “If it were not for Yang’s exhaustion in one day, China’s He Zhili might have had some difficulty.”

Secret War Behind the Screen
The men’s team title has been a victory for Chinese coach but bad luck for the Swede. After the South Korean team, who beat Chinese team in the Asiad last year, was dumped on the way first by Swedish team and then by China’s Taibei team, the Swedish team confronted the Chinese team in the finals to no one’s surprise. To confuse their rival, Chinese coach Xu Shaofa said in his diary, he put Chen Xinhua, China’s only defensive player and China’s oldest player in warm-up exercise because the Swedes are afraid of defensive players. Chen won almost all his matches against one loss to Ulf Carlson with Swedes before, so they had to field a special player to deal with Chen. However, when the 28-year-old Swede Ulf Carlson went into the court he found he not only missed Chen, but also had to meet with world No. 1 Jiang Jialiang as the first Chinese to play for the team event. Usually a top player is put in second to play in the team event so as to make up for the first possible loss. Since it was impossible for Carlson to beat Jiang, the situation soon turned favourable to the Chinese team. In addition to their bad luck, the Swedish top player Jan-Ove Waldner had a high fever and could not play, so the Chinese beat the Swedish team in an easy 5-0 match in the men’s team title.

by Zhao Zonglu

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ART PAGE
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