Zhao: Reform Vital to the Country

RAILWAY CONSTRUCTION IN CHINA
THE NEW FASHIONS

Di Xianghua and Shen Yantai
Significance of Anti-Japanese War

- To mark the 50th anniversary of the beginning of the Chinese People's War of Resistance Against Japan, Hu Qiaomu, Member of the CPC Central Committee’s Political Bureau, writes about the significance of the war and its relevance to the present relationship between China and Japan. (p. 17).

Zhao: Reform & Anti-Bourgeois Liberalization

- Speaking at a recent conference of cadres Zhao Ziyang outlined two tasks for propaganda work — (1) deepening the struggle against bourgeois liberalization, and (2) strengthening publicity on reform. He stressed the two key points of the Chinese Communist Party’s political line: upholding the four cardinal principles and the general policies of reform, openness and economic invigoration. He also elaborated on the interrelations of the two and criticized some wrong views in this regard (p. 14).

Reform: Progressing at Faster Rate

- Despite the great economic and social advances to which leasing of state-owned enterprises to collectives and individuals has contributed, China’s economic level is still low, far lower than that of developed capitalist countries. If the Chinese people are not quickly helped out of poverty, socialism will lose its appeal. With the experience gained in the past eight years, it is possible to carry on the reform more boldly and rapidly (p. 4).

China’s Railway Construction

- China’s railways are inadequate to meet the growing demand for transporting freight and passengers, and this is holding back its economic growth. Three major railway projects have been initiated to alleviate the problem (p. 23).
Reform: Progressing at Faster Rate

by Dai Yannian

Recently, dramatic progress has been made in the reform of China's larger enterprises.

In China's largest industrial centre, Shanghai, by the end of June, contracts had been signed between factory directors and their superiors — bureaus in charge and the municipal finance bureau — for leasing 330 large state-owned factories to the directors' management for a period of one to two years. The leasing fee is based on the profits the enterprise handed over to the state last year and the agreement is that the enterprise will hand over a set part of any increased profits to the state and keep the rest for its own use.

Leasing can help motivate enterprise and workers, so that the income of the state, the enterprise and the workers grows. Although larger leased enterprises make up less than 2 percent of the city's total state-owned factories, they handed over taxes and profits to the state which accounted for 60 percent of the total. The city's 1,770 state-owned industrial enterprises will all be leased out by the end of July.

How to deepen the reform in larger state-owned enterprises was once a difficult problem. A few years ago the leasing of smaller enterprises demonstrated the effectiveness of leasing. Early this year a decision was made to lease out larger enterprises and rapid progress has since been made. Statistics from 11 provinces, autonomous regions and municipalities show that by the middle of June, this was done in 36 percent of such enterprises.

The deepening of the reform in larger enterprises is vital, for it will promote the development of the whole urban reform. Chinese leader Deng Xiaoping recently stated that China's reform should be speeded up. What Deng said is not only a declaration, but a living reality.

China decided to quicken the pace of reform because this is the only way to quicker development, modernization and the successful building of socialism with Chinese characteristics. The defects of the former structure hampered the development of productivity and people's motivation.

Since December 1978, as a result of the shift of the focus of work to economic construction and the implementation of the general policies of reform, openness and economic invigoration, China's economy has seen a steady and sustained development at a noticeably faster rate. In the 26 years from 1953, when China's First Five-Year Plan began, to 1978, China's total industrial and agricultural output value increased by 8.2 percent annually, and in the eight years from 1978 to 1986, by 10 percent. Society's total output in 1953-78 grew by 7.9 percent annually and in 1978-86 by 10.1 percent. National income in the former period grew by 6 percent annually and in the latter by 8.7 percent. Over the past eight years, urban people's per-capita income (in real terms) increased by 89 percent, farmers' net income went up by 150 percent; total retail sales grew by 200 percent; the production and sales of consumer durables such as colour TV sets, washing machines and refrigerators shot up many fold.

Despite these advances, due to historical and other factors, China's economic level is still low, far lower than that of developed capitalist countries. China has chosen the socialist road. But if the people are not quickly helped out of poverty, socialism will lose its appeal. So China must quicken the pace of reform and, in the light of China's conditions, improve the socialist system and greatly boost productivity so that more and more people can have a taste of the benefits of socialism. Then the trend of bourgeois liberalization advocating "complete Westernization" will have no market.

As reform deepens, it also needs to be accelerated. In the last eight years, some but not all aspects of the former structure have been destroyed; some but not all aspects of the new system have been established. While the new and old structures condition each other, they also cause many contradictions.

The reform in the last few years was concentrated on the economic structure; the political structure was reformed only in certain spheres — leading cadres' life-long tenure system was abolished, younger cadres were promoted and a legal system began to be built. An all-round economic reform requires commensurate political reform.

The reform of the political structure is meant to give new life to Party and state organizations, to increase efficiency, overcome bureaucracy and motivate the people and work-units at the grass-roots level. The reform mainly consists of separating the responsibility of the Party from the government, strengthening and improving the Party's leadership, delegating power to the lower levels and reforming various organizations. It also includes revamping the cadre system, selecting and promoting outstanding younger people; expanding socialist democracy, perfecting the legal system, and establishing a system for supervising cadres from the bottom up.

In short, China has accumulated much experience in the eight-year-old reform. Now it is necessary and possible to carry out the reform more boldly and rapidly.
How does one respond to the news that the five billionth baby has arrived on the planet? For Chinese people, the milestone must be taken as a warning sign.

China’s Premier Zhao Ziyang, representing the one-fifth of the global population, declared that China can achieve the goal of keeping its total population at around 1.2 billion by the end of this century as long as it sticks to practical and effective policies. He was speaking on a July 8 television special, “The Day of the 5 Billion,” sponsored by the United Nations Fund for Population Activities and the US Turner broadcasting system.

“China adheres to the policy of family planning while boosting its economy and controls its rapid population growth so as to keep the pace of growth in step with social and economic development and with ecology and the use of resources. This is the way to eliminate poverty and make our country strong, our nation prosperous and our people better off. And this is a basic policy of China in the period of socialist construction,” said Zhao. As the most populous country in the world, he said, China will continue to make its fair contribution to stabilizing the world population, along with other countries.

On the same day, the State Family Planning Commission announced that the total population on China’s mainland reached 1,057,210,000 at the end of 1986, up 3.34 million from a year earlier.

Liang said the main reason for the jump is that people born during the second “baby boom,” which started in 1962, are entering marriageable and childbearing age. According to official statistics, 1986 saw an increase of 9 million over 1985 in the number of women of childbearing age. There were 9.34 million first marriages in 1986, up 560,000 from the preceding year.

There was also an increase in the number of second births allowed for rural families with severe difficulties, Liang said, and the proportion of third and more births was still high. First births accounted for 51.2 percent of total births in 1986, second births for 31.5 percent and third and more births for 17.3 percent.

He said 1987 is seeing a third baby boom (the first was in the early 1950s) and stressed that unplanned second and more births would be strictly forbidden to ensure that China’s population is kept at around 1.2 billion by the end of the century.

According to Zhou Changhui, another family planning official, the policies will continue to be flexible for minority nationalities in remote areas and for those in selected occupations. “For instance,” Zhou said, “parents living in the mountain areas might have second child, if it is consistent with the local policies.” He added that each province and city has its own population policies, along with a population target set by the state. “A local government can make its family planning programme flexible, as long as it keeps the local population within the target,” he said.

China has no family planning law, although it intends to enact one. Differing living conditions in various parts of the country make it hard to formulate a national law. But in Sichuan, the country’s most populous province with 100 million inhabitants, the provincial...
People’s Congress promulgated family planning regulations on July 4.

**Educating Parents.** Since China introduced its one-child policy in the early 1980s, an unprecedented generation of only children has appeared, which has drawn the attention of the whole society.

Although there is controversy about whether the only child is the “king” of a family, everyone agrees that these children are more spoiled by their parents and grandparents than were previous generations. The key problem, according to some experts, is that many parents do not know how to raise and educate their only babies. Some of them love their only children so much that they are at the mercy of their offspring, and even do absurd things.

An example was reported recently in a Chinese newspaper. To keep their only son healthy and free from infection, a couple gave their child only distilled water to drink for six years. The child died because he lacked immunity.

Today more parents are realizing that they need advice to raise and educate their children. To meet this need, some 20,000 “parents’ schools” have sprung up. Three or four times a year, parents attend lectures by experts in family education, said Liu Bin, vice-minister of the State Education Commission.

The only child has better physical development, wider interests, a quicker mind, a stronger desire to outdo others and a greater thirst for knowledge, Liu said. “But most of them also have weak points, such as low ability to care for themselves, selfishness, wilfulness and arrogance.” These weak points, he said, arise largely because parents pay attention to their child’s physical and intellectual development while neglecting moral education.

The lectures help parents realize that they must neither spoil nor be rude to their children, Liu said. **by Li Haibo**

**Bureaucratism Under Heavy Fire**

China is paying more attention to the struggle against bureaucracy. Many government ministers and vice-ministers are leaving their offices to tackle problems on the spot.

State organizations have been taking effective measures to fight bureaucracy after summing up the lessons of the recent disastrous forest fire in Heilongjiang Province, in northeast China. Serious bureaucratic mismanagement of fire prevention was uncovered in the wake of the fire, which lasted from May 6 to June 2.

Yang Zhong, the forestry minister, and Dong Zhiyong, vice-minister, were removed from their posts. This sounded an alarm for officials at various levels, who are now taking measures to combat bureaucracy.

As soon as the fifth meeting of cabinet members of the Chinese and Japanese governments ended, Communications Minister Qian Yongchang led three vice-ministers and more than 30 officials to east, south and north China and the Changjiang (Yangtze) River area. They observed and inspected warehouses, harbours, vessels and ferries, studying and solving problems concerning transportation operations and safety.

Qian felt he should take responsibility for this year’s many transportation accidents, which have caused big losses to the state and individuals. “Lax discipline, mismanagement, faulty operating procedures and bureaucracy are the main factors in ship collisions, fires, explosions and other accidents which happened in the past few months,” he said.

The communications departments are now taking measures to overcome problems such as neglect of duty, poor discipline and insubordination. They will also review and re-evaluate the causes and effects of some serious accidents which have taken place in the past couple of years.

Xu Boling and Li Zhao, both deputy directors-general of the Civil Aviation Administration of China (CAAC), set to work at the country’s largest airport, the Beijing Airport, which has often been criticized by passengers and the press for poor service. The leadership of the Beijing branch of the CAAC was readjusted and other changes have followed. The terminal is now cleaner and service has been improved.

The Ministry of Water Resources and Electric Power, which bears the main responsibility for flood prevention, has urged its officials to stress flood prevention while combating bureaucracy.

Minister Qian Zhengying pointed out that problems such as mismanagement and irresponsibility exist in the ministry. Since early May, she has led 10 working groups to inspect flood prevention work and implement various measures along the Changjiang River, the Huanghe (Yellow) River and other important river systems.

The Ministry of Coal Industry has organized more than 100 officials, led by the minister and vice-ministers, to inspect production safety in coal mines in Henan, Hebei, Shanxi and Shandong provinces, the Inner Mongolia Autonomous Region and northeast China.

The State Planning Commission urged its officials to handle all documents and files within a week, permitting no delay.

Zhu Rongji, vice-minister of the State Economic Commission, called on all staff to improve their work style and provide good service to all regions, departments and grassroots organizations. He also urged officials to implement the state guidelines, and to make policy in a democratic and scientific way to avoid mistakes.
As many as 20 students in Yuncheng, Shanxi Province, committed suicide in the past five years because of their failure in college entrance examinations. And every exam season, such tragedies are repeated across the country, said a State Education Commission official.

For 16 million Chinese senior- and junior-middle school graduates preparing for exams, this summer is absolutely miserable. While other people are spending their holidays in the country's scenic spots, the graduates work into night, poring over endless homework and simulated exam papers. One senior middle school graduate, Liu Qi, rubbed the three black-lettered examination days off the calendar, saying, "If only these damned days would never come!"

A survey among graduates of three Beijing senior middle schools showed that one-third of them slept less than five hours a night. Many of them said that the only thing they wanted was a good, round-the-clock sleep. In these circumstances, the graduates' health suffers. Exhausted, some fall ill before the exam or in the examination room. About 80 percent of them have eye problems. And some graduates develop psychological problems under the extreme stress. Wu Dihua, 18, said he felt full of pent-up anger before one exam. He collected some waste bottles and tins and smashed them wildly until he felt better.

Wen Xiaojie, an official from the State Education Commission explained that the anxiety arises because there are insufficient opportunities for higher schooling. People are better off in recent years and have less children, so more parents want their children to get a better education. Also, the number of 15 to 17 year olds is growing rapidly because of the baby boom in the early 1970s. But the State cannot afford to build enough colleges and middle schools to meet the demand.

In Beijing, for example, some 70,000 youngsters aged 15 or 16, or about 42 percent of junior-middle-school students, will not be enrolled into higher schooling. Although the city government has promised to settle the unlucky children in continuing education classes, adult education groups or a variety of vocational training courses, the pressure remains. No parent wants to see their child lose the chance for further schooling. "It makes my heart ache," one mother of a 15-year-old son said. "But I have to wake him up at 5 am (to study). Sometimes he thinks I'm too hard on him. He will understand me in the future."

Another reason for the panic about schooling is the heavy emphasis that the State's personnel system puts on academic qualifications. As the same mother put it, "People nowadays only recognize a diploma. If you have it, you're a 'dragon', otherwise, you're a 'worm'."

Public opinion has repeatedly criticized the cramming method of teaching and learning for trampling down the younger generation. And the competitiveness, along with the cramming method, has been extended to primary schools and to pre-school education.

Some children who are considered as "hopeless" react to the keen competition by quitting school, the Education Commission official said. Last year in Tianjin, 11,000 junior middle school students dropped out. Reports from Guangzhou say that some 10 percent of students have quit middle schools there. Many of these children's parents think it would be better for them to earn money, since they cannot compete with the academic stars.

To cope with the problem, the official said, the Education Commission called on schools in 1983 to adjust their goals and ease the students' burden. "But matters have not been efficiently improved," he said. "We need a coordinated effort of the whole society."

by Wang Xin
Cadres Applaud Policy of Reform

A nationwide survey shows that a vast majority of Chinese cadres have full confidence in the country's policy of reform and opening up to the outside world.

Cadres at all levels are the mainstay in carrying out the Party's policies and principles. So their attitude towards the current political situation and policies plays an important role in the country's political future.

Cadres were asked: In the process of the struggle against bourgeois liberalization, what do you think of the Party's reform and open policies, which have been in effect since the Third Plenary Session of the 11th Party Central Committee in 1978. The survey was conducted in March by the Beijing Social and Economic Scientific Research Institute. The nationwide sample consisted of more than 1,000 government functionaries and leaders of institutions and enterprises in 29 provinces, autonomous regions and municipalities. The institute also convened three informal discussions in Beijing, listening directly to the opinions of some cadres.

According to the survey, most cadres think that the years of reform have been years of achievement.

Since 1978, various reforms have been put into practice in both rural and urban areas. Changes have taken place in fields from production to distribution, from invigorating enterprises to improving enterprise management systems, and from ownership and management forms to functions and organization of government administrations.

The contract responsibility system was first carried out in the countryside, greatly arousing the enthusiasm of farmers. China readjusted its agricultural policy and many times increased the purchasing prices of agricultural products. Commerce and industry have developed quickly in the rural areas. Now there are 12 million village enterprises with more than 76 million workers, accounting for 21 percent of the total labour force in the countryside.

In the past few years, China has readjusted the structure of ownership of enterprises in urban areas, developing multiple ways of management. Economic links between enterprises have been encouraged and about 7,000 combinations and groups of enterprises have appeared. Contract and leasing systems have been implemented in many state-owned enterprises. Enterprises are now given more power to decide their production and marketing plans, prices of products and other matters.

There has been a preliminary reform of the country's planning system and the market mechanism has begun to play an important role.

Living standards in both the cities and the countryside improved. In rural areas, the average annual per-capita net income increased to 424 yuan in 1986 from 134 yuan in 1978, the annual per-capita net income of city dwellers averaged 828 yuan in 1986 compared with 316 yuan in 1978. In the past eight years, about 60 million people in cities and towns found jobs. The unemployment rate declined to 2 percent from 5.3 percent.

Although there are problems with the reform, most cadres surveyed think that the process is irreversible and people generally want to see it continue. They said that for the process to develop smoothly, the reform of the political structure must be carried out while reforming the economic systems.

Most cadres think that the policy of opening up to the outside world is an important way for the country to develop its socialist economy.

FRG Chancellor Visits Beijing

Helmut Kohl, chancellor of the Federal Republic of Germany, his wife and their party arrived in Beijing on July 12 for an eight-day official visit at the invitation of Chinese Premier Zhao Ziyang.

It was Kohl’s third visit to China. He first visited in the capacity of Federal German chancellor in 1984.

Kohl's 110-plus entourage included Hans Klein, federal minister for economic cooperation, Friendhelm Ost, state secretary and head of the government press and information office, Jurgen Ruhfus, secretary of state for foreign affairs, and Dieter von Wuerzen, state secretary for economics.

The guests were greeted at the airport by He Kang, chairman of the Chinese government reception committee and minister of agriculture, animal husbandry and fisheries, and Zhou Nan, vice-minister of foreign affairs.

During a stopover in Shanghai, Kohl met Shanghai Mayor Jiang Zemin and later gave a reception on board the Federal German naval training vessel “Deutschland,” which was in Shanghai on a friendship visit. More than 300 people, including the mayor, other Chinese representatives and Federal German experts and students attended the reception.

Kohl was scheduled to hold talks with Zhao Ziyang and meet other Chinese leaders. Also planned were visits to Nanjing, in eastern Jiangsu Province, and Lhasa, Tibet.

Federal Germany is China's biggest trading partner in Western Europe. In a report on the administration of the Federal German government in March, Kohl referred to China as an especially important and trustworthy ally.
Bi-Weekly Chronicle  
(June 29-July 12)  

POLITICAL  

June 30  

- Patriotic Tibetan dignitaries who are deputies to the local People's Political Consultative Conference and the People's Congress now in session, express at a forum their indignation and resentment at the two amendments accusing China of human rights violations adopted by the House of Representatives of the United States, the overseas edition of Renmin Ribao (People's Daily) reports. 

They cite their personal experience and many facts to prove that the Tibetan people are leading a happy life and that human rights have been guaranteed since the peaceful liberation of Tibet more than 30 years ago. They say the United States has no right to interfere in China's internal affairs.  

July 3  

- Members of the Communist Party of China (CPC) will be expelled from the Party if they take bribes, no matter how small, Renmin Ribao reports.  

In a decision to crack down on corruption, the CPC Central Discipline Inspection Commission notes that the practice of taking and asking for bribes has become rampant in some areas and departments. This arouses strong dissatisfaction inside and outside the Party, and even in the world.  

July 8  

- In response to a question raised by some journalists at a weekly news briefing, a Chinese Foreign Ministry spokesman says the reports by Agence France-Presse alleging that troops of the Chinese People's Liberation Army killed Tibetans in late May are only rumours.  

"There has been nothing of the kind and this is a rumour concocted with sinister motives," the spokesman says.  

ECONOMIC  

July 2  

- The first test flight of the MD-82 airplane, a Sino-US co-production, has been successful, Xinhua reports. 

Flying at an altitude of 11,000 metres and at a speed of 850 kilometres per hour, the performance of the airplane has been good, according to the American pilots. 

The joint venture with McDonnell-Douglas Aircraft Corporation of the United States is the biggest Sino-American project to date.  

July 8  

- China's airline companies carried 6 million passengers and handled 138,500 tons of cargo during the first half of this year, a substantial increase over the same period last year, Xinhua reports.  

CAAC, the national flag carrier, has opened five international and seven domestic air routes since January, and will open one more international and three more domestic routes later this year.  

July 10  

- Hebei Province's 1987 international economic and technological co-operation and exports negotiation conference will be held in the provincial capital, Shijiazhuang, September 1-10, the overseas edition of Renmin Ribao reports.  

CULTURAL  

July 6  

- About 2.3 million students across the country will sit for the national unified college and university entrance examination, July 7-9, Xinhua reports. 

It is expected that about one-third of those taking the examination will be recruited. This year, the number of senior middle school graduates totalled 1.425 million compared with 790,000 last year.  

FOREIGN RELATIONS  

July 1  

- The establishment of diplomatic relations between China and Israel is currently out of the question, a spokesman for the Chinese Foreign Ministry says at a press conference in Beijing, Xinhua reports. 

"China's position of opposing Israel's policies of aggression and expansion has not changed," he reiterated.  

July 3  

- Chinese President Li Xian-nian and his wife, Lin Jiamei, meet Bangladesh President Hussain Muhammad Ershad and Mrs. Ershad in Beijing, Xinhua reports. 

Li praises Bangladesh's achievements in developing its economy, noting that the country, which has a large population, has made great strides in family planning. 

President Ershad and his party arrived in Beijing on July 2 for a state visit to China at the invitation of the Chinese president.  

July 11  

- Speaking at a meeting with Vernon Walters, US ambassador to the United Nations, Chinese State Councillor and Foreign Minister Wu Xueqian reiterates China's position of observing strict neutrality on the Iran-Iraq conflict and actively promoting a reconciliation between the two countries. Walters is in Beijing on a mission to push for support of a UN resolution to halt the 7-year-old Gulf War. According to Walters, the UN resolution calls for a cease-fire, a withdrawal from occupied territory and an arms embargo against Iran or Iraq if it refuses to honour the cease-fire.  

NOTICE  

In reading our story "Deng Speaks for Political Reform" (pp.6-7, No. 28, 1987) you might see also the excerpt from Deng's speech, printed in Beijing Review No. 32, 1986, pp. 15-19.  

- Ed.
leaders on No-win Course

More than half a year has passed since the Vietnamese Communist Party chose a new leader at its Sixth National Congress last December. But there has been little change in the country's domestic and foreign policies and hopes for a settlement of the Kampuchean problem are still dim.

After his election last December as Viet Nam's new leader, Nguyen Van Linh admitted that the leaders of the Vietnamese Communist Party (VCP) had made some great mistakes in formulating and implementing general policy and guiding principles. He stressed that the party should reform and adjust its economic policies to help the country out of its economic difficulties, and new measures were quickly drafted to this effect. Several months have now passed but there has been no improvement in Viet Nam's political or economic fortunes.

In foreign policy, Nguyen Van Linh is following the lead of Le Duan, the previous general secretary of the VCP. During the new leader's first visit to Moscow in May, he called for strengthening Viet Nam's "strategic alliance" and comprehensive cooperation with the Soviet Union and asked for more Soviet aid. Viet Nam is continuing its aggressive war on Kampuchea and went so far as to intrude into Thailand, despite strong opposition from the countries of the Association of Southeast Asian Nations (ASEAN). Under its new leadership, Viet Nam is still insisting on the old principle of a political settlement of the Kampuchean problem, which makes the exclusion of the "Khmer Rouge" the precondition for withdrawal of its troops from Kampuchea. Hanoi is continuing to emphasize its special relationship with the Heng Samrin puppet government of Kampuchea and attempting to set up a so-called government of national reconciliation in Kampuchea with the Heng Samrin forces as the main element in the government. The international media has been generally disappointed at the words and actions of the new Vietnamese leadership.

Viet Nam has taken no practical steps towards resuming normal relations with China, despite its stated desire to do so, and stubbornly clings to its position on the Kampuchean problem, which is the main obstacle to re-establishing normal relations between the two countries. The explanation for the failure to improve its relationship with China is Viet Nam's insincerity — Viet Nam suggested negotiations only to relieve its isolation in the international community. Viet Nam's new leaders have shown that they have no intention of changing the country's aggressive foreign policy. They are trying to steer the country out of its difficulties by adjusting some domestic policies alone. But these attempts are bound to fail because Viet Nam's economic problems are mainly the result of its aggressive and expansionist foreign policies, although the previous leaders also made some mistakes in domestic economic policies. After unification in 1975, Le Duan and other Vietnamese leaders focused not on developing the national economy but on building up Viet Nam's war machine — expanding the army, intruding into Kampuchea and provoking the border conflict with China. Viet Nam's army is 1.2 million strong. There are a total of 5 million troops in Viet Nam counting all regular and reserve troops, as well as armed police. This represents 8 percent of the population. The country is on a war footing, concentrating a large proportion of its manpower, materials and financial resources on military affairs. Military expenditures account for about 50 percent of the total state budget.

Foreign policy is always the extension of domestic policy. Because all countries depend on each other for existence, in the absence of a peaceful environment, no country can concentrate on developing its economy. So it is unrealistic for the new Vietnamese leaders to try to solve the country's problems by relying on the support of a big ally and adjusting domestic policies without changing their foreign policies and transforming the international environment.

It is also an illusion if Viet Nam thinks it can end the eight-year-long Kampuchean war by strengthening its attack on Kampuchean resistance forces and its support to the Heng Samrin regime, with the help of the Soviet Union. After more than eight years of fighting, the Kampuchean re-
sistance has not been wiped out — it has grown stronger.

If the new Vietnamese leaders really want to overcome the present difficulties and develop the country's economy in the interests of its people, they must change their foreign policy, stop their aggressive war on Kampuchea and withdraw their troops. Only in this way can they relieve the Vietnamese people from disaster, centre their attention on revitalizing and developing the economy, and thus remove the main barriers to normal relations with China and ASEAN countries and end Viet Nam's isolation. Nguyen Van Linh said during his visit to the Soviet Union, "Viet Nam is going to open a new chapter in its relations with China and ASEAN countries." But international community is more interested in action than in talk.

by Ji Wen

UNCTAD

Seventh Session Faces Uphill Battle

People are looking to the United Nations Conference on Trade and Development for concrete measures to boost the world economy, especially the economies of third world countries.

Heads of state, prime ministers and other government ministers from more than 160 countries have gathered in Geneva for the Seventh United Nations Conference on Trade and Development (UNCTAD), July 9-31.

The conference is scheduled to discuss resource development, commodities, international trade and the problems of the least developed countries, among other topics. Based on these discussions, UNCTAD will evaluate the world economic situation with a view to promoting multilateral cooperation and revitalizing the global economy.

UNCTAD, which convenes every four years, was set up in 1964 at the instigation of third world nations that were seeking to promote international trade, work out relevant principles and policies, and find ways to implement them. The organization has played an increasingly important role in pressing for the reform of irrational international economic relations and in upholding the rights of third world countries. Many developing nations regard UNCTAD as the only trustworthy UN organization in the fields of international trade and economics.

The meeting takes place as the world faces slow economic growth, unstable money markets, mediocre trade, mounting protectionism and third world debt problems. Since UNCTAD last met in Belgrade, Yugoslavia, the world economy has undergone many changes that are harmful to developing countries:

- Falling prices of primary products have stripped third world nations of export earnings. The International Monetary Fund estimated that in 1986 alone, these price drops reduced developing countries' earnings by US$118 billion, or a drop of 16.8 percent from 1985.

- Foreign capital is scarce as international lending agencies and industrial countries grow increasingly reluctant to lend or invest more money in developing countries. The shortage of capital has made economic restructuring and development more difficult.

- Mounting protectionism, marked by growing non-tariff barriers, has hurt global trade and deprived many developing nations of their overseas markets.

- Third world debt problems are worsening. According to estimates by the World Bank, developing countries owed a total of US$1.035 trillion at the end of last year and the figure will soar to US$1.08 trillion at the end of 1987. Principal and interest payments on their debts will cost them on the order of US$100 billion a year.

- Finally, the current international environment is unfavourable to the developing countries. The gap between the North and South continues to widen while the dialogue between the two sides remains stalled.

Last March, the Group of 77 developing countries called three separate regional meetings in Asia, Africa and Latin America, and issued a unanimous call for greater unity in fighting for higher prices for their primary products, better trade conditions, more development funds and an easing of the foreign debt burden. These countries hope that the UNCTAD meeting will make headway in reforming the world economic order, boosting the global economy and rejuvenating their individual economies.

Some developed countries, however, although sympathetic towards the difficulties of the third world and admitting verbally that they share a special responsibility to improve the international economic situation, bypass their duties on the pretext that third world countries must first adjust their economic policies. There are signs that some developed countries do not want the UNCTAD meeting to produce any resolutions or decisions that will lead to concrete actions to improve international economic relations. This reflects a pitiable shortsightedness.
The world economy today is an interrelated and interdependent whole. Developing countries are anxious to develop their economies, but they are seriously hindered from attaining their goal by the irrational international economic order. They cannot acquire the capital they need to buy technology and equipment that will enable them to export more than just primary products. At the same time, the developed industrial nations are having trouble finding new markets. Their products are beyond the purchasing power of many third world countries, while the markets in developed countries are highly competitive and already oversaturated. As a result, economic expansion is impossible for both the developing and industrial nations.

One American economist, Nobel Prize winner Lawrence Claine, has suggested a way out of this impasse. In a recent speech, he said the developed countries should cut their huge military expenditures and use the money instead to help raise their purchasing power. In this way, Professor Claine argued, the developed countries can achieve good economic results. For example, if each developed nation contributed 0.7 percent of its gross national product (GNP), a total of about US$50 billion would be available to help third world countries develop their economies. This, in turn, would open new markets for industrial countries. Unfortunately, the military expenditures of the superpowers currently take up around 10 percent of their GNP.

by Hua Zhi

BONN-MOSCOW

High-Level Contacts Restored

Although Federal German and Soviet leaders have agreed to build a solid and enduring relationship, some questions facing the two countries have yet to be resolved.

Federal German President Richard von Weizsacker may well say he has completed his mission to "open up a new chapter in German-Soviet relations" during his recent visit to Moscow. But observers noticed that his talks with Soviet President Andrei Gromyko and leader Mikhail Gorbachev did not overcome differences on some major bilateral and international issues.

The visit, at the invitation of the Presidium of the Supreme Soviet (parliament), took place on July 6-11, after a two-month delay reportedly because of the Federal German role in Soviet-US disarmament talks. It was the first visit by a Federal German president to the Soviet Union in 12 years and represents the resumption of high-level contacts between the two countries after a chilly period in bilateral relations.

Bonn-Moscow relations cooled in the early 1980s after Federal Germany allowed US medium-range missiles to be deployed on its territory. There have since been no high-level official visits between the two countries.

Last October, Federal German Chancellor Helmut Kohl made a statement comparing Soviet leader Gorbachev to Nazi propaganda chief Josef Goebbels, and bilateral relations deteriorated even further.

Weizsacker's visit coincided with the continuing Soviet-US negotiations to eliminate medium- and shorter-range missiles in Europe. Despite signs of possible US-Soviet agreement on these rockets, one stumbling block still remains: Washington-Bonn insistence on retaining Pershing-IA missiles in Federal Germany. Moscow has made it clear that the Pershing-IA, which falls into the shorter-range class (500-1,000 km), must be removed from Federal Germany if a Euromissile agreement is to be reached with Washington.

Federal Germany has 72 Pershing-1As, with a range of 185 to 740 km. The missile's warheads are under US control. The United States, however, says the missile belongs to Federal Germany and that a US-Soviet agreement should not cover weapons of a third country. Early last month, Kohl said his country will support a US-Soviet accord on Euromissiles only if Bonn is allowed to keep its Pershing-1As. The issue figured high in the Weizsacker's talks with Soviet leaders.

During the two rounds of talks between the Federal German and Soviet presidents, no agreement was reached on this issue. Federal Germany maintains that the Pershing-1As must stay to counter what it says are superior Soviet shorter-range missile forces. Gromyko warned that Bonn's insistence on keeping 72 Pershing 1A missiles could endanger a superpower Euromissile deal.

"Such a stand can spoil the job: A ship may be wrecked before being launched," said the Soviet president.

During the talks, Gorbachev challenged Federal Germany's sincerity towards the 1970 Moscow treaty on which Soviet-German relations are built, because Federal German officials repeatedly raise doubts about the borders of their "eastern lands" and the validity of the Potsdam and Yalta agreements. They also say the question of unity of the two Germanys is still open.

When the Federal German president spoke of the German nation, Gorbachev said there are two German states with different socio-political systems, and history will determine what happens in the future. Weizsacker also raised the case of Mathias Rust
with Gorbachev. Rust is the 19-year-old West German who landed a light plane on Red Square in Moscow on May 28. Weizsacker refused to give any details of the discussion.

Another topic was trade and economic contacts. Federal Germany, Moscow's largest Western trading partner, is anxious to reverse a downturn in the bilateral trade volume, which dropped from 7 billion roubles (about US$10.5 billion) in 1985 to 5.5 billion roubles (about US$8.3 billion) in 1986. However, the Soviet side said the talks should focus on forms of co-operation, such as joint-ventures, which would benefit the economies of both countries.

The two sides agreed that Soviet Foreign Minister Eduard Shevardnadze will probably visit Bonn this autumn. Weizsacker also renewed an invitation to Gorbachev to visit Bonn, and also invited Soviet President Gromyko. But Weizsacker added, "We will not discuss dates" for a Gorbachev visit.

by Chang Qing

PANAMA

Peace Seems to Be Coming Late

With US involvement, the political situation seems to be growing increasingly complicated.

Although Panama's National Assembly called off the state of emergency after 19 days, peace has returned to the country slowly. Demonstrations, including one of 7,000 women, continued to take place to demand the resignation of General Manuel Antonio Noriega, commander-in-chief of the armed forces. A massive protest at the United States Embassy demanded the repudiation of a US Senate resolution on Panama and an end to US intervention in Panama's internal affairs.

The political disturbances, a result of deepening differences between the opposition and the authorities, were sparked by the allegation that Noriega helped rig the 1984 presidential election. Former Armed Forces Chief of Staff Roberto Diaz Herrera charged on June 8 that election fraud cost opposition leader Arnulfo Arias the presidency. Colonel Diaz also said Noriega ordered the killing of opposition leader Hugo Spadafora in 1985 and was involved in the murder of former Panamanian leader Omar Torrijos, who died in a plane crash in 1981. The charges made by Diaz gave the opposition an opportun-

ity to call on the people to take action. Early last month, 26 businesses and organizations jointly launched a "civil crusade" to press for the resignation of Noriega. They also formed a committee to investigate the charges.

The civil crusade led to street riots. Clashes between riot police and demonstrators were reported and many demonstrators were arrested. The opposition urged President Eric Arturo Delvalle to give up his post to Arias and demanded the resignation of the cabinet and leaders of the armed forces.

Since the last general election, there has been a widespread feeling in Panama that the civilian government has become a mere formality and that the military in the government, headed by Noriega, have been abusing human rights and discriminating against those who hold different views. The country's poor economic situation has made matters even worse.

To prevent the political crisis from escalating further, the government declared a state of emergency on June 11. Some constitutional guarantees were suspended, including freedom of movement and expression. Press censorship was introduced and three opposition newspapers were closed, depriving the regime's opponents of the outlets they were using to urge the population to take to the streets in the "civil disobedience" campaign.

The opposition met the government's tough stand with the decision to try to topple the de facto military-controlled government. The United States also took the opportunity to express its disapproval. Only a day before Colonel Diaz's allegation, 13 US Congressmen issued an open letter to the Panamanian people. The letter said the United States was concerned about Spadafora's death, as well as human rights violations, drug trafficking and corruption in Panama. Washington escalated its criticism on the heels of the declaration of the state of emergency. A resolution adopted 84-2 by the US Senate on June 26 urged the Panamanian government to suspend Noriega, pending an impartial investigation into allegations of murder, election fraud and corruption. The US Senators also called for free elections in Panama.

The Panamanian legislature responded by charging the United States with intervention in Panama's affairs, and voted to declare US Ambassador Arthur Davis persona non grata. The resolution must be approved by the executive branch before Davis can be forced to leave, an action equivalent to breaking off diplomatic relations.

President Delvalle has agreed to an immediate investigation into the allegations against Noriega and said he is in favour of a dialogue between his government and opposition parties. He said, "This is necessary in order to fulfil our destiny and assume with full responsibility the control and operation of Panama Canal in 1999," the common goal of all Panamanians.

by Xin Di

JULY 20, 1987
Zhao On Reform and Anti-Bourgeois Liberalization

The following are excerpts from an important speech made by CPC Central Committee Acting General Secretary Zhao Ziyang this year to an audience of propaganda, theory, Party school, and other cadres on opposing bourgeois liberalization and upholding reforms and the open policy. Zhao criticized the view that set the two against each other. He noted that reform has become a trend in socialist countries, without which there would be no way out.

Bourgeois liberalization refers to rejection of the socialist system and advocacy of the capitalist system on the mainland. The call for “complete Westernization” is characteristic of this trend.

Zhao Ziyang, acting Party general secretary, addressed the problem of bourgeois liberalization when he spoke at a Beijing meeting of cadres on May 13 this year. His speech was featured on the front page of all the major Chinese newspapers on July 10.

Summing up the struggle against bourgeois liberalization, Zhao said, “Great changes have taken place in the political and ideological fields, and the spread of bourgeois liberalization has been checked...The situation has been brought under control.

Compared with last winter, Zhao said China is more stable, which would guarantee a steady and sustained development of the national economy. This proved, Zhao said, that the struggle against bourgeois liberalization was necessary, and the Party Central Committee’s policies concerning the struggle were correct and realistic.

For the future, Zhao said, “We should carry on the struggle in a deep-going, healthy and sustained way.”

Zhao quoted Deng Xiaoping speaking to the Czechoslovak Premier Lubomir Strougal in Beijing last April, “We should adhere to socialism. To build a socialism which is superior to capitalism, first we must build a socialism which is free from poverty. At present, we are still practising socialism, but only when we have reached the level of medium developed countries in the middle of the next century will we be able to declare that our socialism is superior to capitalism and that we are practising genuine socialism.”

Zhao said Deng’s words were worth thinking about, and added, “We are still in the primary phase of socialism. Due to historical factors, our productivity lags far behind that of developed capitalist countries. Although our people have felt the benefits of socialism, the superiority of socialism has not been and cannot be made manifest, and bourgeois liberalization finds some audience in China. This determines the protracted nature of the struggle. In the long process, it is impossible to require bourgeois liberalization not to express itself. However, through ideological and political education, and with the deepening of the reform and the gradual display of the superiority of socialism, we should be able to diminish the influence of bourgeois liberalization, and certainly to stem any major tide of bourgeois liberalization such as we witnessed last winter.”

Talking about the four cardinal principles (namely, the socialist road, the people’s democratic dictatorship, leadership of the Communist Party, and Marxism-Leninism and Mao Zedong Thought) Zhao said that in the process of deepening the struggle against bourgeois liberalization, “it is most important for us to make the majority of our people understand what the four cardinal principles are, why we must uphold them and how we can uphold them.”

With the four cardinal principles striking deep root in the hearts of the people, with the remarkable successes for reform and opening to the outside, and with our country changing every day, the market for bourgeois liberalization will shrink greatly,” Zhao added.

Abroad people felt that China’s struggle against bourgeois liberalization and its stress on upholding the four cardinal principles meant that China had changed or given up the policies of opening to the outside world and reform. The view which set anti-bourgeois liberalization against these policies was found at home too.

In his speech, Zhao warned people about four false claims which cast doubt on the reforms and open policy:

— China’s current economic structural reform has left the country’s economy in a “mess.”
— Contracting out and leasing enterprises to individuals or collectives is “practising private ownership,” introducing the director or manager responsibility system is “negating the Party’s leadership,” and implementing the rural household responsibility system is “damaging the base of the collective economy.”
— There are still some people who say the planned economy and the commodity economy are mutually exclusive and that only the...
planned economy is socialist. They think that the development of commodity economy is the root cause of bourgeois liberalization.

—The struggle against bourgeois liberalization counteracts political structural reform. This places political structural reform on a par with the negation of the leadership of the Party and is sceptical about the division of leadership of the Party and is on a par with the negation of the places political structural reform. This bourgeois liberalization counteracts cause of bourgeois liberalization.

They think that the development of commodity economy is the root cause of bourgeois liberalization. 'The two aspects are a unity,' said Zhao. Neither should be emphasized at the expense of the other. Only the combination of the two is the whole of the line since the Third Plenary Session of the 11th Party Central Committee and forms the basis for socialism with Chinese characteristics—a socialism that is vibrant, real and scientific.

Zhao highlighted a tendency in the study of economic theory which he said merited attention: methods which have proved helpful to liberating the productive forces and promoting the country's socialist modernization drive are considered capitalist and those that hinder the development of productive forces, however, are called socialist.

Zhao said that the productive forces and the relations of production should be studied as a whole. To study them separately does not tally with Marxist views. He said that the extent to which the productive forces are freed should be the major criterion for judging progress. Practice is the sole criterion for judging truth. In the field of economic theory, he said, there are still many outdated, stagnant and rigid views. They are divorced from reality and still dominate the thinking of some people. Therefore, in the course of reform and opening to the outside world, it is necessary to constantly curb the influence of habit and ossified views.

Zhao Ziyang made the speech at a meeting attended by leading officials of propaganda departments, theoretical research institutes, press units and Party schools. In the speech, he called on people to make efforts to further develop Marxism in China, to follow Deng Xiaoping's example in combining the universal truth of Marxism with the practice of China's construction and reform, and to study the new situation and answer new questions that may crop up in practice.

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T he spread of bourgeois liberalization has been halted. But the struggle against it should be carried out in a thorough, healthy and sustained way.

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principles is fundamental; reform, opening to the outside world and invigorating the domestic economy is the general principle and policy for our socialist modernization drive.”

He said that neglect of the four cardinal principles will cause one to slide down the road to bourgeois liberalization; absence of reform will encourage this trend. Only reform can give greater scope to people's initiative and creativeness, said Zhao, for it can greatly boost productivity, fully exhibit the superiority of socialism and allow socialism to hold real appeal. The absence of reform will fetter the development of the productive forces, which will restrain the display of the advantages of socialism, prevent socialism from being popular and allow bourgeois liberalization to flourish.

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JULY 20, 1987
On the Day of the 5 Billion (July 11) a rally was held at the Great Hall of the People in Beijing. At the rally Chinese and UN personages delivered speeches on the population question in China and the world.

Mr. Manfred Kulessa, a UN representative in China, said, "It is significant that here in China, as we mark the Day of the 5 Billion, the government has shown its full commitment to a family planning programme that has been internationally acknowledged as one of the most successful efforts in the world today.... The overall growth rate achieved worldwide, which has been reduced to about 2 percent a year, is largely due to the achievements of the Chinese family planning programme.

"One of the main things we have to observe as the human species lives on this earth is the fact that physical resources are finite," he said.

"Since the supply of land is not likely to expand, care must be taken that the number of people dependent on this land should be limited," he said, adding, "China is actively working towards a model of how social and economic factors can be harnessed together. As China reduces its rate of population growth, it also enhances its economic development."

Wang Wei, Minister in Charge of the State Family Planning Commission, said in his speech that China has achieved "a notable decline in birth rate and infant mortality rate, and a marked extension of average life expectancy. The gradual decrease in the proportion of China's population to the world's total is a sign of the contribution made by China to the stabilization of the world population."

"China, being a developing country, knows only too well the economic and social problems caused by a too high population growth. We feel strongly pressed by the task of population control," Wang said. "China has a population of 1.057 billion and is faced with a new baby boom," he continued. "We are hoping to hold the total population of China to about 1.2 billion at the turn of the century, leaving a better population structure for the next century."

In his speech, Xu Dixin, a famous economist and president of the Population Society of China, said, "Thanks to the implementation of the state policy of family planning, a blind population growth is becoming a planned one. According to the fertility rate of 1970, 200 million births have not taken place during the last 16 years in China. If China allowed the population to grow blindly instead of practising family planning over the past 10 years, the world population would have surpassed the 5 billion mark substantially by now."

China has carried out family planning on a voluntary basis, and heightened people's awareness through unremitting education in patriotism and socialism, Xu said. "It would be impossible to carry out family planning in the whole country if the public were against it, and moreover, China's family planning is closely associated with material production. In order to achieve production goals, he added, family planning must be practised at the same time. Only by doing so, can there be enough goods to ensure the people's physical health and better education too."

Xu said, "Ninety percent of the world's population growth takes place in the developing countries which are economically relatively backward and have low living standards. Rapid population growth in these countries retards their economic and cultural development. The rapid population growth and economic backwardness of the developing countries are closely associated with the irrational international economic order."

Bi Jilong, president of the United Nations Association of China, said in his speech, "The trend of growth of the world's population and the high rate of population growth in the developing countries will inevitably have grave consequences, which affect directly or indirectly the economic stability and development in the developed countries as well as world peace and development. The population problem is therefore both a national and an international issue. While each country should take the problem seriously and work hard to tackle it according to its own conditions, all countries in the world should come together to address the problem and make joint efforts to solve it and alleviate its effects."

"The experiences accumulated by China in solving the population problem are still limited in scope and depth. We feel strongly that the tasks facing China and the world as a whole are formidable, and sustained efforts must continue to be made," Bi continued to say.

"We are in no position to content ourselves with what has been done," Bi emphasized. "On the contrary, we should keep calling on all the governments and people in the world to make further studies of the implications of the population problem and pay it greater attention. We should also step up and strengthen various forms of bilateral and multilateral co-operation to strive for ever greater achievements. The progress and success of those endeavours will be a great contribution to world peace and development."
Historic Significance of Anti-Japanese War

by Hu Qiaomu

On July 7, 1937, a Japanese invading army launched an attack on Chinese troops stationed at the Lugou (Marco Polo) Bridge. The incident marked the beginning of the Chinese armed forces and people's eight-year War of Resistance Against Japan. It not only greatly accelerated the course of China's revolution, but also changed fundamentally the abnormal relations which had existed between China and Japan for the preceding century. After defeating the Japanese aggressors, the Chinese people won a quick victory in the three-year War of Liberation, and established the great People's Republic of China.

Thanks to the protracted and strenuous efforts of the Chinese government, of friendly personages and organizations in both countries and far-sighted politicians in Japan, as well as the development of the international situation, visiting Japanese Prime Minister Kakuei Tanaka, in conformity with the historical trend of the times, co-signed in Beijing with Chinese Premier Zhou Enlai a joint government statement on September 29, 1972, for the normalization of relations between the two countries, which is of historic significance.

In 1978, the two countries concluded the Treaty of Peace and Friendship. The rivers and mountains remain as they were, but the world situation has changed beyond recognition. This eventuality was, of course, beyond the expectations of the Japanese imperialists when they launched the aggressive war against China.

Japanese Aggression

Japanese imperialists had long harboured the wild ambition of subduing China as a prelude to dominating the world. The aggressive war against China which was launched in 1894-95 forced the Qing court to send Li Hongzhang to Japan to sign the humiliating Treaty of Shimosa-keki, which ceded Taiwan and the smaller islands around it to Japan and allowed Japan freely to establish consulates and factories in China's trading ports and to dump its machinery in China. The treaty also stipulated that China could not arrest Chinese traitors who served Japanese troops.

Japan was not the first imperialist country to invade China, but what merits particular attention is that it occupied China's sacred territory Taiwan for more than half a century. After World War II, Taiwan was returned to China; and when the two countries established diplomatic relations, Japan recognized Taiwan as an inalienable part of the territory of the People's Republic of China. However, there are still people in Japan today who claim that "Taiwan's status remains unsettled" and advocate "one China, one Taiwan" or "two Chinas" in various guises.

After the 1894-95 Sino-Japanese war, a pro-Japanese faction grew within China's ruling class which only disappeared after the founding of the People's Republic of China.

Yuan Shikai, the northern warlord who usurped the fruit of the 1911 Revolution (led by China's leading revolutionary democrat Sun Yat-sen) was pro-Japanese. Duan Qirui, the Anhui warlord who later headed the Beijing government, surpassed him in this regard. The nationwide May 4th Movement in 1919 launched by patriotic students, which marked the beginning of China's new democratic revolution, erupted when imperialist powers — the United States, Britain, France, Italy and Japan — decided to grant all the privileges enjoyed by imperialist Germany in China's Shandong Province to Japan at the Paris Peace Conference, and the Duan Qirui regime (with Xu Shichang as its titular president) was about to sign the treaty. The anti-Japanese patriotic movement began by Beijing students quickly spread to become a nationwide strike by students, workers and others. It forced the Beijing government to remove on June 10 Cao Rulin, Lu Zongyu and Zhang Zongxiang, the three most notorious pro-Japanese traitorous ringleaders, from their posts.

But the struggle did not end there, for the treaty problem persisted. Students, workers and other people in Shandong, Beijing, Shanghai and elsewhere continued their struggle. On June 27, prior to the signing of the peace treaty, Chinese workers (who had been sent to France as part of China's effort in the European war), students and overseas Chinese in France surrounded the residences of Lu Zhengxiang and other Chinese representatives and warned them against signing the treaty. Terrified, Lu Zhengxiang, China's plenipotentiary representative, refrained from attending the signing ceremony and sent a coded message to the Beijing government, saying, "Careful
studies needed and (we) have to be absent from the signing.”

Thus, the organized, nationwide revolutionary mass struggle waged by Chinese students, workers and other urban people, the first in contemporary Chinese history to oppose Japanese and other imperialists, warlords and traitors, won a great victory considering the times. In terms of achievement, it far exceeded the 1911 Revolution. It dealt a heavy blow at the arrogance of Japanese imperialists and pro-Japanese Chinese traitors.

The detailed description of the May 4th Movement here is intended to show that this national struggle against Japanese aggression gave the impetus to the Chinese people’s new democratic revolution. Other major achievements in its further development were the founding of the Chinese Communist Party—the leading force of the people’s war against Japanese aggression 16 years later—and eventually the first round of co-operation between the Kuomintang and the Communist Party.

Ever since its founding, the Chinese Communist Party struggled hard to oppose Japanese aggression. The May 30th Movement in 1927, for example, began with the killing by a Japanese capitalist of Gu Zhenghong, a Shanghai workers’ representative from a textile mill and a Communist Party member. The movement marked the start of the Great Revolution in 1925-27, which unfortunately came to a premature end because the Kuomintang reactionaries betrayed it in April 1927 and turned on the bewildered Communists, Kuomintang leftists and revolutionary workers and peasants in a bloody “white terror.” This compelled the Communists to go to the countryside to conduct an agrarian revolution, establish the people’s revolutionary army and engage in a bitter 10-year civil war. Of course, Communists, revolutionary people and progressive figures in the Kuomintang-ruled areas had never given up fighting.

The decade in which the Kuomintang exercised counter-revolutionary rule and engaged in the counter-revolutionary civil war was also the decade in which Japanese aggressive forces resorted to barbarous methods to annex large stretches of China’s territory and completely denied the dignity of the Chinese nation and state. Immediately after it occupied the three provinces in northeast China (Liaoning, Jilin and Heilongjiang) in 1931, Japan began to stretch its tentacles of aggression into Inner Mongolia and eastern Hebei Province. For a time they also occupied Shanghai.

The Japanese imperialists’ plan of aggression against China was being formulated as early as 1927, three months after Chiang Kaishek betrayed the revolution. In his memorial to the emperor in July 1927, Gichi Tanaka, prime minister of the then Japanese cabinet, said: “To subjugate China it is imperative to conquer Manchuria and Mongolia first, and to conquer the world it is imperative to subjugate China first.” History showed that Japan actually followed this plan step by step.

Until Japan launched its attack on Pearl Harbour, Britain and the United States had watched the Japanese invasion of China with folded arms, causing Japan to believe that it could act unimpeded in East Asia. (Prior to Pearl Harbour, the United States was negotiating a big deal for scrap iron and steal with Japan. It declared war on Japan after Pearl Harbour. Britain did the same, but its influence had become smaller.) Japanese militarists were even contemplating joining their forces with Hitler’s somewhere in Asia. For five years after the September 18th Incident in 1931, Chiang Kaishek repeatedly ordered Kuomintang troops to practise “non-resistance” to Japanese troops, while preferring “internal pacification” to “foreign invasion,” which well suited the needs of the Japanese aggressors.

After the September 18th Incident the Communist Party of China did its best to support the anti-Japanese “local wars” led by Generals Ma Zhanshan, Cai Tingkai, Feng Yuxiang and Fu Zuoyi in their command areas. It also led the anti-Japanese guerrilla wars in northeast China, sent an expeditionary force of the Red Army in Jiangxi Province to march northward against Japan, and directed the Central Red Army to march eastward to enter the anti-Japanese front. Ji Hongchang, Yang Jingyu, Fang Zhimin, Liu Zhidan and other outstanding national heroes sacrificed their lives in these battles.

It was not until 1936, a year before the nationwide War of Resistance Against Japan broke out, that fundamental changes had taken place in the anti-Japanese battlefront. After the Red Army completed the 25,000-li Long March and arrived in the northern Shaanxi Province in October 1935, the Central Committee of the Communist Party of China won over Generals Zhang Xueliang and Yang Hucheng and their troops stationed in Shaanxi in northwest China to the ideas of ceasing the civil war and setting up a national united front of resistance against Japan. They boosted the anti-Japanese national salvation movement among the people of Shaanxi, and that greatly influenced the rest of China.

The patriotic December 9th Movement (1935) launched by Peiping (Beijing) students under the leadership of the Communist Party’s underground organization for resistance against Japanese aggression, national salvation and the suspension of the civil war inspired people in all walks of life across China, and gained a more powerful momentum than the May 4th Movement in 1919. Many social celebrities, university professors, overseas Chinese and patriotic personages in the
Kuomintang represented by Soong Ching Ling, actively joined the movement. All this, in turn, influenced the situation in Shaanxi and China as a whole.

Chiang Kai-shek went to Xian in December 1936 to urge Zhang Xueliang and Yang Hucheng to continue in "suppressing the Communists." He rejected their patriotic demand to cease the civil war and unite against Japanese aggression. Zhang and Yang detained Chiang in what became known as the Xian Incident. The Communist Party quickly sent a delegation to Xian to prevail upon Chiang to see sense. This led to the peaceful solution of the Xian Incident and laid the foundation for the second round of cooperation between the Kuomintang and the Communist Party, and the nationwide mobilization for the all-out war of resistance. As for the two patriotic generals, who had rendered meritorious services to unity in resistance, Zhang Xueliang has been to this day deprived of his freedom by the Kuomintang authorities, while Yang Hucheng was arrested after the beginning of the war of resistance and was murdered on the eve of the liberation of Chongqing. The Northeast Army and Northwest Army under their command were also disbanded immediately after the peaceful settlement of the Xian Incident.

**Engine of Revolution**

Thus the War of Resistance Against Japan began half a century ago, with the Communist Party of China always keeping the political initiative both prior to and during the war.

Today we fully affirm the meritorious services of all patriotic commanders and fighters of the Kuomintang government forces, particularly those who fell in battle. But because the Chiang Kai-shek regime adhered to the wrong policy of allowing only the army but not the people to fight the Japanese from the beginning of the war and because from 1939 on, it adopted the reactionary policy of passive resistance to Japanese aggression and active opposition to the Communist Party and the people, most of its troops lost their combat effectiveness. In 1944, one year prior to Japan's surrender, the Japanese invading army was still able to mount a large-scale offensive from Henan and drive southward to Guangxi and Guizhou, which caused a great panic in Chongqing, the wartime capital.

Meanwhile the bureaucratic capitalist class headed by the four big families of Chiang Kai-shek, T.V. Soong, H.H. Kung and the Chen brothers (Chen Li-fu and Chen Guo-fu) took advantage of the national calamity to make a fortune for themselves. The Kuomintang reactionaries' complete corruption outraged democratic parties and all patriotic people. Even General Joseph Stilwell, commander-in-chief of the allied forces in the China-Burma-India theatre and Chiang Kai-shek's chief of staff, and many diplomats in the US Embassy in China urged the United States to reduce its aid to Chiang Kai-shek (actually all of it was used to prepare for a new civil war instead of to resist the Japanese). They proposed that America should assist the Communist Party instead.

In the winter of 1943, Zhang Zhizhong, a noted patriotic general who enjoyed the confidence of Chiang Kai-shek, said to Chiang: "What we should worry about today is mostly the people turning against us and the sinking of the army's morale. . . . As for the criticisms from our friends, particularly the sneers and criticism from the government and public of the United States with whom we have such intimate relations, they have grown to an extent beyond our forbearance." (Quotations from the Reminiscences of Zhang Zhizhong.) As a matter of fact, crisis of the completely discredited KMT was being acknowledged widely in China and in the world.

The Chinese Communist Party headed by Chairman Mao Zedong, on the other hand, politically persisted in continuing the war of resistance, stood for unity and progress and opposed surrender, split, surrender and retrogression. Militarily it adopted flexible strategies and tactics. The soldiers and civilians were as dear to each other as members of one family and fought bravely for a common destiny. None reviewing their earthshaking struggle could fail to be proud of them, to emulate their fine style during the war and to respect those who gave their lives in the war and take them as good models.

The people's resistance led by the Chinese Communist Party greatly raised its prestige and expanded its strength during the eight-year war. By 1943 the Eighth Route Army, the New Fourth Army and other anti-Japanese armed forces under the leadership of the Communist Party were engaging 64 percent of the Japanese invading forces and 95 percent of their puppet armed forces.

In April 1945 the Communist Party had 1.2 million members as against a few tens of thousands on the eve of the war and the revolutionary armed forces led by the Party had expanded to 910,000 people, not including the numerous militia troops. The population in the Party-led liberated areas reached 95.5 million. Although the people's revolutionary forces led by the Communist Party were far fewer than the Kuomintang forces, their quality was far superior. One was flourishing and the other was declining. The Communist Party enjoyed obvious potential advantages.

After the war, Chiang Kai-shek clung obstinately to his course and was active in preparing a civil war. Finally he launched an all-out civil war in June 1946. He believed that
with his forces, which had conserved their energy in the rear during the anti-Japanese war, were better armed and backed up by the US government's military and financial aid, he could eliminate within three months the "Communist bandits." But history mocked him. Chiang Kai-shek did not achieve his goal, but looked on helplessly as the People's Liberation Army crossed the Changjiang (Yangtze) River and liberated the mainland—all this within three years. In the end he had to flee to Taiwan.

The fall of Chiang Kai-shek from power in the mainland demonstrates history meting out its justice. Things will move in the opposite direction having reached one extreme. The relative political and military strengths after the anti-Japanese war weighed heavily in favour of the great victory of the people's liberation war. Chiang Kai-shek, who knew nothing about dialectical materialism, found this very difficult to understand.

The great victory of China's War of Resistance Against Japan and the War of Liberation proved a truth: In China a political party can lead the country and take it onto the road of prosperity and democracy as long as it can take the worker-peasant alliance as its basis and unite 95 percent of the patriots in solving the problem of national independence. (Japan, China's neighbour, invaded China and occupied vast territories for quite a long time. The Chinese nation was then on the verge of destruction; opposing Japanese aggression was primary in national independence.) The party must also resolve the land problem of the peasants who make up 80 percent of the population. While the Communist Party solved these two problems, the Kuomintang failed. There was really no other choice than the one the Chinese people made.

Some people point to the fact that the Kuomintang ruling clique is not doing too badly in developing its economy in Taiwan. It is true. But there are historical factors at work here too. The Kuomintang ruled the mainland for 22 years and the people were subject to the oppression and exploitation of bureaucratic capitalism. The economy was on the brink of collapse. Chairman Mao Zedong once said, "In the past there were reasons for others to look down upon us. For we had little to contribute, steel output registered only several hundred thousand tons a year, and even that was in the hands of the Japanese. Under the despotic rule of Chiang Kai-shek's Kuomintang, which lasted 22 years, steel output was only some tens of thousands of tons a year." Why did the Kuomintang which now rules Taiwan do so badly on the mainland in the 22 years of its domination? Was it due to the "disruption" of the Communist Party? No. The Kuomintang ruled most of the mainland by force. Taiwan became a province of China only in 1946. We admit to its development (although it can be nothing but an "orphan" in the international community before its unification with the mainland), but at the same time recognize that that is due basically to the strong support of Japan and the United States. The question is: Is it possible for the United States and Japan to give the same support to socialist New China? To say nothing of the blockade they laid on China for dozens of years. Even after bilateral economic and cultural exchanges between China and these two countries expanded following the establishment of diplomatic relations in the 1970s (the Chinese government is determined to make further efforts to develop these exchanges according to the principle of equality and mutual benefit), still miracles have not happened and will not happen. All this is very clear.

### Changes in the Far East

Nonetheless, as we said earlier, the eight-year war of resistance was very significant in bringing about radical changes in the development of the Chinese revolution, and in reshaping the political situation in the Far East.

Before the end of Japan's aggression against China, Japanese imperialists had been running out of steam. In August 1945, the Soviet Red Army annihilated the Japanese Kwantung Army and entered Korea. The US forces won victory after victory in the Pacific War, and on August 6 and 9 they dropped two atom bombs on Hiroshima and Nagasaki (it is well known that China always opposes this means of war).

The Chinese people's anti-Japanese forces launched an all-out counterattack on Japanese troops entrenched in larger cities. On August 15, Japan declared unconditional surrender; on September 2, Japan formally signed that surrender document. Article nine of the peace Constitution adopted by Japan's Diet clearly stipulates: Japan renounces for ever the use of war launched by state power and of armed threat or the exercise of armed force as a means of settling international disputes. Japan denies its own right to declare war.

From January 1946 to November 1948, the Far East International Military Tribunal composed of representatives from 11 countries including China, the Soviet Union, the United States and Britain tried Japan's war criminals. Hideki Tojo, Kenji Doihara, Koki Hirota, Seisiro Itagaki, Heitaro Kimura, Sekkon Matsui, Akira Muto were hanged.

Within less than a year, the People's Republic of China was proclaimed. The days when China was stigmatized as the "sick man of the East" have gone for ever. It has been proved that those who go against the principle that "things which have reached their extreme turn into their opposites" will inevitably be punished.
Things that happened in Japan around the time of Japan's surrender are long past. We do not want to bring up the past, but things are going contrary to our wishes. Some people in Japan deliberately try to forget and change these unforgettable and unalterable historical facts. Some people praise the war of aggression and the criminals who launched it; some people are influencing public opinion against the Tokyo trial. This trend naturally arouses the anxiety of peace-loving people in Japan, China and other countries and regions in Asia who suffered from Japan's aggression.

China suffered most from Japanese aggression. During the eight-year war of resistance, a total of 10 million Chinese people were killed and 11 million were injured and the material losses reached US$60 billion. The Nanjing massacre, which shocked the world, saw the killing of over 300,000 people.

However, socialist New China has always held that China and Japan are close neighbours, separated only by “a strip of water,” and have a history of friendship going back 1,000 years, with bad relations prevailing for only less than 100 years. New China has held that the war of aggression against China was a crime committed by Japanese imperialists, of which the Japanese people were also victims. In view of this, China has since 1949 devoted its efforts to overcoming the obstacles set up by the Japanese government, to developing friendly contacts between the Chinese and Japanese peoples and exchanges in the economic (mainly among smaller enterprises), cultural, scientific, religious, industrial, communications and agricultural fields.

Back in 1952 China received three Japanese Diet members — Kei Hoashi, Tomi Kora and Yoshi-suke Miyagoshi — and signed a non-governmental trade agreement with Japan. Since 1953 China has helped 40,000 Japanese nationals trapped in China by the war to return home and Japanese organizations have sent back the remains of over 3,000 Chinese martyrs who died in Japan. Over 1,000 Japanese war criminals who were held in custody in Fushun were released before serving their full terms of sentence and repatriated to Japan.

After returning home, many Japanese army officers and soldiers have become activists in the move for “no more war between Japan and China,” and for friendship between the Japanese and Chinese peoples.

However, throughout this period, the development of the friendly relations between the peoples of China and Japan has been repeatedly hampered by the Japanese ruling circles hostile to China; (2) not foster a “two-China” conspiracy; and (3) not obstruct the normalization of relations between China and Japan. With the attitude of the Japanese Ikeda Cabinet (formed in 1960) becoming positive, the activities to promote friendship carried out by Kenzo Matsumura, a veteran statesman of the Japanese Liberal Democratic Party, and other people in political and trade circles developed to a new stage. In 1964 two agreements were signed, one for the offices of Liao Chengzhi and of Tatsuno-sukeyuki Takasaki to set up permanent liaison offices in each other's capitals and the other for China and Japan to exchange resident news correspondents.

The China-Japan Joint Declaration signed by the two governments on September 29, 1972, proclaims: “The Japanese side is keenly aware of Japan’s responsibility for causing enormous damage in the past to the Chinese people through war and deeply reproaches itself.” In the joint declaration the Japanese side reaffirmed its full understanding of the three principles for restoring Sino-Japanese diplomatic relations which the government of the People's Republic of China had set forth: The government of the People's Republic of China is the sole legal government of China; Taiwan is an inalienable part of the territory of China; and the Japan-Chiang Kai-shek treaty is illegal, null and void and should be abrogated. It also stressed that Japan adheres to its stand of complying with Article 8 of the Potsdam Proclamation.

Prior to this, Chairman Mao Zedong met with Japanese Prime Minister Kakuei Tanaka on September 27 and the two had earnest and friendly conversations. Since then China and Japan have established diplomatic relations of equality. This has put an end to China's long-term suffering from Japan's aggression, and the two countries' relations have embarked on an unprecedented track. This represents a valuable contribution made by Chairman Mao, Premier Zhou Enlai and Japan's far-sighted statesmen on behalf of the people of both countries. The Chinese people will always remember the contributions made by those Japanese organizations and individuals who have been campaigning and working hard for Japan-China friendship and the normalization of relations.

Rocky Friendship

Japan's friendship with China developed further with the establishment of diplomatic relations. In August 1978, China and Japan signed the Treaty of Peace and Friendship, which states: "The above mentioned Joint Declaration constitutes the basis of the relations of peace and friendship between the two countries and that the principles enunciated in the Joint Decla-

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ation should be strictly observed.”

The treaty outlines the principles guiding the development of the relations, and says, “The Contracting Parties shall, in a good-neighbourly and friendly spirit and in conformity with the principles of equality and mutual benefit and non-interference in each other’s internal affairs, endeavour to… promote exchanges between the peoples of the two countries…. The Contracting Parties declare that neither of them should seek hegemony in the Asia-Pacific region or in any other region and that each is opposed to efforts by any other country or group of countries to establish such hegemony.”

In October that year, Deng Xiaoping, then vice-premier of the State Council, exchanged the instruments of ratification of the China-Japan Treaty of Peace and Friendship on behalf of the Chinese government and paid a friendly visit to Japan thereafter. Between 1982 and 1983, China and Japan confirmed the four principles guiding the Sino-Japanese relations: peace and friendship, equality and mutual benefit, mutual trust, and long-term stability.

However, the development of the relations between China and Japan has not been smooth. Recent years saw a rise in disputes, including the one over the Japanese Education Ministry’s revision in 1982 of a textbook on the history of Japanese militarists’ aggression towards China; and the one over the Japanese prime minister and cabinet members’ official visit to the Yasukuni Jinja Shrine in 1985. (The shrine commemorates the Japanese war dead including Hideki Tojo and other war criminals—Tr.) At present the Kokario case about a student dormitory looms largest. A Japanese court in Osaka ruled that the student dormitory which is China’s property, is owned by Taiwan. All this obviously is not favourable to the long-term development of the Sino-Japanese friendship.

These incidents show that, on a number of major issues, the Japanese authorities have only been paying lip service to the Sino-Japanese Joint Declaration and the Treaty of Peace and Friendship, and have not taken any concrete action to implement them. In the meantime, Japan’s defence budget has surpassed the ceiling of 1 percent of its gross national product, arousing great concern among Japan’s neighbours. It has been noted that in Japan there are people who are attempting to sabotage the hard-earned Sino-Japanese friendship by denying the truth of Japan’s invasion of China and even by reversing the verdict of history in many cases.

This flying in the face of history has served to sharpen the eyes of the peoples of China and Japan. In fact, many far-sighted people in Japan’s political and social circles are unhappy with the situation and have appealed for closer observation of the Sino-Japanese Joint Declaration and the Treaty of Peace and Friendship.

The Osaka court’s decision in favour of the Taiwan authorities’ ownership of the student dormitory, they say, means the recognition of another China or an independent Taiwan. “Distorting history will do harm to rather than benefit Japan’s friendly ties with China. Japan’s own dignity will be harmed too,” they say. We are convinced that in the long run, reason will prevail and there will be more and more people working for the development of Sino-Japanese relations. In implementing policies concerning China’s interests, any serious-minded Japanese politician, no matter whether he admits that Japan owes China more historical debts, than it does any other country, must consider the existence of an independent and unyielding power on the other side of the sea, a power which follows the policy of peace and friendship and engages in all-round diplomacy and foreign trade, and whose international position becomes increasingly important with each passing day. Japan gives China the cold shoulder, China will not accept it quietly. It is Japan that will suffer in the end.

As we mark the 50th anniversary of the Lugou Bridge Incident, we ardently hope that China’s soldiers and civilians, the young people in particular, will review the 50-year history of blood and tears and the history of revolutionary struggle, keep a close watch on the development of Sino-Japanese relations, and make concerted efforts with the Japanese people to sustain the development of the two countries’ relationship on the basis of the Sino-Japanese Joint Declaration and the Treaty of Peace and Friendship.

Chinese leader Deng Xiaoping recently said that China’s general policy of maintaining long-term friendship with Japan will not change, but certain unpleasant aspects should be handled in a way that benefits the two countries and their peoples. Referring to obstacles in the bilateral relations, Deng said, “Frankly, the responsibility was never China’s. None of the past and present troubles was caused by China. We stress the attitude of looking ahead, not asking for trouble and avoiding any more unnecessary disputes.” This represents the voice of the 1 billion Chinese people.

The Chinese government, army and people cherish the friendship between China and Japan and look forward to furthering that friendship. This requires that no more trouble be made. Knotty problems that have already arisen should be handled properly in accordance with the principles enumerated in the Sino-Japanese Joint Declaration and Treaty of Peace and Friendship. Only by constantly removing obstacles can good-neighbourly relations develop smoothly, bringing happy-
ness to peoples of both countries. Confucius said, “Now my way is to hear their words, and look at their conduct.” We await the Japanese government’s next move.

(1) The decision on the question of Shandong at the Paris Peace Conference was proposed by the Japanese government and adopted at the insistence of the Japanese government. The May 4th Movement of 1919 was driven by opposition to the conference, and much of its force was directed against Japan from the start. The movement was therefore an anti-Japanese patriotic movement. However, the sponsors of the Paris Peace Conference were the United States, Britain and France (Japan, like the United States, did not really take part in the war). In his two amendments, US President Woodrow Wilson later proposed the joint management of Shandong by the United States, Britain, France, Italy and Japan instead of his former suggestion of temporary trusteeship by the Peace Conference. This is imperialist aggression by five powers instead of one. This proposal dashed the hopes of many Chinese that the end of the European war would represent the victory of truth over power politics. Since the May 4th Movement opposed the Paris Peace Conference which was dominated by Western powers, it is an anti-imperialist patriotic movement, even though no anti-imperialist slogans were advanced.

(2) Article 8 of the Potsdam Proclamation stipulates: Japanese sovereignty shall be limited to the islands of Honshu, Hokkaido, Kyushu, Shikoku and such minor islands as we determine.

(Translation of an article originally printed in “Renmin Ribao”, July 8. The author made revisions during the translation.)

China’s Three Railway Construction Projects

by Ling Wancheng

China’s railway system for both passenger and freight transportation is suffering from inadequacies that are impairing its contribution to national economic growth. The main problems are poor facilities in the southern sections of the Beijing-Guangzhou and Tianjin-Pukou routes, two big arteries going across China from north to south; shortage of equipment that prevents the abundant coal reserves in Shanxi Province from being shipped to other areas; saturation of marshalling facilities in the four major stations of Xuzhou, Zhuzhou, Fengtai (west) and Zhengzhou (north); and unloading difficulties faced by some big iron and steel plants, power plants, ports and such big cities as Shanghai and Guangzhou.

The country has, therefore, embarked upon three major construction projects designed to speed up rail transportation.

Datong-Qinhuangdao Line

The autonomous regions of Inner Mongolia and Ningxia and the Province of Shanxi all have large quantities of coal ready for shipping, while east China’s flourishing industrial areas need coal to produce electricity. The State Statistical Bureau estimated that if east China could receive 1,000 tons of coal a year, the region’s annual gross value of industrial output would increase more than 17 billion yuan. Also, exports of high-quality coal can earn large amounts of foreign exchange.

In late September 1983, the Chinese government decided to build a new 653-kilometre-long railway route to move coal from Shanxi to Qinhuangdao, a harbour city on the Bohai Sea. The leading group in charge of the Datong-Qinhuangdao railway construction agreed at its first meeting held in January 1984 that shipping coal from Shanxi via Qinhuangdao to other provinces would play an important role in solving these regions’ energy crisis. The new route, when completed, will allow almost 100 million tons of coal a year to be shipped to Qinhuangdao and thence to the coastal areas in southeast China. This will mean a vast improvement in the supply of energy resources.

Scientists and technicians began designing and surveying this new route in July 1983. Some 60,000 workers affiliated with the Minis-

The No. 1 Railway Bridge, 311.3 metres long, being built across the Zhanghe River in Guangdong Province.

CHEN XUESI

JULY 20, 1987
The Datong-Qinhuangdao Line in the Making

A new 650-kilometre-long railway line intended for transporting coal from Datong in Shanxi Province to Qinhuangdao in Hebei Province is being built. This will be the first electrified, double-track, heavy-duty railway in China, and is one of the key projects of the Seventh Five-Year Plan period (1986-90).

Building the line at its western end. The electrification facilities near Datong are complete.
Boring the Jundushan tunnel.

The Yuhe Bridge will be 2,000 metres long and 22 metres high.

Working in the tunnel.

Building the Yongding River Bridge.
A train on the Xinghe line, from Xinxiang in Henan Province to Heze in Shandong Province.

No.4 Design Institute, an affiliate of the Ministry of Railways, is in charge of designing, and 60,000 workers in six construction companies are carrying out the work. By the end of 1986, the whole project was 80 percent completed.

The new route, when commissioned as scheduled, will be travelled by 100 round trips a day, compared with 49 at present. Annual transport capacity will grow from 15 million tons to 30 to 50 million tons, a major relief from the present traffic tension.

East China Rail System

East China, including Shanghai, Jiangsu, Zhejiang, Jiangxi, Anhui and Fujian, is economically crucial to the nation as a whole, as, for example, it turned out 31 percent of the nation’s total industrial and agricultural output value in 1985 and has 23 percent of China’s total population.

However, the area has only 5,000 kilometres of railway track, or only 10 percent of the nation’s total. Of China’s four “overburdened” bottlenecks three are in this area. As a result, half of the

Hengyang-Guangzhou Line

The Beijing-Guangzhou Railway, a vital communication line in China, runs 2,300 kilometres from north to south. Although the northern section has been rebuilt and double-tracked the 520-kilometre-long southern section from Hengyang in Hunan Province to Guangzhou, built in 1936, remained single-tracked and poorly equipped, constituting a bottleneck to the traffic.

Statistics show that this blockage prevents 4 million tons of materials a year from being transported from Guangdong Province to the interior and another 1.5 million tons from leaving Hunan for other provinces. As a result, Guangdong receives only 50 percent of the materials it needs to be brought in from other provinces.

At the end of 1985, the government decided to doubletrack the Hengyang-Guangzhou section before the end of 1988. The government solicited bids to select a construction unit for the project, which is being carried out under the investment responsibility system. Guangzhou Railways Bureau was granted the bid. The
materials needed cannot arrive. In addition, passenger trains from Shanghai have been overcrowded; of each day's 490,000 passengers, 100,000 have to stand.

In an attempt to solve this problem, in 1986 the Ministry of Railways upgraded some trains, added more tracks and shortened loading and unloading time. But these steps were not enough. So in August 1986, the Ministry of Railways invited specialists, scholars, and leading cadres to work out a plan for improving east China's railway network.

During the Seventh Five-Year Plan period (1986-1990), the government will build 1,726-kilometre-long new railways, double-track and electrify the old ones in the area, and renovate 17 large and medium-sized projects. This plan, much more fund-consuming than the Hengyang-Guangzhou or the Datong-Qinhuangdao project, will account for 20 percent of the state's total investment in railway projects during the coming five years.

Specific projects in east China include improving and expanding the following routes:

- The Beijing-Shanghai Route. Its capacity will be expanded and new equipment, including electricity-powered trains and computers, will be added. Also, a new Shanghai Railway Station for passengers is expected to open at the end of 1987. This will become China's first modern railway route.
- Two new railway routes, one from Shangqiu to Fuyang and the other from Xuancheng to Changxing, will be built, and the Changxing-Hangzhou Railway will be renovated.
- The Shanghai-Hangzhou Route will be double-tracked and so part of the Hangzhou-Nanchang Route.
- The Yingtan-Xiamen Route will be electrified.

New Approach

These three major projects will consume the lion's share of the Ministry of Railways' human, financial and material resources, as their total consumption is expected to reach 14.9 billion yuan.

Starting in January last year the Ministry of Railways adopted an economic responsibility system, or popularly called the "contract system," in railway construction, a breakthrough from the old practice of turning in all the profits, if any, to the state, asking for allocations if losses arose and having no say in financial management. Now the ministry gives the state a certain share of profits and taxes and keeps the remaining part for its capital construction and payroll. In other words, the Ministry of Railways has taken over its own decision-making.

China's history shows that it is not enough for the state to commit itself to building a modern railway system. It must also enlist the efforts of the railway system's 3 million staff and workers and of the people of the whole country. However, it is the adoption of the responsibility system that has made the railway departments begin these three projects.

(Originally carried in "Outlook Weekly" Overseas Edition, issue Nos. 5 and 6)

FACTS & FIGURES

Changes in Industrial Ownership Structure

by the State Statistical Bureau

As a result of the implementation of the policy of reform, opening up and economic invigoration, rapid progress has been made in various economic sectors since 1979 while keeping the predominance of state ownership. In the process many changes have taken place in the ownership structure of industrial enterprises.

1. Development of various economic sectors. Before 1979 industrial enterprises were state- and collective-owned, with the state enterprises owning 92 percent of industry's fixed assets and turning out 80 percent of the total output value. Since 1979 China has in addition introduced individual ownership and attracted foreign investment in various forms.

The nation's total industrial output value doubled between 1978 and 1986, that of the state sector increased by 81 percent and of the collectively owned enterprises (not including those run by villages or smaller units) 220 percent. Individually owned industrial enterprises in the cities and towns have developed from scratch and in 1986 made 2.92 billion yuan in output value. The output value produced by foreign-funded enterprises (including Sino-foreign joint ventures, cooperative enterprises and wholly foreign-owned enterprises) was 4 billion yuan last year and by cooperatives (including those run jointly by the state and collectives,
by the state and individuals or by collectives and individuals) topped 11.8 billion yuan.

The various sectors developed at different speeds. During the 1978-86 period, the state sector's share dropped from 80.2 percent to 68.7 percent of all industrial enterprises, the collectives increased from 19.1 percent to 29.2 percent (or 35.2 percent if those run by villages are included), private enterprises accounted for 0.3 percent, foreign-funded enterprises for 0.4 percent and cooperative industrial enterprises for 1.3 percent.

2. Varied ownership systems coexist. A total of 1,766 cooperative enterprises with different ownership systems have appeared since 1979. In 1980 the first wholly foreign-owned enterprise and two Sino-foreign joint ventures were established. By the end of 1986 China had 28 enterprises run by overseas Chinese and entrepreneurs from Hong Kong and Macao, 391 Sino-foreign joint ventures and 34 wholly foreign-owned enterprises.

3. Socialist ownership has been further strengthened. State-owned enterprises have been introduced to reforms which aimed at greater independence and added vigour. By the end of last year, 67.4 percent of the state-owned industrial enterprises replaced handing over their profits with tax payments, 42.6 percent introduced the director-responsibility system and 3,069 small state-owned enterprises were leased out or were managed by collectives. The reforms brought better economic returns to these enterprises.

4. Various ownership systems complement one another. All industrial enterprises have sought the best way to operate.

State-owned raw materials and the large-scale precision equipment enterprises have rapidly developed. Although the proportion of state-owned enterprises dropped, the state-sector is still the backbone of the national economy. It still includes a majority of enterprises and provides the material and technological foundation for the other sectors. Its production scale is expanding swiftly. Its enterprises are in the important industrial fields of metallurgy and energy. They form 99 percent of the nation's petroleum enterprises, 98 percent of electric power production, 90 percent of metal production, 83 percent of coal, 73 percent of chemicals, 89 percent of raw materials production and 68 percent of the precision machinery and technology-intensive industries.

Urban and rural collective enterprises process farm produce and service big urban enterprises. In the last eight years the number of collective enterprises tripled and last year, 90 percent of them engaged in processing raw materials from the local farming and the big state-owned industrial enterprises. From 1978 to 1986 the proportion of collective enterprises processing grain and edible oils increased from 3.3 percent to 9.2 percent; of textile mills went up from 11.6 to 28.8 percent, and the building materials industry from 40.2 to 50.5 percent. The share of enterprises producing machine parts for big urban enterprises increased from 27.3 percent to 33.3 percent. Small coal mines, small hydroelectric power stations and small iron and steel enterprises also increased.

Foreign-funded enterprises have introduced advanced technology to China. They are mostly technology-intensive enterprises producing machines, electronics and household electrical appliances. They are located in coastal cities; half of them are in Guangdong Province. Most of these enterprises are equipped with modern machines, have imported many automatic production lines and modern management expertise. All this has helped improve China's technical and management ability and increase its export earnings.

1. Multiform ownership enterprises have promoted industrial production. In 1986 the output value of collectively and individually owned and foreign-funded enterprises was 201.3 billion yuan, 3.5 times what it was in 1978. This accounted for 42 percent of the nation's total increase. Collectively owned enterprises' output value went up by 182.2 billion yuan (or 3.3 times), a yearly growth rate of 16.6 percent on average. These collective enterprises developed 100 percent more quickly than state-owned enterprises and their increased output value accounted for 38 percent of the nation's total increase.

2. Vitality of enterprises improved. The coexistence of various economic sectors has promoted the reform of the industrial management system and increased the vitality of enterprises, thus bringing better economic results to these enterprises even after the prices of raw materials, workers' wages and production costs rose. In 1985 these industrial enterprises handed over to the state 81.7 percent more in profits and taxes than in 1978, a yearly growth rate of 7.7 percent on average. Their financial resources grew, their ability to re-equip themselves increased and their workers' income rose.

3. The commodity economy has developed. As the economy diversified and the market grew, the percentage of the commodities regulated by the state plan dropped as market regulation expanded. The market in capital goods is taking shape. Of the sales of the means of production the share of those regulated by the state plan dropped from 75.8 percent in 1981 to 55.2 percent in 1985. The market in other products has expanded. The varieties of light industrial products produced and sold according to the state plan decreased from 117 in 1978 to 80 in 1986 and most of those were turned out according to the guidance plan.
New Japanese Loans to China

Japan and China signed an agreement on July 6 in Tokyo for Japan to lend China 85 billion yen (about US$580 million). The loan is part of the second group of loans (474 billion yen) which Japan has promised China for the 1984-90 period. Loan agreements signed in the last four years were worth 281.3 billion yen.

The Japanese loans are being used to undertake seven projects. They are —

1. The double-tracking of the 540km Hengyang-Guangzhou Railway Line, costing 70.294 billion yen. Upon completion of the project in 1988, the line’s handling capacity will have increased by 29 million tons a year;
2. The double-tracking and electrification of a 684km stretch of the Zhengzhou-Baoji Railway Line, costing 61.691 billion yen. Upon completion of the project by the end of 1988, the line’s annual handling capacity will have increased by 39 million tons;
3. Construction of six log, grain and sundry goods berths at Qinhuangdao’s Bingding Harbour costing 18.816 billion yen. Upon completion of the project in 1989, the harbour’s annual handling capacity will have increased by 3.5 million tons;
4. Construction of five container, log and grain berths as part of the second phase of construction project of the Lianyungang Harbour, costing 31.213 billion yen. Upon completion of the project in 1991, the harbour’s annual handling capacity will have increased by 4 million tons;
5. Construction of six mineral ore, coal, sand, log and sundry goods berths at the Qingdao Harbour, costing 17.443 billion yen. Upon completion of the project by 1991, the harbour’s annual handling capacity will have increased by 17 million tons;
6. Installation of generators with a design capacity of 880,000 kw for the Tianshengqiao Hydraulic Power Station, costing 54.14 billion yen. Half the generators are expected to go into operation in 1991.
7. Telephone updating projects in Tianjin, Shanghai and Guangzhou, costing 27.703 billion yen. The projects include the installation of a total of 150,000-channel programme controlled exchanges in the three cities before 1989.

All seven projects are designated key projects for the Seventh Five-Year Plan period. They are expected to play a major role in the development of China’s national economy.

China began to use Japanese loans in 1979. The first group of Japanese loans was worth 33.09 billion yen. Six projects were built with the loans, including the 300,000-ton ethylene project at Daqing Oilfield.

Yantai Helps Its Foreign-Aided Firms

Yantai, one of China’s 14 open coastal cities, has this year settled over 70 difficult problems for foreign-funded enterprises. These included the supply of 425 tons of steel products, 2,100 tons of cement, 150 tons of coal, selling 5.95 million yuan’s worth of shares to Chinese companies, arranging US$500,000 of loans in foreign currency, and 7.29 million yuan loans in Renminbi.

From 1984 to mid-1987, Yantai and foreign businesses have signed 33 agreements on joint ventures and co-operative management, of which six projects have gone into operation; two are under trial-production. The rest are under construction. Thanks to the city’s efforts in helping foreign investors, the six Sino-foreign joint ventures that have been put into operation are expected to make a profit this year.

by Yao Jianguo

Trade News in Brief

- The 1987 Hebei Symposium on International Economic and Technological Co-operation will be held from September 1 to 10 in Shijiazhuang, the capital of the Province.

Under discussion will be 149 projects which have been made available for foreign investment, 50 economic and technologial co-operative projects which have yet to be offered and exports as well as other projects such as export of labour, contract projects, bringing in scientists and technicians, technological transfers, cultural exchanges and tourism. The co-operative means include purchasing goods for cash, joint ventures, co-operative management, compensatory trade, processing with supplied materials and international leasing.

It was reported that Hebei Province is working on regulations for encouraging foreign investment.

- China’s first public relations company, the China Global Public Relations Co., has served over 100 enterprises and mass organizations at home and abroad since its establishment in May 1986. It has done so by arranging news conferences, opening ceremonies of various kinds, Sino-foreign technical exchanges and forums, market investigation and consultancy services. In order to help foreign clients develop their Chinese business and Chinese clients enter foreign markets, and to promote Sino-foreign technical exchange, the company has concluded a co-operative agreement with the US Burson-Marsteller Co. to act for each other’s clients.

- The Fujian Investment Enterprise Co. has issued 10 billion yen-denominated bonds in Tokyo. The term is for 10 years, the interest rate, 4.8 percent. The money is for major construction and modernization projects in Fujian Province’s industry. So far, China has made 14 separate bond issues in Japan.

JULY 20, 1987
Painter Fan Zeng — Talented and Diligent

Fan Zeng was one of the most energetic painters in China today. In the past decade, his work has been displayed in Japan, the United States, France, Federal Republic of Germany, Italy, Canada, Britain and Singapore, winning much public acclaim. In 1984, Japan's Okayama County set up a special gallery containing more than 80 of Fan's paintings, making him the first Chinese painter to have works permanently displayed in a foreign country.

Professor Fan, 49, is head of the Oriental Arts Department at Nankai University in Tianjin. The department was founded in 1984, with the aim of systematically studying the arts of various oriental countries, mainly painting and music. It is planned that the department will gradually develop into an oriental arts research centre.

"As people of one of the birthplaces of oriental civilization, we Chinese have devoted less than sufficient study on oriental culture," said Fan. All the arts evolved by the peoples of China, India, Japan, Korea and other countries in Southeast Asia should be studied in an all-round way, he added.

To show his support to this undertaking, he has contributed 1.2 million yuan gained from sales of his paintings in Japan to the department.

A native of Nantong, Jiangsu Province, Fan showed his talent for painting when he was young and was considered a child prodigy. But, at 17, he failed the entrance examination of the Central Academy of Fine Arts. The same year, he was admitted to the history department of Nankai University. Two years later, he transferred to the Central Academy of Fine Arts, where he first majored in the history of fine arts and later studied Chinese painting techniques.

At the academy, he was under the tutelage of the famous Chinese painting master Jiang Zhaohue. Master Jiang considered that freehand brushwork in traditional Chinese painting must be characterized by vivid expression and bold outline. He encourages his students to portray mental outlook on the basis of fine line drawing. Guided by Jiang, Fan gained a good command of line drawing. Fan was also heavily influenced by Master Li Keran, who is famous for his bold style and consummate skill in ink-and-colour painting.

Fan has developed a style of his own. His works — painted with a vigorous and bold hand — carry a profound message. He often uses historical figures from ancient books and records as subjects for his paintings. Under his brush have appeared vivid images of historical figures, including Zhuang Zi, Lao Zi, Qu Yuan, Cao Cao, Xie Lingyun, Li Bai, Du Fu and Cao Xueqin. He also paints figures from fairy tales, such as Zhong Kui and Nu Wa. Fan said: "My work can find favour with the public because the subjects of my paintings reflect China's splendid history. I extol heroes who devoted their lives for the existence and development of the motherland, and eulogize the fine virtues and moral standards evolved in the past hundreds of years."

Using brush-and-ink techniques, Fan blends calligraphy and ink painting to create an organic whole, with splashed ink and line drawing complementing each other. His paintings gave a rhythmic and harmonious impression through intertwining light and dark brush work. Fan said: "Xian paper* is a merciless mirror that can ruthlessly determine the value of brushwork. Before the mirror, no dishonesty and conceit is possible. Mediocre artists will be revealed in their true colours, while able people can vividly depict our times and individual characters. It can be said that the writing brush is an expansion of the nerve endings of a true artist."

Following the basic principles of Chinese painting, Fan seeks to portray historical figures with their own individual character and message. He can paint historical figures skilfully almost in one breath, never using a pencilled draft. Wielding his brush, he first delineates the eyes and head, then the body, and finally the pupil of the eyes, or a beard. When completed, the figure seems to come alive on the paper.

Fan believes artists must seek sources of inspiration from life. They must cultivate moral and good personal qualities, and train themselves in true-to-life mode of thinking. To master Chinese painting techniques, he studied and copied paintings and calligraphy by the masters of various dynasties. He also studied Western drawing techniques and has a wide knowledge of contemporary Chinese and foreign paintings.

* A high quality paper made in Xuancheng, Anhui Province, especially good for traditional Chinese painting and calligraphy.
Chinese Originate From 2 Groups

Some scientists in Shanghai have proved through blood group research that the Chinese nation, which has become an integral whole through several thousand years, originates from two distinct groups—one in the north and the other in the south. Previous studies of fossils and cultural relics have suggested that the Chinese people originate from the Huanghe (Yellow) River valley in the north.

Zhao Tongmao, head of the Immunity and Heredity Office at the Shanghai Institute of Blood Transfusion, and his colleagues started their research in 1982, when scientists around the world began to study blood serum groups as a means to trace the origins of nations. The Shanghai team examined data on 320,000 people from various parts of China and found the Chinese nation is divided into two blood serum groups—northern and southern. Blood serum groups are different from the ABO blood groups which relate to the type of agglutinogens contained in the red blood cells and show the blood relation between parents and their children.

Concretely, gamma globulin (Gm) contains some factors that are passed on from generation to generation. To date, 18 Gm factors have been discovered. Some of them are unique to the different races. For example, the fb factor is found only in Caucasians, the st factor only in the brown people and the C3 factor only among the black people. Besides the st factor, there are five other Gm factors common to the Chinese people, but these factors occur with different frequencies in different ethnic groups. Differing percentages of the factors ag and afb show that two distinct groups make up the Chinese nation.

Perhaps the Changjiang River is the line that divided the original Chinese nation in two.

Five Diseases Seen as Top Killers

The five top killers in China are heart disease, respiratory illness, cancer, accidental death and digestive tract problems, a survey shows. The results of the survey were presented at the recent national symposium on respiratory illness held by the Chinese Medical Association in Qingdao city.

The Shanghai No. 4 People's Hospital investigated the cases of 7,844 people who lived on two streets near the hospital and died between 1976 and 1985. The results showed that 1,960 people, or 25 percent, died of respiratory illness. The most frequent illness was cor pulmonale, followed by lung cancer, pneumonia, bronchitis and pulmonary emphysema.

Medical research shows that...
Oppressive Imperial Life Disclosed

Inside Stories of
the Forbidden City

Written by: Er Si, Shang Hongkui and others
Pages: 165, Illustrated
Published by: New World Press, Beijing
Distributed by: China International Book Trading Corporation (Guoji Shudian), P.O. Box 399, Beijing, China

The imperial palace of the Ming (1368-1644) and Qing (1644-1911) dynasties, Beijing's Forbidden City was constructed from 1407 to 1420 by order of the Emperor Yongle (1403-1424). The Ming Dynasty, founded in the south where its first emperor led peasant uprisings along both sides of the Changjiang (Yangtze) River, had its early capital in Nanjing (Southern Capital). As soon as he ascended the throne he sent troops and officers to have the beautiful, imposing Yuan Palace in Beijing pulled down, as a palatial residence was taken to symbolize a powerful and absolute central governmental rule.

This was indeed the case. After a minor civil war, Emperor Yongle defeated his nephew who was rumoured to have fled from the throne and to be roaming the country disguised as a monk. As a prince, Yongle had his fief in Beijing, therefore upon his usurpation of the throne, he decided to build a new palace in Beijing.

Beijing was enclosed by three and a half walls, the innermost of which surrounded the Forbidden City and is one of the few city walls remaining in China.

The Purple Forbidden City is its full name. Purple suggests bliss, good fortune, happiness and so on. It was a closed city: it was forbidden to enter, and forbidden to disclose anything from within.

Despite the fact that all visitors to the Purple Forbidden City are deeply impressed by the magnificence of the building surrounded by the high wall and struck by the luxury of their interiors, it suffered damage by fire on many occasions and for long periods of time. A few years after the completion of the imperial buildings, the three main ones within the outer court and the two main ones within the inner court were destroyed and completely razed to the ground. The reconstruction of these halls required astronomical sums of money and each time it took a quarter of century to restore them.

The first emperor of the Qing Dynasty never had the privilege of sitting on the throne in the Hall of Great Harmony. This structure had been burnt by a peasant army which toppled the Ming Dynasty, making way for the Manchus who took advantage of the turmoil to march into China proper and establish a new dynasty—the Qing.

Difficult as it is to imagine, some of the 14 Ming emperors were weak and incompetent, while others neglected state affairs for decades. Emperor Jiajing (1522-1566), for example, not only refused to give audience to his ministers and generals but moved to the Winter Palace (now Zhongnanhai and Beihai Park), where he devoted himself to Daoism, studied alchemy, made elixirs and eventually poisoned himself to death. Jiajing's grandson Emperor Wanli (1573-1620) whose underground palace (i.e., his tomb) has now been opened to the public, also had a long reign. Refusing to follow the advice of his chief minister, he left many official positions unfilled. A great deal of secretarial work was unattended to and in various ministries there were few persons to receive appeals from the common people, let alone to present petitions to the emperor. Their rule of a century featured corrupt politics and desolate palaces, in sharp contrast to the grandeur and magnificence of today's Palace Museum.

Although the Qing rulers were Manchus, a minority nationality with a very small population, their rule was a big improvement over that of the Ming court. After its stabilization, the Qing court compiled a Ming Dynasty history which took 60 years (1679-1739) to complete. Many highly knowledgeable ministers were appointed as compilers and writers while a fair number of scholars at the grass-roots level were also invited to join in the effort. In today's phraseology, the Qing emperors,
especially the second, third and the fourth, adopted dual tactics towards intellectuals: while mercilessly suppressing those found lacking in obedience, they made good use of those who helped them to govern and carry out administrative work.

Of the 25 dynastic histories, the History of the Ming Dynasty is believed to be the best, not only in structure and style but also in descriptions of historical figures and events. Yuan Chonghuan (1584-1630), a Ming minister who fought against the invading Manchus, was executed by the last Ming emperor on charges of secret connections with the enemy. He was regarded as a traitor by the people for 100 years. But when the compilers of the History of the Ming Dynasty returned to the Manchu archives they discovered that Yuan was himself the victim of treachery. It appears that the Manchus used two captured eunuchs to bring about Yuan’s downfall. In return for their release (staged to look like an escape), the eunuchs were to go and poison the Ming emperor’s mind against Yuan. The last century proves just how successful they were.

The historical records kept in the Palace Museum are voluminous in spite of the fact that a large number of important ones were removed to Taiwan, and today provide ample source material for research into particular historical events. For instance, we can now learn on which day what medicine an emperor or empress took. After the fall of the Qing Dynasty, many stories about the lives of these rulers were spread about. However, although some were based on historical materials, others were mere conjecture or just pure fiction.

In order that the true historical facts should be brought to light, various researchers and scholars of the histories of the Ming and Qing dynasties used the materials to which they had access to write a number of articles on the Forbidden City and its inhabitants. New World Press has published them in an interesting book entitled Inside Stories of the Forbidden City. The writers of this illustrated book have faithfully reported the deaths of the two young emperors of the Qing Dynasty. To introduce all the facts related to these last two important dynasties in a book of such a small scope would however be practically impossible.

Take the Qing Dynasty for instance. Of the ten emperors, five were mere boys less than eight years old when they were put on the throne. It was a dynasty which began with an empress dowager, a regent and a boy emperor seven years old and ended also with an empress dowager, a regent and a boy emperor of seven. To describe all such events from beginning to end is not the aim of this book and is beyond its capacity.

I highly recommend Inside Stories of the Forbidden City as reference material for all those studying the histories of the Ming and Qing dynasties, and as excellent background reading for those interested in modern China and its past.

by Chang Dunyi

(Continued from p.31)

Five Diseases

smoking and air pollution are the main causes of respiratory illness. the country’s No. 2 killer. Because smoking is closely related to lung cancer, as well as bronchitis and pulmonary emphysema which can lead to cor pulmonale, not smoking is one of the effective ways to reduce respiratory illness. To combat pneumonia, experts call for the effective use of antibiotics.

Air-pollution-related respiratory illnesses are still a problem in China, despite the country’s efforts at pollution control.

ANNOUNCEMENT

Fundamental Issues in Present-Day China

This book includes 44 of Deng’s most important speeches since December 1984. The author has made many important expositions on upholding the four cardinal principles, combating bourgeois liberalization, and the reform of the economic and political structures, and opening to the outside world. This 85,000-word book includes photographs of the author.

The English, Russian and Japanese editions of the book will be published and distributed before the 13th National Congress of the Chinese Communist Party in October this year and the French, Spanish, German and Arabic editions will appear before the end of this year.

The book is to be published by the Foreign Languages Press, Beijing, China and distributed by the China International Book Trading Corporation (Guoji Shudian) P.O. Box 399, Beijing, China.
Help Understand China

I have been one of your readers for 20 years. You always send me a little gift when I renew my subscription. This time I'm sending you something: a photograph of my 6 year-old daughter, standing in front of the Franco-Chinese friendship tree. Look after three years how much the tree has grown!

It has not been easy for China to find a special way to develop itself on the principle of self-reliance. We all know the limitations of bourgeois democracy and the problems with certain socialist models, so, China is bound to find its road tortuous.

A socialist society with Chinese characteristics will be a great achievement. But you should not set yourselves up as “big brother,” still less withhold support for the people of other countries. You should first support third world countries, which are struggling against big-power control. Then you should support countries in the intermediate zone, such as the European countries which are being united ever more closely. Such support will enhance the connections between working people, and be more effective in developing a common cause.

Jean-Paul Metz
France

Front Covers and Photos

Generally, I think BR’s layout is alright, but I feel the front covers of Beijing Review Nos. 31 and 34, 1986 were not up to standard, because the pictures and headlines in them seemed to be incoordinate, their colours clashed too. It would be a good idea to cancel the horizontal lines between the headline and the picture.

The front-cover pictures are usually vivid, but the inside pictures showing the ancient artistic buildings in No. 35, 1986 and the festival celebrations in No. 42 should have been in colour. Other pictures may continue to be in black and white because colour would not enhance them.

I especially like the inside back covers, because from which I can learn something about modern Chinese works of art. Some of these art pictures should be published with their original colour, because the colours are often important in artistic expression.

You should develop the inside back cover gradually from presenting plastic arts to other art forms. For example, showing music and Chinese national musical instruments.

Of course I know the inside front and back covers are printed together, so that colour for one inevitably means colour for the other, and I do not lose sight of the cost factor. But you seemed to have overcome those problems very nicely in your No. 1 issue, which had a colour centre spread.

Hans Wagner
F.R.G.

It would be good if Beijing Review changed the pictures and its inside back cover into colour. It would also be better if more articles were illustrated with pictures. So, I think you should insert more pictures to fill up the spaces, and ensure that your magazine is lively.

Bettina Brum
F.R.G.

I have no criticisms of your front and inside front covers. But could you enlarge the pictures on the inside back cover and print them in colour?

Andre Tatter
G.D.R.

It would be better for both the front and back covers to be colour pages. If you could give us captions for all of them that would also be good. I think the back cover is a good place for advertising.

I suggest you always include a sketch map when reporting on specific places, so that readers can understand better. For example, when you reported on Guizhou, I had no idea where it is.

H.M. Haddad
Algeria

My suggestions are that you print more figure paintings on the front and back covers, and also print more maps of each province in the reports.

Farkas Jacques
France
Traditional Chinese Paintings by Lai Shaoqi

Lai Shaoqi, a famous Chinese painter, calligrapher, writer and poet, was born in 1915 in Guangdong Province, and is now chairman of the Anhui Provincial Federation of Literary and Art Circles. These are his landscape paintings. Combining traditional Chinese painting with Western techniques, he produces clear, complicated shapes of great power.
The 3rd Shanxi Symposium on International Economic and Technical Co-operation,
The 1st Shanxi Import/Export Commodity Fair,
The 1st Shanxi Folk Art Festival.

From August 26 to September 5 in Taiyuan, Shanxi

We would like to see all of our friends from trade, financial and cultural fields, both at home and abroad.

Look at the ways you can benefit!

The 3rd Shanxi Symposium on International Economic and Technical Co-operation will announce about 100 projects for economic and technical co-operation and more than 100 projects for technical export and transfer in the fields of machinery, textiles, light industry, chemicals, metallurgy, building materials, coal, electronics, agriculture, animal husbandry and medicine. We will utilize foreign funds, undertake the import and export of technology and handle international economic and technical co-operation in various forms. Some examples are joint ventures, compensation trade, leasing, processing with materials provided by clients, trading on account and by cash purchase. We will offer preferential treatment to investors, partners and clients in economic management, taxes, payment of foreign exchange, procedures for examination and approval, providing places, resources, labour service, building materials, communications and transportation for joint ventures and co-operative enterprises.

To help you make business contacts

The 1st Shanxi Import/Export Commodity Fair will exhibit the industrial and agricultural products of Shanxi Province. More than 3,000 varieties of products of 50 types in the fields of coal, and other minerals, hardware, nonferrous metals, metallurgy, medicine and handicraft will be exhibited in 16 exhibition halls that cover a total area of 7,500 square metres. The provincial import and export corporations will have business discussions with foreign businessmen on the spot.

Our folk art festival is a guaranteed good time!

Located in the Huanghe River Valley, Shanxi Province is the cradle of China’s ancient culture. Shanxi’s folk arts have a long history. At our first ever Shanxi Folk Art Festival, well-known artists will perform colourful folk songs, dances and local operas. Among them, “At the Night of the Lantern Festival,” “Waters of the River” and “Accompanying Wife to Her Parents’ Home” have won prizes from the state. There will also be other art forms such as walking on stilts, a lion dance, bangzi opera, yangge dance, puppet opera and acrobatics. All the performances reflect our local culture. Exhibitions of fine arts, photography and handicrafts will also be held during the festival. Some of the works, such as Jiangzhou Chengni inkslabs, reproductions of calligraphy and steles from different dynasties, folk papercuts, dough models, wood carvings, stone carvings and puppets will be sold at the exhibition.

SHANXI ORGANIZING COMMITTEE
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